

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number 1-34474

# Century ALUMINUM

Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware  
(State or other Jurisdiction of Incorporation or Organization)

2511 Garden Road  
Building A, Suite 200  
Monterey, California

(Address of principal executive offices)

13-3070826  
(IRS Employer Identification No.)

93940  
(Zip Code)

Registrant's telephone number, including area code: (831) 642-9300

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The registrant had 88,449,656 shares of common stock outstanding at April 30, 2012.

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## PART I – FINANCIAL INFORMATION

## Item 1. Financial Statements

**CENTURY ALUMINUM COMPANY**  
**CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands, except share data)  
(Unaudited)

	March 31, 2012	December 31, 2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 182,545	\$ 183,401
Accounts receivable — net	50,531	47,647
Due from affiliates	39,217	44,665
Inventories	170,302	171,961
Prepaid and other current assets	43,850	40,646
Total current assets	486,445	488,320
Property, plant and equipment — net	1,206,106	1,218,225
Other assets	104,875	104,549
<b>TOTAL</b>	<b>\$ 1,797,426</b>	<b>\$ 1,811,094</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>LIABILITIES:</b>		
Accounts payable, trade	\$ 74,986	\$ 86,172
Due to affiliates	41,544	41,904
Accrued and other current liabilities	48,917	40,776
Accrued employee benefits costs — current portion	16,188	16,698
Industrial revenue bonds	7,815	7,815
Total current liabilities	189,450	193,365
Senior notes payable	249,769	249,512
Accrued pension benefits costs — less current portion	68,271	70,899
Accrued postretirement benefits costs — less current portion	128,919	128,078
Other liabilities	39,466	40,005
Deferred taxes	90,807	90,958
Total noncurrent liabilities	577,232	579,452
<b>COMMITMENTS AND CONTINGENCIES (NOTE 9)</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,696 and 80,718 shares issued and outstanding at March 31, 2012 and December 31, 2011, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,236,177 issued and 88,449,656 shares outstanding at March 31, 2012 and 93,230,848 issued and 88,844,327 outstanding at December 31, 2011, respectively)	932	932
Additional paid-in capital	2,506,987	2,506,842
Treasury stock, at cost	(49,924)	(45,891)
Accumulated other comprehensive loss	(133,832)	(134,588)
Accumulated deficit	(1,293,420)	(1,289,019)
Total shareholders' equity	1,030,744	1,038,277
<b>TOTAL</b>	<b>\$ 1,797,426</b>	<b>\$ 1,811,094</b>

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Dollars in thousands, except per share amounts)  
(Unaudited)

	Three months ended March 31,	
	2012	2011
NET SALES:		
Third-party customers	\$ 188,839	\$ 188,312
Related parties	137,351	138,025
	<u>326,190</u>	<u>326,337</u>
Cost of goods sold	305,598	284,021
Gross profit	20,592	42,316
Other operating expense (income) – net	3,721	(5,884)
Selling, general and administrative expenses	8,459	10,609
Operating income	8,412	37,591
Interest expense – third party	(5,978)	(6,777)
Interest income – third party	138	155
Interest income – related parties	60	113
Net loss on forward contracts	(5,159)	(4,809)
Other income – net	306	677
Income (loss) before income taxes and equity in earnings of joint ventures	(2,221)	26,950
Income tax expense	(2,821)	(3,123)
Income (loss) before equity in earnings of joint ventures	(5,042)	23,827
Equity in earnings of joint ventures	641	1,219
Net income (loss)	<u>\$ (4,401)</u>	<u>\$ 25,046</u>
Net income (loss) allocated to common shareholders	\$ (4,401)	\$ 23,005
EARNINGS (LOSS) PER COMMON SHARE:		
Basic and Diluted	\$ (0.05)	\$ 0.25
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:		
Basic	88,727	92,965
Diluted	88,727	93,297

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY  
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)  
(Dollars in thousands)  
(Unaudited)

	Three months ended March 31,	
	2012	2011
Comprehensive income (loss)		
Net income (loss)	\$ (4,401)	\$ 25,046
Other comprehensive income (loss) before income tax effect:		
Net unrealized loss on financial instruments	(246)	(11)
Net loss (gain) reclassified to income on financial instruments	272	(6)
Net gain on foreign currency cash flow hedges reclassified to income	(47)	(46)
Defined benefit plans and other postretirement benefits:		
Amortization of prior service benefit	(1,025)	(15,119)
Amortization of net loss	2,184	6,285
Other comprehensive income (loss) before income tax effect	1,138	(8,897)
Income tax effect	(382)	(2,460)
Other comprehensive income (loss)	756	(11,357)
Comprehensive income (loss)	\$ (3,645)	\$ 13,689

See notes to consolidated financial statements

**CENTURY ALUMINUM COMPANY**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Dollars in thousands)  
(Unaudited)

	Three months ended March 31,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ (4,401)	\$ 25,046
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Unrealized net loss on forward contracts	4,955	4,715
Accrued and other plant curtailment costs — net	1,374	(9,624)
Lower of cost or market inventory adjustment	(17,051)	(139)
Depreciation and amortization	15,652	15,930
Debt discount amortization	256	821
Pension and other postretirement benefits	(1,138)	(11,064)
Stock-based compensation	145	488
Undistributed earnings of joint ventures	(641)	(1,219)
Change in operating assets and liabilities:		
Accounts receivable — net	(2,884)	7,520
Due from affiliates	(249)	8,766
Inventories	18,710	(7,924)
Prepaid and other current assets	(5,366)	(29,901)
Accounts payable, trade	(11,442)	(4,730)
Due to affiliates	(360)	(2,722)
Accrued and other current liabilities	7,003	3,405
Other — net	335	(2,998)
Net cash provided by (used in) operating activities	<u>4,898</u>	<u>(3,630)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(2,899)	(3,128)
Nordural expansion	(1,946)	(4,051)
Investments in and advances to joint ventures	(100)	—
Payments received on advances from joint ventures	3,166	—
Proceeds from the sale of property, plant and equipment	58	—
Net cash used in investing activities	<u>(1,721)</u>	<u>(7,179)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings under revolving credit facility	18,076	—
Repayments under revolving credit facility	(18,076)	—
Repurchase of common stock	(4,033)	—
Net cash used in financing activities	<u>(4,033)</u>	<u>—</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(856)</u>	<u>(10,809)</u>
Cash and cash equivalents, beginning of the period	183,401	304,296
Cash and cash equivalents, end of the period	<u>\$ 182,545</u>	<u>\$ 293,487</u>

See notes to consolidated financial statements

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements for the  
Three months ended March 31, 2012 and 2011  
(Dollar amounts in thousands, except per share amounts)  
(Unaudited)

1. General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2011. In management's opinion, the unaudited interim consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for the first three months of 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012. Throughout this Form 10-Q, and unless expressly stated otherwise or as the context otherwise requires, "Century Aluminum," "Century," "we," "us," "our" and "ours" refer to Century Aluminum Company and its consolidated subsidiaries.

2. Fair value measurements

ASC 820, "Fair Value Measurements and Disclosures," defines fair value, establishes a framework for measuring fair value, and delineates disclosures about fair value measurements. This guidance applies to a broad range of other existing accounting pronouncements that require or permit fair value measurements. ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Fair value is an exit price and that exit price should reflect all the assumptions that market participants would use in pricing the asset or liability.

Our fair value measurements include the consideration of market risks that other market participants might consider in pricing the particular asset or liability, specifically non-performance risk and counterparty credit risk. Consideration of the non-performance risk and counterparty credit risk are used to establish the appropriate risk-adjusted discount rates used in our fair value measurements.

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value. Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
Primary aluminum put option contracts	2	Quoted London Metal Exchange ("LME") forward market prices, historical volatility measurements and risk-adjusted discount rates
Natural gas forward financial contracts	2	Quoted natural gas forward market prices for primary aluminum and risk-adjusted discount rates
Power contract	3	Quoted LME forward market prices, power tariff prices, management's estimate of future power usage and risk-adjusted discount rates
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market prices for primary aluminum, management's estimates of the LME forward market prices for primary aluminum for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates
(1) Trust assets are currently invested in money market funds. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.		

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

Fair value measurements

The following table sets forth by level within the ASC 820 fair value hierarchy our financial assets and liabilities that are accounted for at fair value on a recurring basis. As required by ASC 820, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels.

Recurring Fair Value Measurements	As of March 31, 2012			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 175,321	\$ —	\$ —	\$ 175,321
Trust assets	15,572	—	—	15,572
Surety bond – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	2,981	—	2,981
Power contract	—	—	53	53
<b>TOTAL</b>	<b>\$ 193,284</b>	<b>\$ 2,981</b>	<b>\$ 53</b>	<b>\$ 196,318</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts	\$ —	\$ 236	\$ —	\$ 236
E.ON contingent obligation – net	—	—	14,310	14,310
Primary aluminum sales contract – premium collar	—	—	1,169	1,169
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 236</b>	<b>\$ 15,479</b>	<b>\$ 15,715</b>

Recurring Fair Value Measurements	As of December 31, 2011			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 176,284	\$ —	\$ —	\$ 176,284
Trust assets	15,889	—	—	15,889
Surety bonds – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	9,331	—	9,331
Power contract	—	—	106	106
<b>TOTAL</b>	<b>\$ 194,564</b>	<b>\$ 9,331</b>	<b>\$ 106</b>	<b>\$ 204,001</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts	\$ —	\$ 281	\$ —	\$ 281
E.ON contingent obligation – net	—	—	13,958	13,958
Primary aluminum sales contract – premium collar	—	—	908	908
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 281</b>	<b>\$ 14,866</b>	<b>\$ 15,147</b>



**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

Change in Level 3 Fair Value Measurements during the three months ended March 31,

	Derivative liabilities – net	
	2012	2011
Beginning balance, January 1,	\$ (14,760)	\$ (13,802)
Total loss (realized/unrealized) included in earnings	(613)	(473)
Settlements	(53)	(36)
Ending balance, March 31,	\$ (15,426)	\$ (14,311)
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held at March 31,	\$ 613	\$ 473

The net gain (loss) on our derivative assets and liabilities is recorded in our statement of operations under net loss on forward contracts. See [Note 3. Derivative and hedging instruments](#) for the location of our Level 3 derivative assets and liabilities within our consolidated balance sheets.

3. Derivative and hedging instruments

The following table provides the fair value and balance sheet classification of our derivatives:

Fair Value of Derivative Assets and Liabilities

	Balance sheet location	March 31, 2012	December 31, 2011
<b>DERIVATIVE ASSETS:</b>			
Primary aluminum put option contracts	Due from affiliates	\$ 1,801	\$ 5,439
Primary aluminum put option contracts	Prepaid and other current assets	1,180	3,892
Power contract	Prepaid and other current assets	53	106
<b>TOTAL</b>		<b>\$ 3,034</b>	<b>\$ 9,437</b>
<b>DERIVATIVE LIABILITIES:</b>			
E.ON contingent obligation	Other liabilities	\$ 14,310	\$ 13,958
Aluminum sales premium contracts – current portion	Accrued and other current liabilities	819	607
Natural gas forward financial contracts	Accrued and other current liabilities	236	281
Aluminum sales premium contracts – less current portion	Other liabilities	350	301
<b>TOTAL</b>		<b>\$ 15,715</b>	<b>\$ 15,147</b>

Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed-price forward financial purchase contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts are designated as cash flow hedges and qualify for hedge accounting under ASC 815. The critical terms of the contracts essentially match those of the underlying exposure.

The natural gas forward financial contracts are derivatives that qualified for cash flow hedge treatment. During the three months ended March 31, 2012 and 2011, the changes in our accumulated other comprehensive loss resulting from realized and unrealized gains and losses on these derivatives were not significant to our financial statements. There were no losses recognized for ineffective portions of these derivatives during the periods.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

Foreign currency forward contracts

As of March 31, 2012 and December 31, 2011, we had no foreign currency forward contracts outstanding. We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro, the Icelandic krona (“ISK”) and the Chinese yuan. The labor costs, maintenance costs and other local services at our facility in Grundartangi, Iceland (“Grundartangi”) are denominated in ISK and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi’s operating margins.

We manage our foreign currency exposure by entering into foreign currency forward contracts when management deems such transactions appropriate. We had foreign currency forward contracts to manage the currency risk associated with activities at our Icelandic facilities. These contracts were designated as cash flow hedges and qualified for hedge accounting under ASC 815.

The realized gain or loss for our cash flow hedges for the Grundartangi expansion and Helguvik project capital expenditures was recognized in accumulated other comprehensive loss and is reclassified to earnings as part of the depreciation expense of the capital assets (for the Helguvik project this would occur when Helguvik is put into service).

Power contract

We are party to a power supply agreement at our facility in Ravenswood, West Virginia (“Ravenswood”) that contains LME-based pricing provisions that are an embedded derivative. The embedded derivative does not qualify for cash flow hedge treatment and is marked to market quarterly. We estimate the fair value of the embedded derivative based on our expected power usage over the remaining term of the contract, gains and losses associated with the embedded derivative are recorded in net gain (loss) on forward contracts in the consolidated statements of operations.

Primary aluminum put option contracts

We have entered into primary aluminum put option contracts that settle monthly based on LME prices through June 2012. The option contract volumes account for a portion of our domestic production, with a strike price around our domestic facilities’ average cash basis break-even price. These options were purchased to partially mitigate the risk of a future decline in aluminum prices.

Our counterparties include two non-related third parties and Glencore, a related party. We paid cash premiums to enter into the put option contracts and recorded an asset on the consolidated balance sheets. We determined the fair value of the put option contracts using a Black-Scholes model with market data provided by an independent vendor and account for the contracts as derivative financial instruments with gains and losses in the fair value of the contracts recorded on the consolidated statements of operations in net loss on forward contracts.

Aluminum sales premium contracts

The Glencore Metal Agreement is a physical delivery contract for 20,400 metric tons per year (“mtpy”) of primary aluminum through December 31, 2013 with variable, LME-based pricing. Under the Glencore Metal Agreement, pricing is based on market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium. We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Gains and losses on the derivative are based on the difference between the contracted U.S. Midwest premium and actual and forecasted U.S. Midwest premiums. Settlements are recorded in related party sales. Unrealized gains (losses) based on forecasted U.S. Midwest premiums are recorded in net loss on forward contracts on the consolidated statements of operations.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

Derivatives not designated as hedging instruments:

		Gain (loss) recognized in income from derivatives	
		Three months ended March 31,	
		2012	2011
Primary aluminum put option contracts	Net loss on forward contracts	\$ (4,695)	\$ (4,606)
E.ON contingent obligation	Interest expense – third party	353	364
Aluminum sales premium contracts	Related party sales	204	94
Power contract	Net loss on forward contracts	1	(5)
Aluminum sales premium contracts	Net loss on forward contracts	(465)	(198)

We had the following outstanding forward contracts that were entered into that were not designated as hedging instruments:

	March 31, 2012	December 31, 2011
Power contracts (in megawatt hours (“MWH”)) (1)	1,886	3,772
Primary aluminum sales contract premium (metric tons) (2)	35,700	40,870
Primary aluminum put option contracts (metric tons)	7,500	15,000
Primary aluminum put option contracts (metric tons) – related party	9,000	18,000

(1) Represents our expected usage during the remaining term of the Ravenswood power contract. In June 2011, the West Virginia PSC extended the term of this contract for an additional year.

(2) Represents the remaining physical deliveries under our 2013 Glencore Metal Agreement.

Counterparty credit risk. The primary aluminum put option contracts are subject to counterparty credit risk. However, we only enter into forward financial contracts with counterparties we determine to be creditworthy at the time of entering into the contract. If any counterparty failed to perform according to the terms of the contract, the impact would be limited to the difference between the contract price and the market price applied to the contract volume on the date of settlement.

As of March 31, 2012, income of \$170 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12-month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

4. Earnings per share

Basic earnings per share (“EPS”) amounts are calculated by dividing earnings available to common shareholders by the weighted average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive common shares outstanding. The following table shows the basic and diluted earnings per share for three months ended March 31, 2012 and 2011:

	For the three months ended March 31,					
	2012			2011		
	Income	Shares (000)	Per-Share	Income	Shares (000)	Per-Share
Net income (loss)	\$ (4,401)			\$ 25,046		
Amount allocated to common shareholders	<u>100%</u>			<u>91.85%</u>		
Basic EPS:						
Income (loss) allocable to common shareholders	(4,401)	88,727	\$ (0.05)	23,005	92,965	\$ 0.25
Effect of Dilutive Securities:						
Stock compensation plans	<u>—</u>	<u>—</u>		<u>—</u>	<u>332</u>	
Diluted EPS:						
Income (loss) applicable to common shareholders with assumed conversion	<u>\$ (4,401)</u>	<u>88,727</u>	<u>\$ (0.05)</u>	<u>\$ 23,005</u>	<u>93,297</u>	<u>\$ 0.25</u>

Impact of our outstanding Series A Convertible Preferred Stock on EPS

Our Series A Convertible Preferred Stock has similar characteristics of a “participating security” as described by ASC 260–10–45 “Participating Securities and the Two–Class Method”. In accordance with the guidance in the ASC 260–10–45, we calculate basic EPS using the Two–Class Method, allocating undistributed income to our preferred shareholder consistent with its participation rights, and diluted EPS using the If–Converted Method, when applicable.

The generally accepted accounting principles for reporting EPS do not require the presentation of basic and diluted EPS for securities other than common stock and the EPS amounts, as presented, only pertain to our common stock.

The Two–Class Method is an earnings allocation formula that determines earnings per share for common shares and participating securities according to dividends declared (or accumulated) and the participation rights in undistributed earnings.

The holders of our convertible preferred stock do not have a contractual obligation to share in the losses of Century. Thus, in periods where we report net losses, we will not allocate the net losses to the convertible preferred stock for the computation of basic or diluted EPS.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

## Calculation of EPS:

	Three months ended March 31,	
	2012	2011
Options to purchase common stock outstanding	632,334	650,011
Weighted average service-based stock awards outstanding	345,524	218,000
Excluded from the calculation of diluted EPS:		
Stock options (1)	632,334	349,000
Service-based share award	345,524	—

- (1) These stock option awards were excluded from the calculation of diluted EPS because the exercise price of these options was greater than the average market price of the underlying common stock, except in periods when we had a net loss where all option were excluded because of their antidilutive effect on earnings per share.

During the three months ended March 31, 2012, we repurchased 400,000 shares of our common stock under a stock repurchase program (See [Note 5 Shareholders' Equity](#) for additional information about this program). Shares repurchased under the program are excluded from the calculation of weighted average shares of common stock outstanding.

Service-based stock for which vesting is based upon continued service is not considered issued and outstanding shares of common stock until vested and issued. However, the service-based stock is considered a common stock equivalent and, therefore, the weighted average service-based stock is included, using the treasury stock method, in common shares outstanding for diluted earnings per share computations if they have a dilutive effect on earnings per share.

## 5. Shareholders' equity

## Common Stock

Under our Restated Certificate of Incorporation, as amended, our Board of Directors is authorized to issue up to 195,000,000 shares of our common stock.

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock which are currently outstanding, including our Series A Convertible Preferred Stock, or any series which we may designate and issue in the future.

## Common and Preferred Stock Activity:

	Preferred stock	Common stock	
	Series A convertible	Treasury	Outstanding
Beginning balance as of December 31, 2011	80,718	4,386,521	88,844,327
Repurchase of common stock	—	400,000	(400,000)
Conversion of convertible preferred stock	(22)	—	2,225
Issuance for stock compensation plans	—	—	3,104
Ending balance as of March 31, 2012	80,696	4,786,521	88,449,656

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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**Stock Repurchase Program**

In August 2011, our Board of Directors approved a \$60,000 stock repurchase program. Under the program, we may repurchase up to \$60,000 in value of our outstanding shares of common stock from time to time on the open market at prevailing market prices, in block trades or otherwise. The timing and amount of any shares repurchased will be determined by our management based on its evaluation of market conditions, the trading price of the stock and other factors. The repurchase program may be suspended or discontinued at any time.

Shares of common stock repurchased are recorded at cost as treasury stock and result in a reduction of shareholders' equity in the consolidated balance sheets. From time to time, treasury shares may be reissued as contributions to our employee benefit plans and for the conversion of convertible preferred stock. When shares are reissued, we use an average cost method for determining cost. The difference between the cost of the shares and the reissuance price is added to or deducted from additional paid-in capital.

From August 11, 2011 through March 31, 2012, we repurchased 4,786,521 shares of common stock at an aggregate purchase price of \$49,924. We had approximately \$10,076 remaining under the repurchase program authorization as of March 31, 2012.

**Series A Convertible Preferred Stock conversions**

All shares of Series A Convertible Preferred Stock are held by Glencore. The issuance of common stock under our stock incentive programs, debt exchange transactions and any stock offering that excludes Glencore participation triggers anti-dilution provisions of the preferred stock agreement and results in the automatic conversion of Series A Convertible Preferred Stock shares into shares of common stock. See Common and Preferred Stock Activity table above for additional information about preferred stock conversions during the period.

**6. Income taxes**

The components of our unrecognized tax positions are as follows:

	<u>March 31, 2012</u>	<u>December 31, 2011</u>
Highly certain tax positions	\$ 15,700	\$ 15,100
Other unrecognized tax benefits	800	800
Gross unrecognized tax benefits	<u>\$ 16,500</u>	<u>\$ 15,900</u>
Accrued interest and penalties related to unrecognized tax benefits	100	100

We recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense.

We do not expect a significant change in the balance of unrecognized tax benefits within the next twelve months.

Our federal income tax returns beginning in 2008 are subject to examination. Our 2008 tax year is currently under audit by the Internal Revenue Service ("IRS"). Additionally, a 2005 amended return is also under audit with respect to carry back items. Our state returns beginning in 2005 are subject to examination. Our Icelandic tax returns are subject to examination beginning with the 2005 tax year.

For the years 2011, 2010 and 2009, we did not elect to permanently reinvest foreign earnings. In March 2012, we are releasing the previously reinvested earnings under APB23 to the extent of foreign cash available for distribution.

**CENTURY ALUMINUM COMPANY**  
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7. Inventories

Inventories consist of the following:

	<u>March 31, 2012</u>	<u>December 31, 2011</u>
Raw materials	\$ 42,557	\$ 41,142
Work-in-process	15,932	15,548
Finished goods	10,886	10,535
Operating and other supplies	100,927	104,736
Inventories	<u>\$ 170,302</u>	<u>\$ 171,961</u>

Inventories are stated at the lower of cost or market, using the first-in, first-out method ("FIFO").

8. Debt

	March 31, 2012	December 31, 2011
Debt classified as current liabilities:		
Hancock County industrial revenue bonds due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	\$ 7,815	\$ 7,815
Debt classified as non-current liabilities:		
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$2,438 and \$2,695, respectively, interest payable semiannually	247,166	246,909
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)	14,310	13,958
TOTAL	<u>\$ 271,894</u>	<u>\$ 271,285</u>

(1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at March 31, 2012 was 0.44%.

(2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below.

Revolving credit facility

On July 1, 2010, we and certain of our direct and indirect domestic subsidiaries (together with Century, the "Borrowers") entered into a four-year \$100,000 senior secured revolving credit facility pursuant to a Loan and Security Agreement, dated as of July 1, 2010, among the Borrowers and Wells Fargo Capital Finance, LLC, as lender and agent (the "Credit Facility"), a portion of which was later syndicated to Credit Suisse AG.

CENTURY ALUMINUM COMPANY  
Notes to the Consolidated Financial Statements – continued  
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Status of our revolving credit facility:

	<u>March 31, 2012</u>
Senior secured revolving credit facility amount	\$ 100,000
Borrowing availability, net of outstanding letters of credit	52,932
Outstanding borrowings on revolving credit facility	—
Letter of credit sub-facility amount	50,000
Outstanding letters of credit issued under the revolving credit facility	41,451

The availability of funds under the revolving credit facility is limited by a specified borrowing base consisting of accounts receivable and inventory which meet the eligibility criteria.

Our obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a first priority security interest in all of the domestic accounts receivable, inventory and certain bank accounts. The guarantees for any and all obligations under the Credit Facility are on a joint and several basis.

Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. In addition, we pay a commitment fee on undrawn amounts, less the amount of our letters of credit exposure. For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit.

The Credit Facility will expire on July 1, 2014.

#### E.ON contingent obligation

The E.ON contingent obligation consists of the aggregate E.ON payments made on CAKY's behalf under a power purchase agreement with Big Rivers and E.ON (the "Big Rivers Agreement") in excess of the agreed upon base amount. Interest accrues at an annual rate equal to 10.94%. The term of the agreement is through December 31, 2028. Our obligation to make repayments is contingent upon certain operating criteria for Hawesville and the LME price of primary aluminum. Based on the LME forward market and our expectation of Hawesville's future operations, we classified the E.ON contingent obligation within noncurrent liabilities, which includes accrued interest on the obligation. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make principal and interest payments.

#### 9. Commitments and contingencies

##### Environmental Contingencies

Based upon all available information, we believe our current environmental liabilities do not have, and are not likely to have, a material adverse effect on our financial condition, results of operations or liquidity. Because of the issues and uncertainties described below and the inability to predict the requirements of future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental-related accrued liabilities were \$933 and \$852 at March 31, 2012 and December 31, 2011, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.



**CENTURY ALUMINUM COMPANY**  
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Century Aluminum of West Virginia, Inc. (“CAWV”) continues to perform remedial measures at Ravenswood pursuant to an order issued by the EPA in 1994 (the “3008(h) Order”). CAWV also conducted a RCRA facility investigation (“RFI”) under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which formally documents the conclusion of these activities, has been submitted by the EPS for a final order.

Prior to our purchase of Hawesville, the EPA issued a final Record of Decision (“ROD”) under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (“CERCLA”). By agreement, Southwire Company (“Southwire”), the former owner and operator is to perform all obligations under the ROD. CAKY has agreed to operate and maintain the ground water treatment system required under the ROD on behalf of Southwire, and Southwire will reimburse CAKY for any expense that exceeds \$400 annually.

In July 2006, we were named as a defendant, together with certain affiliates of Alcan Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products–Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards.

**Matters relating to the St. Croix Alumina Refining Facility**

We are a party to an EPA Administrative Order on Consent (the “Order”) pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands (the “St. Croix Alumina Refinery”) have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation (“Lockheed”), to one of our affiliates, Virgin Islands Alumina Corporation (“Vialco”), in 1989, Lockheed, Vialco and Century entered into the Lockheed–Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed–Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Through March 31, 2012, we have expended approximately \$940 on the Hydrocarbon Recovery Plan. We expect the future potential payments under this indemnification to comply with the Order will be approximately \$500, which may be offset in part by sales of recoverable hydrocarbons.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources (“DPNR”), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the St. Croix Alumina Refinery and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed–Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. In November 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. The parties are currently engaged in the discovery process. Vialco has asserted factual and affirmative defenses, and in January 2012, filed a motion from summary judgment that is pending before the court. As of March 31, 2012, no trial date has been set for the remaining claims.

In December 2006, Vialco and the two succeeding owners of the St. Croix Alumina Refinery were named as defendants in a lawsuit filed by the Commissioner of the DPNR. The complaint alleges the defendants failed to take certain actions specified in a Coastal Zone management permit issued to Vialco in October 1994, and alleges violations of territorial water pollution control laws during the various defendants’ periods of ownership. The complaint seeks statutory and other unspecified monetary penalties for the alleged violations. The parties are currently engaged in the discovery process.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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In May 2009, St. Croix Renaissance Group, L.L.L.P. (“SCRG”) filed a third-party complaint for contribution and other relief against several third-party defendants, including Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In February 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. In March 2011, the court granted the remaining defendants’, including Vialco’s, motion for summary judgment, dismissing the case. The plaintiff filed a notice of appeal with the Third Circuit Court of Appeals in May 2011. The appeal is set for hearing in May 2012.

In December 2010, Century was among several defendants listed in a lawsuit filed by approximately 2,300 plaintiffs who either worked, resided or owned property in the area downwind from the St. Croix Alumina Refinery. In March 2011, Century was also named a defendant in a nearly identical suit brought by approximately 200 plaintiffs previously named in the aforementioned suit. The plaintiffs in both suits allege damages caused by the presence of red mud and other particulates coming from the alumina facility. The plaintiffs in both suits seek unspecified monetary damages, costs and attorney fees as well as certain injunctive relief. We have tendered indemnity and defense to St. Croix Alumina LLC and Alcoa Alumina & Chemical LLC under the terms of an acquisition agreement relating to the facility and have filed a motion to dismiss plaintiffs’ claims, but the court has not yet ruled on the motion.

Pursuant to the terms of the asset purchase agreement between Vialco and the purchaser of the St. Croix Alumina Refinery in 1995, the purchaser assumed responsibility for all costs and other liabilities associated with the bauxite waste disposal facilities, including pre-closure and post-closure liabilities. At this time, it is not practicable to predict the ultimate outcome of or to estimate a range of possible losses relating to any of the foregoing actions.

**Legal Contingencies**

We have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters. Although it is not presently possible to determine the outcome of these matters, management believes their ultimate disposition will not have a material adverse effect on our financial condition, results of operations, or liquidity.

In evaluating whether to accrue for costs associated with legal contingencies, it is our policy to take into consideration factors such as the facts and circumstances asserted, our historical experience with contingencies of a similar nature, the likelihood of our prevailing and the severity of any potential loss. For some matters, no accrual is established because we have assessed our risk of loss to be remote. Where the risk of loss is probable and the costs can be reasonably estimated, we record an accrual, either on an individual basis or with respect to a group of matters involving similar claims, based on the factors set forth above.

We also determine estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when we have assessed that a loss is reasonably possible. Based on current knowledge, management has ascertained estimates for losses that are reasonably possible and management does not believe that any reasonably possible outcomes in excess of our accruals, if any, would be material to our financial condition, results of operations, or liquidity. We reevaluate and update our assessments and accruals as matters progress over time.

In November 2011, we were named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract and wrongful termination in violation of public policy. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20,000 to Mr. Kruger under such agreements. In addition, the complaint seeks unspecified damages, including exemplary and punitive damages, for wrongful termination, as well as costs and attorneys’ fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to vigorously defend our self against them. The matter is in a preliminary stage, and we cannot predict the ultimate outcome of this action or estimate a range of possible losses related to this matter at this time. We do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the ultimate outcome.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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In March 2011, the purported stockholder class actions pending against us consolidated as In re: Century Aluminum Company Securities Litigation were dismissed with prejudice by the United States District Court for the Northern District of California. The plaintiffs in the class actions allege that we improperly accounted for cash flows associated with the termination of certain forward financial sales contracts which accounting allegedly resulted in artificial inflation of our stock price and investor losses. Plaintiffs are seeking rescission of our February 2009 common stock offering, unspecified compensatory damages, including interest thereon, costs and expenses and attorneys' fees. On March 10, 2011, plaintiffs filed a notice of appeal to the order and judgment entered by the court on March 3, 2011. The notice of appeal remains pending before the U.S. Court of Appeals for the Ninth Circuit.

**Ravenswood Retiree Medical Benefits changes**

Century Aluminum of West Virginia, Inc. ("CAWV") amended its postretirement medical benefit plan, effective January 1, 2010, for all current and former CAWV salaried employees, their dependents and all bargaining unit employees who retired before June 1, 2006, and their dependents. Effective January 1, 2011, CAWV no longer provided retiree medical benefits to active salaried CAWV personnel or any other personnel who retired prior to November 1, 2010.

The principal changes to the plan as a result of this amendment were that, upon attainment of age 65, all CAWV provided retiree medical benefits ceased for retirees and dependents. In addition, bargaining unit retirees under age 65 and qualified dependents under age 65 were covered by the salary retiree medical plan which required out-of-pocket payments for premiums, co-pays and deductibles by participants.

In November 2009, CAWV filed a class action complaint for declaratory judgment against the USWA, the USWA's local union, and four CAWV retirees, individually and as class representatives, seeking a declaration of CAWV's rights to modify/terminate retiree medical benefits as described above. Later in November 2009, the USWA and representatives of a retiree class filed a separate suit against CAWV, Century Aluminum Company, Century Aluminum Master Welfare Benefit Plan, and various John Does with respect to the foregoing. These actions, entitled Dewhurst, et al. v. Century Aluminum Co., et al., and Century Aluminum of West Virginia, Inc. v. United Steel, Paper and Forestry, Rubber Manufacturing, Energy, Allied Industrial & Service Workers International Union, AFL-CIO/CLC, et al., have been consolidated and venue has been set in the District Court for the Southern District of West Virginia.

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the trial court. In August 2011, the Fourth Circuit Court of Appeals upheld the District Court's dismissal of the USWA's motion for preliminary injunction, finding that the USWA had failed to establish the likelihood of success on the merits of the underlying matter. In October 2011, CAWV filed a motion to dismiss plaintiff's first amended complaint with the trial court. No ruling has yet been made on the motion. In March 2012, the court granted a stay pending negotiations to restart Ravenswood. The plaintiffs have agreed in principle to settle the lawsuit upon a successful restart of Ravenswood, see "CAWV Retiree VEBA contributions" below.

**Power Commitments**

**Hawesville**

The Big Rivers Agreement has a term through December 2023, unless extended. The Big Rivers Agreement is a cost-based agreement that provides sufficient power for Hawesville's full production capacity requirements. The Big Rivers Agreement is take-or-pay for Hawesville's energy requirements at full production.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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**Mt. Holly**

Mt. Holly has a power purchase agreement (the “Santee Cooper Agreement”) with the South Carolina Public Service Authority (“Santee Cooper”) with a term through December 2015, unless extended. The Santee Cooper Agreement provides adequate power for Mt. Holly’s full production capacity requirements at prices fixed based on published rate schedules (which are subject to change), with adjustments for fuel prices and other items. The Santee Cooper Agreement restricts Mt. Holly’s ability to reduce its power consumption (or the associated payment obligations) below contracted levels and to terminate the agreement, unless, in each case, the LME falls below certain negotiated levels.

**Ravenswood**

CAWV has a power purchase agreement (the “ApCo Agreement”) with the Appalachian Power Company (“ApCo”) with a term through June 2012, unless extended. CAWV currently purchases a limited amount of power under the ApCo Agreement as necessary to maintain its Ravenswood smelter, which is presently curtailed. Power is supplied under the ApCo Agreement at prices set forth in published tariffs (which are subject to change), with certain adjustments. Under the special rate contract, Ravenswood may be excused from, or may defer the payment of, any increase in the tariff rate if LME prices fall below certain negotiated levels. CAWV is in discussions with APCo to provide for a long-term special rate arrangement that establishes the LME-based cap on the tariff rates.

**Grundartangi**

Nordural Grundartangi ehf has power purchase agreements with HS Orka hf (“HS”), Landsvirkjun and Orkuveita Reykjavíkur (“OR”) to provide power to its Grundartangi smelter. These power purchase agreements, which will expire on various dates from 2019 through 2036, provide power at LME-based variable rates. Each power purchase agreement contains take-or-pay obligations with respect to a significant percentage of the total committed and available power under such agreement.

**Helgúvik**

Nordural Helgúvik ehf has power purchase agreements with HS and OR to provide power to the Helgúvik project. These power purchase agreements provide power at LME-based variable rates and contain take-or-pay obligations with respect to a significant percentage of the total committed and available power under such agreements. The first stage of power under the OR power purchase agreement (approximately 47.5 MW) became available in the fourth quarter of 2011 and is being utilized at Grundartangi until the first stage of the Helgúvik project has been completed. No other power is currently available under either power purchase agreement. HS (with respect to all phases) and OR (with respect to all phases other than the first phase) have alleged that certain conditions to the delivery of power under the power purchase agreements have not been satisfied. Nordural Helgúvik is in discussion with both HS and OR with respect to such conditions.

**Other Commitments and Contingencies**

**Labor Commitments**

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY’s Hawesville plant employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015.

In April 2010, Nordural Grundartangi ehf entered into a new labor agreement with the five labor unions representing approximately 84% of Grundartangi’s work force. The labor agreement expires on December 31, 2014.

CAWV’s Ravenswood plant employees represented by the USWA are under a labor agreement that expired on August 31, 2010. Negotiations for a new labor agreement are ongoing.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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**CAWV Retiree VEBA contributions**

We have reached an agreement in principle with the CAWV retirees to make contributions to a voluntary employee beneficiary association (“VEBA”) trust that would provide certain health care benefits to these retirees and their eligible dependents in the event of a restart of our Ravenswood facility. If this agreement were entered into, our obligations under the agreement, including any contributions to the VEBA, would be contingent upon the occurrence of several future events that are necessary in order to restart the Ravenswood facility. None of these events, including the finalization of this agreement, are certain to occur.

**Other Commitments**

The Patient Protection and Affordable Care Act and the related Health Care and Education Reconciliation Act were enacted in March 2010. The Health Care Acts extend health care coverage to many uninsured individuals and expands coverage to those already insured. The Health Care Acts contain provisions which could impact our retiree medical benefits in future periods. However, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Health Care Acts and additional interpretations of the Health Care Acts become available. We are continuing to assess the potential impacts that this legislation may have on our future results of operations, cash flows and financial position related to our health care benefits and other postemployment benefit obligations. Among other things, the Health Care Acts will eliminate the tax deductibility of the Medicare Part D subsidy for companies that provide qualifying prescription drug coverage to retirees effective for years beginning after December 31, 2012.

10. **Forward delivery contracts and financial instruments**

As a producer of primary aluminum, we are exposed to fluctuating raw material and primary aluminum prices. We enter into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods.

**Forward Physical Delivery Agreements**

**Primary Aluminum Sales Contracts**

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2012	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 16,000 metric tons	Through December 31, 2012	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2012, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
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Long-term Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	130,000 mtpy	Through December 31, 2013	LME-based
Glencore Toll Agreement (1)	Glencore	90,000 mtpy	Through July 31, 2016	LME-based
Glencore Toll Agreement (1)	Glencore	40,000 mtpy	Through December 31, 2014	LME-based

(1) Grundartangi's tolling revenues include a premium based on the European Union ("EU") import duty for primary aluminum.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had the following forward delivery contractual commitments:

Other forward delivery contracts

	March 31, 2012	December 31, 2011
	(in metric tons)	
Other forward delivery contracts – total	63,898	41,504
Other forward delivery contracts – Glencore	5,219	3,423
Other forward delivery contracts – fixed price	1,361	41

Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, including primary aluminum put option contracts, which are accounted for as derivative instruments. See [Note 3 Derivative and hedging instruments](#) for additional information about these instruments.

11. Supplemental cash flow information

	Three months ended March 31,	
	2012	2011
Cash paid for:		
Interest	\$ 116	\$ 533
Income/withholding taxes (1)	11,263	27,239

(1) We paid withholding taxes in Iceland of \$9,484 and \$26,900 in the three months ended March 31, 2012 and 2011, respectively. Our tax payments in Iceland for withholding taxes, estimated and prepayments of Icelandic income taxes and any associated refunds are denominated in ISK.

**CENTURY ALUMINUM COMPANY**  
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12. Asset retirement obligations (“ARO”)

Our asset retirement obligations consist primarily of costs associated with the disposal of spent pot liner used in the reduction cells of our domestic facilities.

The reconciliation of the changes in the asset retirement obligations is presented below:

	Three months ended March 31, 2012		Year ended December 31, 2011	
Beginning balance, ARO liability	\$	15,171	\$	14,274
Additional ARO liability incurred		291		1,110
ARO liabilities settled		(345)		(1,315)
Accretion expense		292		1,102
Ending balance, ARO liability	\$	<u>15,409</u>	\$	<u>15,171</u>

Certain conditional AROs related to the disposal costs of fixed assets at our primary aluminum facilities have not been recorded because they have an indeterminate settlement date. These conditional AROs will be initially recognized in the period in which sufficient information exists to estimate their fair value.

13. Components of Accumulated other comprehensive loss

Components of Accumulated other comprehensive loss:

	March 31, 2012		December 31, 2011	
Unrealized loss on financial instruments	\$	(1,061)	\$	(1,040)
Defined benefit plan liabilities		(141,100)		(142,259)
Equity in investee other comprehensive income (1)		(8,476)		(8,476)
Other comprehensive loss before income tax effect		(150,637)		(151,775)
Income tax effect		16,805		17,187
Accumulated other comprehensive loss	\$	<u>(133,832)</u>	\$	<u>(134,588)</u>

(1) The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.

14. Components of net periodic benefit cost

	Pension Benefits		Other Postretirement Benefits	
	Three months ended March 31,		Three months ended March 31,	
	2012	2011	2012	2011
Service cost	\$ 895	\$ 858	\$ 525	\$ 359
Interest cost	1,830	1,680	1,486	1,386
Expected return on plan assets	(1,700)	(1,540)	—	—
Amortization of prior service cost (1)	35	35	(1,060)	(15,155)
Amortization of net loss	688	482	1,496	5,803
Net periodic benefit cost	<u>\$ 1,748</u>	<u>\$ 1,515</u>	<u>\$ 2,447</u>	<u>\$ (7,607)</u>

(1) Plan amendments made in November 2010 resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

Employer contributions

During the three months ended March 31, 2012, we have made contributions of approximately \$3,900 to the qualified defined benefit plans we sponsor, including both qualified defined benefit plan and non-qualified SERB contributions.

15. Recently issued and adopted accounting standards

We evaluate the impact of the Financial and Accounting Standards Board (“FASB”) accounting standards updates (“ASUs”) issued. When the adoption or planned adoption of recently issued ASUs will potentially have a material impact on our consolidated financial position, results of operations, and cash flows, we disclose the quantitative and qualitative effects of the adoption in our consolidated financial statements.

In May 2011, the FASB issued ASU 2011-04, “Fair Value Measurement.” This ASU amended the requirements for measuring fair value and disclosing information about fair value measurements and is effective for Century on January 1, 2012. Upon adoption, this standard did not have any impact on the reporting of our financial condition or results of operations.

In June 2011, the FASB issued ASU 2011-05, “Comprehensive Income”. This ASU addresses the financial statement presentation of other comprehensive income and its components. Companies may elect to present items of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements. At December 31, 2011, we adopted ASU 2011-05 and included the updated presentation requirements in the current financial statements. This guidance only impacted the presentation of our financial statements and had no impact on our financial position, results of operations or cash flows.

16. Condensed consolidating financial information

Our 8.0% senior secured notes due 2014 and 7.5% senior unsecured notes due 2014 are guaranteed by each of our material existing and future domestic subsidiaries, except for Nordural US LLC. Each subsidiary guarantor is 100% owned by Century. All guarantees are full and unconditional; all guarantees are joint and several. These notes are not guaranteed by our foreign subsidiaries (such subsidiaries and Nordural US LLC, collectively the “Non-Guarantor Subsidiaries”). We allocate corporate expenses or income to our subsidiaries and charge interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of March 31, 2012 and December 31, 2011, condensed consolidating statements of operations for the three months ended March 31, 2012 and March 31, 2011 and the condensed consolidating statements of cash flows for the three months ended March 31, 2012 and March 31, 2011 present separate results for Century, the Guarantor Subsidiaries, the Non-Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had Century, the guarantor subsidiaries or the non-guarantor subsidiaries operated as independent entities.



**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING BALANCE SHEET**  
As of March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 154,506	\$ 28,039	\$ —	\$ 182,545
Accounts receivable — net	36,348	14,183	—	—	50,531
Due from affiliates	615,425	8,193	2,469,467	(3,053,868)	39,217
Inventories	103,057	67,245	—	—	170,302
Prepaid and other current assets	3,624	37,315	2,911	—	43,850
Total current assets	758,454	281,442	2,500,417	(3,053,868)	486,445
Investment in subsidiaries	36,730	—	(998,608)	961,878	—
Property, plant and equipment — net	332,665	872,655	1,073	(287)	1,206,106
Other assets	21,842	43,823	39,210	—	104,875
Total	<u>\$ 1,149,691</u>	<u>\$ 1,197,920</u>	<u>\$ 1,542,092</u>	<u>\$ (2,092,277)</u>	<u>\$ 1,797,426</u>
<b>Liabilities and shareholders' equity:</b>					
Accounts payable, trade	\$ 32,733	\$ 40,566	\$ 1,687	\$ —	\$ 74,986
Due to affiliates	2,107,644	77,522	202,812	(2,346,434)	41,544
Accrued and other current liabilities	11,173	22,998	14,746	—	48,917
Accrued employee benefits costs — current portion	13,918	—	2,270	—	16,188
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,173,283	141,086	221,515	(2,346,434)	189,450
Senior notes payable	—	—	249,769	—	249,769
Accrued pension benefit costs — less current portion	37,395	—	30,876	—	68,271
Accrued postretirement benefit costs — less current portion	123,252	—	5,667	—	128,919
Other liabilities/intercompany loan	63,940	679,726	3,521	(707,721)	39,466
Deferred taxes — less current portion	—	90,807	—	—	90,807
Total noncurrent liabilities	224,587	770,533	289,833	(707,721)	577,232
<b>Shareholders' equity:</b>					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,987	(441,683)	2,506,987
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(131,278)	(1,411)	(133,832)	132,689	(133,832)
Retained earnings (accumulated deficit)	(1,414,261)	143,317	(1,293,420)	1,270,944	(1,293,420)
Total shareholders' equity	(1,248,179)	286,301	1,030,744	961,878	1,030,744
Total	<u>\$ 1,149,691</u>	<u>\$ 1,197,920</u>	<u>\$ 1,542,092</u>	<u>\$ (2,092,277)</u>	<u>\$ 1,797,426</u>

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING BALANCE SHEET**

As of December 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 159,157	\$ 24,244	\$ —	\$ 183,401
Accounts receivable — net	40,062	7,585	—	—	47,647
Due from affiliates	616,830	13,517	2,474,727	(3,060,409)	44,665
Inventories	96,197	75,764	—	—	171,961
Prepaid and other current assets	8,668	38,809	3,169	(10,000)	40,646
Total current assets	761,757	294,832	2,502,140	(3,070,409)	488,320
Investment in subsidiaries	36,965	—	(995,131)	958,166	—
Property, plant and equipment — net	338,946	878,333	1,211	(265)	1,218,225
Other assets	21,870	43,269	39,410	—	104,549
Total	<u>\$ 1,159,538</u>	<u>\$ 1,216,434</u>	<u>\$ 1,547,630</u>	<u>\$ (2,112,508)</u>	<u>\$ 1,811,094</u>
<b>Liabilities and shareholders' equity:</b>					
Accounts payable, trade	\$ 43,215	\$ 42,278	\$ 679	\$ —	\$ 86,172
Due to affiliates	2,103,687	78,411	205,651	(2,345,845)	41,904
Accrued and other current liabilities	10,596	29,822	10,358	(10,000)	40,776
Accrued employee benefits costs — current portion	14,267	—	2,431	—	16,698
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,179,580	150,511	219,119	(2,355,845)	193,365
Senior notes payable	—	—	249,512	—	249,512
Accrued pension benefit costs — less current portion	40,277	—	30,622	—	70,899
Accrued postretirement benefit costs — less current portion	122,609	—	5,469	—	128,078
Other liabilities/intercompany loan	63,369	686,834	4,631	(714,829)	40,005
Deferred taxes — less current portion	—	90,958	—	—	90,958
Total noncurrent liabilities	226,255	777,792	290,234	(714,829)	579,452
<b>Shareholders' equity:</b>					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,842	(441,683)	2,506,842
Treasury stock, at cost	—	—	(45,891)	—	(45,891)
Accumulated other comprehensive income (loss)	(132,235)	(1,373)	(134,588)	133,608	(134,588)
Retained earnings (accumulated deficit)	(1,411,422)	145,109	(1,289,019)	1,266,313	(1,289,019)
Total shareholders' equity	(1,246,297)	288,131	1,038,277	958,166	1,038,277
Total	<u>\$ 1,159,538</u>	<u>\$ 1,216,434</u>	<u>\$ 1,547,630</u>	<u>\$ (2,112,508)</u>	<u>\$ 1,811,094</u>

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS**

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 135,854	\$ 52,985	\$ —	\$ —	\$ 188,839
Related parties	74,530	62,821	—	—	137,351
	210,384	115,806	—	—	326,190
Cost of goods sold	206,936	98,662	—	—	305,598
Gross profit	3,448	17,144	—	—	20,592
Other operating loss – net	3,721	—	—	—	3,721
Selling, general and admin expenses	7,979	480	—	—	8,459
Operating income	(8,252)	16,664	—	—	8,412
Interest expense – third party	(5,978)	—	—	—	(5,978)
Interest expense – affiliates	16,218	(16,218)	—	—	—
Interest income – third party	11	127	—	—	138
Interest income – affiliates	—	60	—	—	60
Net loss on forward contracts	(5,159)	—	—	—	(5,159)
Other income (loss) – net	804	(498)	—	—	306
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(2,356)	135	—	—	(2,221)
Income tax expense	(253)	(2,568)	—	—	(2,821)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(2,609)	(2,433)	—	—	(5,042)
Equity earnings (loss) of subsidiaries and joint ventures	(230)	641	(4,401)	4,631	641
Net loss	\$ (2,839)	\$ (1,792)	\$ (4,401)	\$ 4,631	\$ (4,401)

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS**

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 130,487	\$ 57,825	\$ —	\$ —	\$ 188,312
Related parties	67,312	70,713	—	—	138,025
	197,799	128,538	—	—	326,337
Cost of goods sold	187,020	97,001	—	—	284,021
Gross profit	10,779	31,537	—	—	42,316
Other operating income – net	(5,884)	—	—	—	(5,884)
Selling, general and admin expenses	9,100	1,509	—	—	10,609
Operating income	7,563	30,028	—	—	37,591
Interest expense – third party	(6,777)	—	—	—	(6,777)
Interest expense – affiliates	17,230	(17,230)	—	—	—
Interest income – third party	30	125	—	—	155
Interest income – affiliates	—	113	—	—	113
Net loss on forward contracts	(4,809)	—	—	—	(4,809)
Other income – net	616	61	—	—	677
Income before taxes and equity in earnings of subsidiaries and joint ventures	13,853	13,097	—	—	26,950
Income tax benefit (expense)	1,821	(4,944)	—	—	(3,123)
Income before equity in earnings of subsidiaries and joint ventures	15,674	8,153	—	—	23,827
Equity earnings of subsidiaries and joint ventures	1,202	1,219	25,046	(26,248)	1,219
Net income	\$ 16,876	\$ 9,372	\$ 25,046	\$ (26,248)	\$ 25,046

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME**

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net loss	\$ (2,839)	\$ (1,792)	\$ (4,401)	\$ 4,631	\$ (4,401)
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(246)	—	—	—	(246)
Net loss reclassified to income on financial instruments	272	—	—	—	272
Net amount of foreign currency cash flow hedges reclassified as income	—	(47)	—	—	(47)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(1,035)	—	10	—	(1,025)
Amortization of net loss	1,991	—	193	—	2,184
Other comprehensive income (loss) before income tax effect	982	(47)	203	—	1,138
Income tax effect	(322)	8	(68)	—	(382)
Other comprehensive income (loss)	660	(39)	135	—	756
Total comprehensive loss	\$ (2,179)	\$ (1,831)	\$ (4,266)	\$ 4,631	\$ (3,645)

**CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME**

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net income	\$ 16,876	\$ 9,372	\$ 25,046	\$ (26,248)	\$ 25,046
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(11)	—	—	—	(11)
Net loss reclassified to income on financial instruments	(6)	—	—	—	(6)
Net amount of foreign currency cash flow hedges reclassified as income	—	(46)	—	—	(46)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(15,122)	—	3	—	(15,119)
Amortization of net loss	6,125	—	160	—	6,285
Other comprehensive income (loss) before income tax effect	(9,014)	(46)	163	—	(8,897)
Income tax effect	(2,514)	8	46	—	(2,460)
Other comprehensive income (loss)	(11,528)	(38)	209	—	(11,357)
Total comprehensive income	\$ 5,348	\$ 9,334	\$ 25,255	\$ (26,248)	\$ 13,689

**CENTURY ALUMINUM COMPANY**  
Notes to the Consolidated Financial Statements – continued  
(Unaudited)

**CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**  
For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 13,292	\$ (8,394)	\$ —	\$ 4,898
Investing activities:				
Purchase of property, plant and equipment	(1,649)	(1,223)	(27)	(2,899)
Nordural expansion	—	(1,946)	—	(1,946)
Proceeds from the sale of property, plant and equipment	—	58	—	58
Investments in and advances to joint ventures	—	—	(100)	(100)
Payments received on advances to joint ventures	—	—	3,166	3,166
Net cash provided by (used in) investing activities	(1,649)	(3,111)	3,039	(1,721)
Financing activities:				
Borrowings under revolving credit facility	—	—	18,076	18,076
Repayments under revolving credit facility	—	—	(18,076)	(18,076)
Intercompany transactions	(11,643)	6,854	4,789	—
Repurchase of common stock	—	—	(4,033)	(4,033)
Net cash provided by (used in) financing activities	(11,643)	6,854	756	(4,033)
Net change in cash and cash equivalents	—	(4,651)	3,795	(856)
Cash and cash equivalents, beginning of the period	—	159,157	24,244	183,401
Cash and cash equivalents, end of the period	\$ —	\$ 154,506	\$ 28,039	\$ 182,545

**CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS**  
For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 1,251	\$ (4,881)	\$ —	\$ (3,630)
Investing activities:				
Purchase of property, plant and equipment	(2,319)	(793)	(16)	(3,128)
Nordural expansion	—	(4,051)	—	(4,051)
Net cash used in investing activities	(2,319)	(4,844)	(16)	(7,179)
Financing activities:				
Intercompany transactions	1,068	15,859	(16,927)	—
Net cash provided by (used in) financing activities	1,068	15,859	(16,927)	—
Net change in cash and cash equivalents	—	6,134	(16,943)	(10,809)
Cash and cash equivalents, beginning of the period	—	214,923	89,373	304,296
Cash and cash equivalents, end of the period	\$ —	\$ 221,057	\$ 72,430	\$ 293,487

17. Subsequent events

We have evaluated all subsequent events through the date the financial statements were issued.

## FORWARD-LOOKING STATEMENTS

This quarterly report includes forward-looking statements, which are subject to the “safe harbor” created by section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended. We may make forward-looking statements in our SEC filings, press releases, news articles, earnings presentations and when we are speaking on behalf of the Company. Forward-looking statements can be identified by the fact that they do not strictly relate to historical or current facts. Often, they include the words “believe,” “expect,” “target,” “anticipate,” “intend,” “plan,” “seek,” “estimate,” “potential,” “project,” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” or “may.” Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which could cause our actual results to differ materially from those reflected in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in Item 1A of Part I of our 2011 Annual Report on Form 10-K and those discussed in other documents we file with the Securities and Exchange Commission. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Forward-looking statements in this quarterly report, for example, include statements about the following subjects, among other things:

- Our business objectives, strategies and initiatives, the growth of our business and our competitive position and prospects;
- Our assessment of significant economic, financial, political and other factors and developments that may affect our results, including currency risks;
- Our assessment of the aluminum market, aluminum prices, aluminum financing, inventories and warehousing arrangements and other similar matters;
- Aluminum prices and their effect on our financial position and results of operations;
- Future construction investment and development of our facility in Helguvik, Iceland, including our discussions regarding power purchase agreements, future capital expenditures, the costs of completion or cancellation, production capacity and the sources of funding for the facility;
- Our hedging and other strategies to mitigate risk and their potential effects;
- Our curtailed operations, including the potential restart of curtailed operations, and potential curtailment of other domestic assets;
- Our procurement of electricity, alumina, carbon products and other raw materials and our assessment of pricing and other terms relating thereto;
- Estimates of our pension and other postemployment liabilities and future payments, deferred income tax assets and property plant and equipment impairment, environmental liabilities and other contingent liabilities and contractual commitments;
- Our agreement in principle with the CAWV retirees and any contributions to a voluntary employee benefit association relating to that agreement;
- Changes in, or the elimination of, the retiree medical benefit plans and programs of certain of our subsidiaries and their effect on our financial position and results of operation;
- Discussions with the Pension Benefit Guaranty Corporation regarding our Ravenswood facility;
- Critical accounting policies and estimates, the impact or anticipated impact of recent accounting pronouncements or changes in accounting principle;
- Our anticipated tax liabilities, benefits or refunds;
- Our assessment of the ultimate outcome of outstanding litigation, including litigation with our former CEO, and environmental matters and liabilities relating thereto;
- Compliance with laws and regulations and the effect of future laws and regulations;
  
- Our capital resources, projected financing sources and projected uses of capital; and
- Our debt levels and intentions to incur or repay debt in the future.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Recent Developments

CAWV Retiree VEBA contributions

We have reached an agreement in principle with the CAWV retirees to make contributions to a voluntary employee beneficiary association ("VEBA") trust that would provide certain health care benefits to these retirees and their eligible dependents in the event of a restart of our Ravenswood facility. If this agreement were entered into, our obligations under the agreement, including any contributions to the VEBA, would be contingent upon the occurrence of several future events that are necessary in order to restart the Ravenswood facility. None of these events, including the finalization of this agreement, are certain to occur.

Century appoints Michael Bless as President and Chief Executive Officer

In February 2012, we announced that our Board of Directors had appointed Michael Bless President and Chief Executive Officer of Century. Mr. Bless, who was named Acting President and Chief Executive Officer in November 2011, had previously served as Century's Executive Vice President and Chief Financial Officer since January 2006.

Results of Operations

The following discussion reflects our historical results of operations.

Century's financial highlights include:

	Three months ended March 31,	
	2012	2011
	(In thousands, except per share data)	
Net sales:		
Third-party customers	\$ 188,839	\$ 188,312
Related parties	137,351	138,025
Total	<u>\$ 326,190</u>	<u>\$ 326,337</u>
Gross profit	\$ 20,592	\$ 42,316
Net income (loss)	\$ (4,401)	\$ 25,046
Earnings (loss) per common share:		
Basic and Diluted	\$ (0.05)	\$ 0.25
	Three months ended March 31,	
	2012	2011
Shipments – primary aluminum (metric tons):		
Direct	94,087	80,479
Toll	65,880	63,699
Total	<u>159,967</u>	<u>144,178</u>



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Net sales (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ 326.2	\$ 326.3	\$ (0.1)	— %

Lower price realizations for our primary aluminum shipments in the three months ended March 31, 2012 were due to lower LME prices for primary aluminum, which were partially off-set by increased Midwest premiums. The lower price realizations resulted in a \$38.3 million sales decrease. Higher shipment volumes had a \$38.2 million positive impact on net sales. Direct shipments from our three operating smelters increased 13,608 metric tons in the three months ended March 31, 2012 due to the restart of idled capacity at our Hawesville facility. Toll shipments increased 2,181 metric tons relative to the same period last year.

Gross profit (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ 20.6	\$ 42.3	\$ (21.7)	(51.3)%

During the three months ended March 31, 2012, lower price realizations, net of LME-based alumina cost and LME-based power cost, reduced gross profit by \$34.2 million. The increased volume increased gross profit by \$3.1 million. In addition, we experienced \$7.5 million in net cost increases, relative to the same period in 2011, comprised of: increased power and natural gas costs at our U.S. smelters, \$2.9 million; increased costs for materials, supplies and maintenance, \$8.5 million; offset by reduced depreciation, \$0.3 million and other cost decreases, \$3.6 million.

Our operating costs in the three months ended March 31, 2011 include the costs to restart idled capacity at the Hawesville facility. The impact of the restart costs is included in the amounts reported above.

Declines in LME prices at the end of the fourth quarter of 2011 resulted in a decline in the market value of our inventory below its cost basis, resulting in a lower of cost or market reserve of \$19.8 million on the balance sheet as of December 31, 2011. During the three months ended March 31, 2012, our cost of goods sold was reduced by \$17.1 million to reflect the market basis of inventory sold during the quarter that had previously been written-down to its market value and to reflect the lower of cost or market value of the March 31, 2012 inventory. This represents a quarter to quarter positive impact on gross profit of \$16.9 million.

Other operating expenses (income) – net (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ 3.7	\$ (5.9)	\$ 9.6	(163.2)%

Other operating expenses (income) reflects the on-going costs at the curtailed Ravenswood facility. In addition, net benefits of \$9.4 million were recorded at Ravenswood in the three months ended March 31, 2011, a substantial portion of the net benefits recorded represents the amortization of prior service credits and actuarial losses resulting from the elimination of medical benefits for retirees of the Ravenswood facility.

Selling, general and administrative expenses (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ 8.5	\$ 10.6	\$ (2.1)	(19.8)%

Reduced expenditures related to the Helgøy power arbitration and reduced accruals for our variable compensation programs were the primary items contributing to the reduction in selling, general and administration expenses in the first quarter of 2012.

Net loss on forward contracts (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ (5.2)	\$ (4.8)	\$ (0.4)	8.3%

The net loss on forward contracts for the three months ended March 31, 2012 and 2011 related primarily to marking-to-market primary aluminum put options that were put in place to provide partial downside price protection for our domestic facilities. During the three months ended March 31, 2012 and 2011, movements in the LME price for aluminum and the passage of time caused declines in the value of the unexpired put options, resulting in the recording of net losses on forward contracts.

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Income tax expense (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ (2.8)	\$ (3.1)	\$ 0.3	(9.6)%
Equity in the earnings of joint ventures (in millions)	2012	2011	\$ Difference	% Difference
Three months ended March 31,	\$ 0.6	\$ 1.2	\$ (0.6)	(50.0)%

The amounts reported in both periods primarily reflect Century's equity in the earnings of its joint venture, BHH.

#### Liquidity and Capital Resources

Our principal sources of liquidity are available cash, cash flow from operations and available borrowings under our revolving credit facility. We have also raised capital in the past through the public equity and debt markets. We continuously explore various other financing alternatives. Our principal uses of cash are the funding of operating costs (including postemployment benefits), maintenance of curtailed production facilities, payments of principal and interest on our outstanding debt, the funding of capital expenditures, investments in our growth activities and in related businesses, repurchases of common stock, working capital and other general corporate requirements.

Our consolidated cash and cash equivalents balance at March 31, 2012 was approximately \$183 million compared to \$183 million at December 31, 2011. Century's revolving credit facility matures in July 2014. As of March 31, 2012, our credit facility had no loan amounts outstanding and approximately \$53 million of net availability. We have approximately \$41 million of letters of credit outstanding under our credit facility, which allowed us to eliminate our restricted cash deposits. Future curtailments of domestic production capacity would reduce domestic accounts receivable and inventory, which comprise the borrowing base of our credit facility, and would result in a corresponding reduction in availability under the credit facility.

In August 2011, our Board of Directors approved a \$60 million stock repurchase program. Through March 31, 2012, we have expended approximately \$50 million under the program. We have approximately \$10 million remaining under the repurchase program authorization. The repurchase program may be suspended or discontinued at any time.

We have \$249.6 million in 8.0% senior secured notes payable that will mature on May 15, 2014. We may be required to make installment payments for the E.ON contingent obligation. These payments are contingent based on the LME price of primary aluminum and the level of Hawesville's operations. Based on the LME forward market at March 31, 2012 and management's estimate, we do not expect to make any payments for the E.ON contingent obligation until 2019.

Based on current actuarial and other assumptions, we expect to make contributions to the qualified defined benefit plans we sponsor of approximately \$9 million during 2012. Through March 31, 2012, we have made contributions to these plans of \$3.9 million. We may choose to make additional contributions to these plans from time to time at our discretion.

In June 2011, the Pension Benefit Guaranty Corporation (the “PBGC”) informed us that it believed that a “cessation of operations” under the Employee Retirement Income Security Act of 1974 (“ERISA”) had occurred at our Ravenswood facility as a result of the curtailment of operations at the facility and requested that we engage in discussions with the PBGC relating thereto. We have notified the PBGC that we do not believe that a “cessation of operations” has occurred and have entered into ongoing discussions with the PBGC to resolve the matter. If a “cessation of operations” is ultimately determined to have occurred under ERISA, it may be necessary for Century Aluminum of West Virginia to accelerate the timing of additional contributions to certain of its defined pension plans or post other collateral with the PBGC or negotiate an alternative agreement.

In March 2012, we reached an agreement in principle with the CAWV retirees to make contributions to a voluntary employee beneficiary association (“VEBA”) trust that would provide certain health care benefits to these retirees and their eligible dependents in the event of a restart of our Ravenswood facility. If this agreement were entered into, our obligations under the agreement, including any contributions to the VEBA, would be contingent upon the occurrence of several future events that are necessary in order to restart the Ravenswood facility. None of these events, including the finalization of this agreement, are certain to occur.

Under an agreement with the Government of Iceland, Nordural Grundartangi ehf agreed to prepay taxes during 2012, 2011 and 2010 as an advance levy of income taxes and other governmental taxes for the period of 2013 through 2018. The amount of prepaid taxes paid through March 31, 2012 was approximately \$6.1 million and we expect to prepay an additional \$3.2 million in 2012. The prepaid taxes will offset taxes otherwise payable in equal installments over the period 2013 through 2018. In addition, in 2012, we expect to make estimated income tax payments in Iceland of approximately \$12.1 million. Through March 31, 2012, we made approximately \$1.7 million of these payments.

We paid \$20 million in net withholding tax for intercompany dividend payments in Iceland in 2011 and paid an additional \$9.5 million in the first quarter of 2012. We expect to receive a withholding tax refund in the fourth quarter of 2012 related to intercompany dividend payments. The withholding taxes and associated refunds are payable in Icelandic krona (“ISK”) and we are subject to foreign currency risk associated with fluctuations in the value of the U.S. dollar as compared the ISK. We do not expect to receive any material domestic tax refunds in the near future.

#### Capital Resources

We intend to finance our future recurring capital expenditures from available cash and our cash flow from operations. For major investment projects, such as the Helguvik project, we would seek financing from various capital and loan markets and may potentially pursue the formation of strategic alliances. We may be unable to issue additional debt or equity securities, or to issue these securities on attractive terms, due to a number of factors including a lack of demand, unfavorable pricing, poor economic conditions, unfavorable interest rates, or our financial condition or credit rating at the time. Future uncertainty in the U.S. and international markets and economies may adversely affect our liquidity, our ability to access the capital markets and our financial condition.

Capital expenditures for the three months ended March 31, 2012 were \$4.8 million, \$1.9 million of which was related to the Helguvik project, with the balance principally related to upgrading production equipment, improving facilities and complying with environmental requirements. We believe capital spending in 2012, excluding the activity on the Helguvik project, will be approximately \$25 to 30 million.

We have made and continue to make capital expenditures for the construction and development of our Helguvik project. We have substantial future contractual commitments for the Helguvik project. If we were to cancel the Helguvik project, we estimate that our exposure to contract cancellation costs would be approximately \$20 million. We are continuing to negotiate with the power suppliers to the project to remove all the remaining conditions to their obligations to supply contracted power. The timing of the power availability together with other factors, including financing, will determine the timing of any resumption of major construction activity at Helguvik. We expect that the portion of capital expenditures for this project that we will fund from our existing cash and operating cash flow will be approximately \$1 million per month until the restart of major construction activities. We cannot, at this time, predict when the restart of major construction activity will occur.

Historical

Our statements of cash flows for the three months ended March 31, 2012 and 2011 are summarized below:

	Three months ended March 31,	
	2012	2011
	(dollars in thousands)	
Net cash provided by (used in) operating activities	\$ 4,898	\$ (3,630)
Net cash used in investing activities	(1,721)	(7,179)
Net cash used in financing activities	(4,033)	—
Net change in cash and cash equivalents	<u>\$ (856)</u>	<u>\$ (10,809)</u>

Net cash provided by operating activities in the three months ended March 31, 2012 was \$4.9 million compared to net cash used in operating activities of \$3.6 million in the first three months of 2011. The increase in cash from operations in 2012 was primarily due to reduced withholding tax payments in Iceland, lower pension and benefit contributions, an increase in working capital, which were partially offset by the impact of lower LME prices.

Our net cash used in investing activities for the first three months of 2012 was \$1.7 million compared to \$7.2 million in the three months ended March 31, 2011. The decrease in cash used was primarily due to lower capital expenditures in 2012 and a \$3.2 million payment received on advances to joint ventures.

Our net cash used in financing activities for the three months ended March 31, 2012 was \$4.0 million. The use was due to the repurchase of common stock.

Other Commitments and Contingencies

We are a defendant in several actions relating to various aspects of our business. While there are uncertainties relating to the ultimate disposition of any litigation, management, based on information currently available, does not believe that the resolution of any of these lawsuits, either individually or in the aggregate, will have a material adverse effect on our financial condition, results of operations or liquidity. [See Note 9 Commitments and contingencies](#) to the consolidated financial statements included herein for additional information.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Commodity price risk

We are exposed to price risk for primary aluminum. We manage our exposure to fluctuations in the price of primary aluminum through financial instruments designed to protect our downside price risk exposure for our domestic production. In addition, we manage our exposure to fluctuations in our costs by purchasing certain of our alumina and power requirements under supply contracts with prices tied to the same indices as our aluminum sales contracts (the LME price of primary aluminum). Our risk management activities do not include any trading or speculative transactions.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had the following forward delivery contractual commitments:

Other forward delivery contracts

	<u>March 31, 2012</u>	<u>December 31, 2011</u>
	(in metric tons)	
Other forward delivery contracts – total	63,898	41,504
Other forward delivery contracts – Glencore	5,219	3,423
Other forward delivery contracts – fixed price	1,361	41

We had no outstanding primary aluminum forward financial sales contracts at March 31, 2012. We had no fixed price forward financial contracts to purchase aluminum at March 31, 2012.

Primary aluminum put option contracts

We entered into primary aluminum put option contracts that settle monthly through June 2012 based on LME prices. The volume of put option contracts is summarized below. These options were purchased to partially mitigate primary aluminum price risk.

Primary Aluminum option contracts outstanding as of March 31, 2012 (in metric tons):

	<u>Glencore</u>	<u>Other counterparties</u>
Put option contracts, settle monthly in 2012	9,000	7,500

Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed-price forward financial contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts were designated as cash flow hedges.

As of March 31, 2012, we did not have a significant exposure to the market price of natural gas for the natural gas forward financial contracts outstanding.

#### Foreign currency

We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the Icelandic krona (“ISK”), euro and the Chinese yuan. Grundartangi’s labor costs, part of its maintenance costs and other local services are denominated in ISK and a portion of its anode costs are denominated in euros and Chinese yuan. Our tax payments in Iceland for withholding taxes on intercompany dividends, estimated and prepayments of Icelandic income taxes and any associated refunds are denominated in ISK. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi’s operating margins. In addition, we expect to incur capital expenditures for the construction of the Helguvik project, although we continue to evaluate the Helguvik project’s cost, scope and schedule. A significant portion of the capital expenditures for the Helguvik project are forecasted to be denominated in currencies other than the U.S. dollar, with a significant portion in ISK, euros and Swiss francs.

We may manage our exposure by entering into foreign currency forward contracts or option contracts for forecasted transactions and projected cash flows for foreign currencies in future periods. As of March 31, 2012, we had no foreign currency forward contracts outstanding.

#### Natural Economic Hedges

The following estimate of our exposure to the commodity price of aluminum is necessarily limited, as it does not take into consideration our inventory or forward delivery contracts, or the offsetting impact on the sales price of primary aluminum products. Our alumina contracts are indexed to the LME price for primary aluminum and provide a natural hedge for approximately 16% of our production. As of March 31, 2012, approximately 33% of our production for 2012 was hedged by our LME-based alumina contracts and by Grundartangi’s electrical power and tolling contracts.

#### Risk Management

Our metals, foreign currency and natural gas risk management activities are subject to the control and direction of senior management within guidelines established by Century’s Board of Directors. These activities are regularly reported to Century’s Board of Directors.

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

As of March 31, 2012, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our principal financial officer, of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our management, including the Chief Executive Officer and our principal financial officer, has concluded that our disclosure controls and procedures were effective as of March 31, 2012.

b. Changes in Internal Controls over Financial Reporting

During the three months ended March 31, 2012, there were no changes in our internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

## PART II – OTHER INFORMATION

## Item 1. Legal Proceedings

In November 2011, we were named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract and wrongful termination in violation of public policy. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20 million to Mr. Kruger under such agreements. In addition, the complaint seeks unspecified damages, including exemplary and punitive damages, for wrongful termination, as well as costs and attorneys' fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to vigorously defend our self against them. The matter is in a preliminary stage, and we cannot predict the ultimate outcome of this action or estimate a range of possible losses related to this matter at this time. We do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the ultimate outcome.

In March 2011, the purported stockholder class actions pending against us consolidated as In re: Century Aluminum Company Securities Litigation were dismissed with prejudice by the United States District Court for the Northern District of California. The plaintiffs in the class actions allege that we improperly accounted for cash flows associated with the termination of certain forward financial sales contracts which accounting allegedly resulted in artificial inflation of our stock price and investor losses. Plaintiffs are seeking rescission of our February 2009 common stock offering, unspecified compensatory damages, including interest thereon, costs and expenses and attorneys' fees. In March 2011, plaintiffs filed a notice of appeal to the order and judgment entered by the court dismissing their claims. The notice of appeal remains pending before the U.S. Court of Appeals for the Ninth Circuit. See [Note 9 Commitments and contingencies – Legal contingencies](#) for additional information.

## Item 1A. Risk Factors

For a discussion of risk factors relating to our business, please refer to Item 1A of Part I of our 2011 Annual Report on Form 10-K.

## Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

## (c) Purchases of Equity Securities by the Issuer

In August 2011, we announced that our Board of Directors approved a \$60 million stock repurchase program. Under the program, Century is authorized to repurchase up to \$60 million of our outstanding shares of common stock, from time to time, on the open market at prevailing market prices, in block trades or otherwise. The timing and amount of any shares repurchased will be determined by our management based on its evaluation of market conditions, the trading price of our common stock and other factors. The stock repurchase program may be suspended or discontinued at any time.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs (1)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program
January 1 – January 31	—		—	
February 1 – February 29	—		—	
March 1 – March 31	400,000	\$ 10.08	400,000	\$ 10,076,076
	<u>400,000</u>		<u>400,000</u>	



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Item 5. Other Information

On April 24, 2012, we furnished a Form 8-K that incorporated by reference an earnings release announcing our results of operations for the quarter ended March 31, 2012. We subsequently determined a non-material correction was required related to our depreciation expense. The depreciation expense correction increased our reported cost of goods sold, negatively impacting our March 31, 2012 results. The non-cash adjustment increased our cost of goods sold by \$625 thousand, lowered our income tax expense by \$112 thousand, and as a result increased our loss for the quarter by \$513 thousand to a net loss of \$4,401 thousand.

The financial statements contained in Item 1 of this Form 10-Q reflect this correction.

Item 6. Exhibits

Exhibit Number	Description of Exhibit	Form	Incorporated by Reference		Filed Herewith
			File No.	Filing Date	
31.1	Rule 13a-14(a)/15d-14(a) Certifications of the Chief Executive Officer and Principal Financial Officer				X
32.1*	Section 1350 Certifications				X
101.INS**	XBRL Instance Document				X
101.SCH**	XBRL Taxonomy Extension Schema				X
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase				X
101.DEF**	XBRL Taxonomy Extension Definition Linkbase				X
101.LAB**	XBRL Taxonomy Extension Label Linkbase				X
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase				X

\* In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 34-47986, the certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act.

\*\* In accordance with Rule 406T of Regulation S-T, the information furnished in these exhibits will not be deemed "filed" for purposes of Section 18 of the Exchange Act. Such exhibits will not be deemed to be incorporated by reference into any filing under the Securities Act or Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Century Aluminum Company

Date: May 10, 2012

By: /s/ Michael A. Bless  
Michael A. Bless  
President and Chief Executive Officer (Principal Executive Officer,  
Principal Financial Officer and Authorized Officer)

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Exhibits

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EXHIBIT 31.1

CERTIFICATION OF DISCLOSURE IN CENTURY ALUMINUM COMPANY'S  
QUARTERLY REPORT FILED ON FORM 10-Q

I, Michael A. Bless, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of Century Aluminum Company;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report the Company's conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on the Company's most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2012

/s/ MICHAEL A. BLESS

Name: Michael A. Bless

Title: President and Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes–Oxley Act of 2002 (18 U.S.C. 1350)

In connection with the quarterly report on Form 10–Q of Century Aluminum Company (the “Company”) for the quarter ended March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Michael A. Bless, as President and Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes–Oxley Act of 2002, that, to the best of his knowledge:

1. This Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ MICHAEL A. BLESS

By: Michael A. Bless  
Title: President and Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)  
Date: May 10, 2012

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**Document And Entity Information**

*Document And Entity Information*

**3 Months Ended**

**Mar. 31, 2012**

**Apr. 30, 2012**

*Document and Entity Information*

*[Abstract]*

Entity Registrant Name	CENTURY ALUMINUM CO	
Entity Central Index Key	0000949157	
Document Type	10-Q	
Document Period End Date	Mar. 31, 2012	
Amendment Flag	false	
Document Fiscal Year Focus	2012	
Document Fiscal Period Focus	Q1	
Current Fiscal Year End Date	--12-31	
Entity Filer Category	Large Accelerated Filer	
Entity Common Stock, Shares Outstanding		88,449,656

**CONSOLIDATED BALANCE SHEETS (USD \$)****CONSOLIDATED BALANCE  
SHEETS (USD \$)  
In Thousands****Mar. 31, 2012****Dec. 31, 2011****ASSETS**

Cash and cash equivalents	\$ 182,545	\$ 183,401
Accounts receivable â€” net	50,531	47,647
Due from affiliates	39,217	44,665
Inventories	170,302	171,961
Prepaid and other current assets	43,850	40,646
Total current assets	486,445	488,320
Property, plant and equipment â€” net	1,206,106	1,218,225
Other assets	104,875	104,549
<b>TOTAL</b>	<b>1,797,426</b>	<b>1,811,094</b>

**LIABILITIES:**

Accounts payable, trade	74,986	86,172
Due to affiliates	41,544	41,904
Accrued and other current liabilities	48,917	40,776
Accrued employee benefits costs â€” current portion	16,188	16,698
Industrial revenue bonds	7,815	7,815
Total current liabilities	189,450	193,365
Senior notes payable	249,769	249,512
Accrued pension benefits costs â€” less current portion	68,271	70,899
Accrued postretirement benefits costs â€” less current portion	128,919	128,078
Other liabilities	39,466	40,005
Deferred taxes	90,807	90,958
Total noncurrent liabilities	577,232	579,452

**COMMITMENTS AND  
CONTINGENCIES (NOTE 9)****SHAREHOLDERS' EQUITY:**

Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 80,696 and 80,718 shares issued and outstanding at March 31, 2012 and December 31, 2011, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,236,177 issued and 88,449,656 shares outstanding at March 31, 2012 and 93,230,848 issued and 88,844,327 outstanding at December 31, 2011, respectively)	932	932

Additional paid-in capital	2,506,987	2,506,842
Treasury stock, at cost	(49,924)	(45,891)
Accumulated other comprehensive loss	(133,832)	(134,588)
Accumulated deficit	(1,293,420)	(1,289,019)
Total shareholders' equity	<u>1,030,744</u>	<u>1,038,277</u>
TOTAL	<u>\$ 1,797,426</u>	<u>\$ 1,811,094</u>



**CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD \$)**

<b><i>CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD \$)</i></b>	<b>Mar. 31, 2012</b>	<b>Dec. 31, 2011</b>
Series A Preferred stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Series A Preferred stock, shares authorized (in shares)	5,000,000	5,000,000
Series A Preferred stock, shares issued (in shares)	80,696	80,718
Series A Preferred stock, shares outstanding (in shares)	80,696	80,718
Common stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Common stock, shares authorized (in shares)	195,000,000	195,000,000
Common stock, shares issued (in shares)	93,236,177	93,230,848
Common stock, shares outstanding (in shares)	88,449,656	88,844,327

**CONSOLIDATED STATEMENTS OF OPERATIONS (USD \$)****CONSOLIDATED STATEMENTS  
OF OPERATIONS (USD \$)****3 Months Ended***In Thousands, except Per Share data***Mar. 31, 2012****Mar. 31, 2011****NET SALES:**

Third-party customers	\$ 188,839	\$ 188,312
Related parties	137,351	138,025
Sales Revenue â€“ net	<u>326,190</u>	<u>326,337</u>
Cost of goods sold	305,598	284,021
Gross profit	<u>20,592</u>	<u>42,316</u>
Other operating expense (income) â€“ net	3,721	(5,884)
Selling, general and administrative expenses	8,459	10,609
Operating income	<u>8,412</u>	<u>37,591</u>
Interest expense â€“ third party	(5,978)	(6,777)
Interest income â€“ third party	138	155
Interest income â€“ related parties	60	113
Net loss on forward contracts	(5,159)	(4,809)
Other income – net	306	677
Income (loss) before income taxes and equity in earnings of joint ventures	<u>(2,221)</u>	<u>26,950</u>
Income tax expense	(2,821)	(3,123)
Income (loss) before equity in earnings of joint ventures	<u>(5,042)</u>	<u>23,827</u>
Equity in earnings of joint ventures	641	1,219
Net income (loss)	<u>(4,401)</u>	<u>25,046</u>
Net income (loss) allocated to common shareholders	\$ (4,401)	\$ 23,005

**EARNINGS (LOSS) PER  
COMMON SHARE:**

Basic and Diluted (in dollars per share)	\$ (0.05)	\$ 0.25
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**WEIGHTED AVERAGE COMMON  
SHARES OUTSTANDING:**

Basic (in thousands of shares)	88,727	92,965
Diluted (in thousands of shares)	88,727	93,297

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (USD \$)****CONSOLIDATED STATEMENTS  
OF COMPREHENSIVE INCOME****3 Months Ended****(LOSS) (USD \$)****In Thousands****Mar. 31, 2012****Mar. 31, 2011****Comprehensive income (loss)**

Net income (loss)	\$ (4,401)	\$ 25,046
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**Other comprehensive income (loss)  
before income tax effect:**

Net unrealized loss on financial instruments	(246)	(11)
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Net loss (gain) reclassified to income on financial instruments	272	(6)
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Net gain on foreign currency cash flow hedges reclassified to income	(47)	(46)
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**Defined benefit plans and other  
postretirement benefits:**

Amortization of prior service benefit	(1,025)	(15,119)
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Amortization of net loss	2,184	6,285
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Other comprehensive income (loss) before income tax effect	1,138	(8,897)
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Income tax effect	(382)	(2,460)
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Other comprehensive income (loss)	756	(11,357)
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Comprehensive income (loss)	\$ (3,645)	\$ 13,689
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**CONSOLIDATED STATEMENTS OF CASH FLOWS (USD \$)**  
**CONSOLIDATED STATEMENTS**  
**OF CASH FLOWS (USD \$)**  
*In Thousands*

**3 Months Ended**

**Mar. 31, 2012**

**Mar. 31, 2011**

**CASH FLOWS FROM  
OPERATING ACTIVITIES:**

Net income (loss)	\$ (4,401)	\$ 25,046
<i>Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:</i>		
Unrealized net loss on forward contracts	4,955	4,715
Accrued and other plant curtailment costs â€” net	1,374	(9,624)
Lower of cost or market inventory adjustment	(17,051)	(139)
Depreciation and amortization	15,652	15,930
Debt discount amortization	256	821
Pension and other postretirement benefits	(1,138)	(11,064)
Stock-based compensation	145	488
Undistributed earnings of joint ventures	(641)	(1,219)
<i>Change in operating assets and liabilities:</i>		
Accounts receivable â€” net	(2,884)	7,520
Due from affiliates	(249)	8,766
Inventories	18,710	(7,924)
Prepaid and other current assets	(5,366)	(29,901)
Accounts payable, trade	(11,442)	(4,730)
Due to affiliates	(360)	(2,722)
Accrued and other current liabilities	7,003	3,405
Other â€” net	335	(2,998)
Net cash provided by (used in) operating activities	4,898	(3,630)

**CASH FLOWS FROM INVESTING  
ACTIVITIES:**

Purchase of property, plant and equipment	(2,899)	(3,128)
Nordural expansion	(1,946)	(4,051)
Investments in and advances to joint ventures	(100)	0
Payments received on advances from joint ventures	3,166	0
Proceeds from sale of property, plant and equipment	58	0

Net cash used in investing activities	(1,721)	(7,179)
<b><i>CASH FLOWS FROM FINANCING ACTIVITIES:</i></b>		
Borrowings under revolving credit facility	18,076	0
Repayments under revolving credit facility	(18,076)	0
Repurchase of common stock	(4,033)	0
Net cash provided by (used in) financing activities	(4,033)	0
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(856)</b>	<b>(10,809)</b>
Cash and cash equivalents, beginning of the period	183,401	304,296
Cash and cash equivalents, end of the period	\$ 182,545	\$ 293,487

**General**

*General*

**3 Months Ended**

**Mar. 31, 2012**

*General [Abstract]*

General

General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2011. In management's opinion, the unaudited interim consolidated financial statements reflect all adjustments, which are of a normal and recurring nature, that are necessary for a fair presentation of financial results for the interim periods presented. Operating results for the first three months of 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012. Throughout this Form 10-Q, and unless expressly stated otherwise or as the context otherwise requires, "Century Aluminum," "Century," "we," "us," "our" and "ours" refer to Century Aluminum Company and its consolidated subsidiaries.

## Fair value measurements

### Fair value measurements

3 Months Ended

Mar. 31, 2012

### Fair Value Disclosures [Abstract]

#### Fair value measurements

#### Fair value measurements

ASC 820, "Fair Value Measurements and Disclosures," defines fair value, establishes a framework for measuring fair value, and delineates disclosures about fair value measurements. This guidance applies to a broad range of other existing accounting pronouncements that require or permit fair value measurements. ASC 820 defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Fair value is an exit price and that exit price should reflect all the assumptions that market participants would use in pricing the asset or liability.

Our fair value measurements include the consideration of market risks that other market participants might consider in pricing the particular asset or liability, specifically non-performance risk and counterparty credit risk. Consideration of the non-performance risk and counterparty credit risk are used to establish the appropriate risk-adjusted discount rates used in our fair value measurements.

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value.

#### Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
Primary aluminum put option contracts	2	Quoted London Metal Exchange ("LME") forward market prices, historical volatility measurements and risk-adjusted discount rates
Natural gas forward financial contracts	2	Quoted natural gas forward market prices for primary aluminum and risk-adjusted discount rates
Power contract	3	Quoted LME forward market prices, power tariff prices, management's estimate of future power usage and risk-adjusted discount rates
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market prices for primary aluminum, management's estimates of the LME forward market prices for primary aluminum for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates

(1) Trust assets are currently invested in money market funds. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.

#### Fair value measurements

The following table sets forth by level within the ASC 820 fair value hierarchy our financial assets and liabilities that are accounted for at fair value on a recurring basis. As required by ASC 820, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels.

Recurring Fair Value Measurements	As of March 31, 2012			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 175,321	\$ —	\$ —	\$ 175,321
Trust assets	15,572	—	—	15,572
Surety bond – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	2,981	—	2,981
Power contract	—	—	53	53
<b>TOTAL</b>	<b>\$ 193,284</b>	<b>\$ 2,981</b>	<b>\$ 53</b>	<b>\$ 196,318</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts	\$ —	\$ 236	\$ —	\$ 236
E.ON contingent obligation – net	—	—	14,310	14,310
Primary aluminum sales contract – premium collar	—	—	1,169	1,169
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 236</b>	<b>\$ 15,479</b>	<b>\$ 15,715</b>

Recurring Fair Value Measurements	As of December 31, 2011			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 176,284	\$ —	\$ —	\$ 176,284
Trust assets	15,889	—	—	15,889

Surety bonds – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	9,331	—	9,331
Power contract	—	—	106	106
<b>TOTAL</b>	<b>\$ 194,564</b>	<b>\$ 9,331</b>	<b>\$ 106</b>	<b>\$ 204,001</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts \$	—	\$ 281	\$ —	\$ 281
E.ON contingent obligation – net	—	—	13,958	13,958
Primary aluminum sales contract – premium collar	—	—	908	908
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 281</b>	<b>\$ 14,866</b>	<b>\$ 15,147</b>

Change in Level 3 Fair Value Measurements during the three months ended March 31,

	Derivative liabilities – net	
	2012	2011
Beginning balance, January 1,	\$ (14,760)	\$ (13,802)
Total loss (realized/unrealized) included in earnings	(613)	(473)
Settlements	(53)	(36)
Ending balance, March 31,	<b>\$ (15,426)</b>	<b>\$ (14,311)</b>
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held at March 31,	\$ 613	\$ 473

The net gain (loss) on our derivative assets and liabilities is recorded in our statement of operations under net loss on forward contracts. See [Note 3 Derivative and hedging instruments](#) for the location of our Level 3 derivative assets and liabilities within our consolidated balance sheets.



## Derivative and hedging instruments

### Derivative and hedging instruments

3 Months Ended

Mar. 31, 2012

### Derivative Instruments and Hedging Activities Disclosure [Abstract]

Derivative and hedging instruments Derivative and hedging instruments

The following table provides the fair value and balance sheet classification of our derivatives:

#### Fair Value of Derivative Assets and Liabilities

	Balance sheet location	March 31, 2012	December 31, 2011
<b>DERIVATIVE ASSETS:</b>			
Primary aluminum put option contracts	Due from affiliates	\$ 1,801	\$ 5,439
Primary aluminum put option contracts	Prepaid and other current assets	1,180	3,892
Power contract	Prepaid and other current assets	53	106
<b>TOTAL</b>		<b>\$ 3,034</b>	<b>\$ 9,437</b>
<b>DERIVATIVE LIABILITIES:</b>			
E.ON contingent obligation	Other liabilities	\$ 14,310	\$ 13,958
Aluminum sales premium contracts – current portion	Accrued and other current liabilities	819	607
Natural gas forward financial contracts	Accrued and other current liabilities	236	281
Aluminum sales premium contracts – less current portion	Other liabilities	350	301
<b>TOTAL</b>		<b>\$ 15,715</b>	<b>\$ 15,147</b>

#### Natural gas forward financial contracts

To mitigate the volatility of our natural gas cost due to the natural gas markets, we have entered into fixed-price forward financial purchase contracts which settle in cash in the period corresponding to the intended usage of natural gas. These forward contracts are designated as cash flow hedges and qualify for hedge accounting under ASC 815. The critical terms of the contracts essentially match those of the underlying exposure.

The natural gas forward financial contracts are derivatives that qualified for cash flow hedge treatment. During the three months ended March 31, 2012 and 2011, the changes in our accumulated other comprehensive loss resulting from realized and unrealized gains and losses on these derivatives were not significant to our financial statements. There were no losses recognized for ineffective portions of these derivatives during the periods.

#### Foreign currency forward contracts

As of March 31, 2012 and December 31, 2011, we had no foreign currency forward contracts outstanding. We are exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro, the Icelandic krona (“ISK”) and the Chinese yuan. The labor costs, maintenance costs and other local services at our facility in Grundartangi, Iceland (“Grundartangi”) are denominated in ISK and a portion of its anode costs are denominated in euros. As a result, an increase or decrease in the value of those currencies relative to the U.S. dollar would affect Grundartangi’s operating margins.

We manage our foreign currency exposure by entering into foreign currency forward contracts when management deems such transactions appropriate. We had foreign currency forward contracts to manage the currency risk associated with activities at our Icelandic facilities. These contracts were designated as cash flow hedges and qualified for hedge accounting under ASC 815.

The realized gain or loss for our cash flow hedges for the Grundartangi expansion and Helguvik project capital expenditures was recognized in accumulated other comprehensive loss and is reclassified to earnings as part of the depreciation expense of the capital assets (for the Helguvik project this would occur when Helguvik is put into service).

#### Power contract

We are party to a power supply agreement at our facility in Ravenswood, West Virginia (“Ravenswood”) that contains LME-based pricing provisions that are an embedded derivative. The embedded derivative does not qualify for cash flow hedge treatment and is marked to market quarterly. We estimate the fair value of the embedded derivative based on our expected power usage over the remaining term of the contract, gains and losses associated with the embedded derivative are recorded in net gain (loss) on forward contracts in the consolidated statements of operations.

#### Primary aluminum put option contracts

We have entered into primary aluminum put option contracts that settle monthly based on LME prices through June 2012. The option contract volumes account for a portion of our domestic production, with a strike price around our domestic facilities’ average cash basis break-even price. These options were purchased to partially mitigate the risk of a future decline in aluminum prices.

Our counterparties include two non-related third parties and Glencore, a related party. We paid cash premiums to enter into the put option contracts and recorded an asset on the consolidated balance sheets. We determined the fair value of the put option contracts using a Black-Scholes model with market data

provided by an independent vendor and account for the contracts as derivative financial instruments with gains and losses in the fair value of the contracts recorded on the consolidated statements of operations in net loss on forward contracts.

Aluminum sales premium contracts

The Glencore Metal Agreement is a physical delivery contract for 20,400 metric tons per year (“mtpy”) of primary aluminum through December 31, 2013 with variable, LME-based pricing. Under the Glencore Metal Agreement, pricing is based on market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium. We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Gains and losses on the derivative are based on the difference between the contracted U.S. Midwest premium and actual and forecasted U.S. Midwest premiums. Settlements are recorded in related party sales. Unrealized gains (losses) based on forecasted U.S. Midwest premiums are recorded in net loss on forward contracts on the consolidated statements of operations.

Derivatives not designated as hedging instruments:

		Gain (loss) recognized in income from derivatives	
		Three months ended March 31,	
		2012	2011
Primary aluminum put option contracts	Net loss on forward contracts	\$ (4,695)	\$ (4,606)
E.ON contingent obligation	Interest expense – third party	353	364
Aluminum sales premium contracts	Related party sales	204	94
Power contract	Net loss on forward contracts	1	(5)
Aluminum sales premium contracts	Net loss on forward contracts	(465)	(198)

We had the following outstanding forward contracts that were entered into that were not designated as hedging instruments:

	March 31, 2012	December 31, 2011
Power contracts (in megawatt hours (“MWH”)) (1)	1,886	3,772
Primary aluminum sales contract premium (metric tons) (2)	35,700	40,870
Primary aluminum put option contracts (metric tons)	7,500	15,000
Primary aluminum put option contracts (metric tons) – related party	9,000	18,000

(1) Represents our expected usage during the remaining term of the Ravenswood power contract. In June 2011, the West Virginia PSC extended the term of this contract for an additional year.

(2) Represents the remaining physical deliveries under our 2013 Glencore Metal Agreement.

Counterparty credit risk. The primary aluminum put option contracts are subject to counterparty credit risk. However, we only enter into forward financial contracts with counterparties we determine to be creditworthy at the time of entering into the contract. If any counterparty failed to perform according to the terms of the contract, the impact would be limited to the difference between the contract price and the market price applied to the contract volume on the date of settlement.

As of March 31, 2012, income of \$170 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12-month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

## Earnings per share

### *Earnings per share*

## 3 Months Ended

Mar. 31, 2012

### *Earnings Per Share [Abstract]*

#### Earnings per share

#### Earnings per share

Basic earnings per share ("EPS") amounts are calculated by dividing earnings available to common shareholders by the weighted average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive common shares outstanding. The following table shows the basic and diluted earnings per share for three months ended March 31, 2012 and 2011:

	For the three months ended March 31,					
	2012			2011		
	Income	Shares (000)	Per-Share	Income	Shares (000)	Per-Share
Net income (loss)	\$ (4,401)			\$ 25,046		
Amount allocated to common shareholders	100%			91.85%		
Basic EPS:						
Income (loss) allocable to common shareholders	(4,401)	88,727	\$ (0.05)	23,005	92,965	\$ 0.25
Effect of Dilutive Securities:						
Stock compensation plans	—	—		—	332	
Diluted EPS:						
Income (loss) applicable to common shareholders with assumed conversion	\$ (4,401)	88,727	\$ (0.05)	\$ 23,005	93,297	\$ 0.25

#### Impact of our outstanding Series A Convertible Preferred Stock on EPS

Our Series A Convertible Preferred Stock has similar characteristics of a "participating security" as described by ASC 260-10-45 "Participating Securities and the Two-Class Method". In accordance with the guidance in the ASC 260-10-45, we calculate basic EPS using the Two-Class Method, allocating undistributed income to our preferred shareholder consistent with its participation rights, and diluted EPS using the If-Converted Method, when applicable.

The generally accepted accounting principles for reporting EPS do not require the presentation of basic and diluted EPS for securities other than common stock and the EPS amounts, as presented, only pertain to our common stock.

The Two-Class Method is an earnings allocation formula that determines earnings per share for common shares and participating securities according to dividends declared (or accumulated) and the participation rights in undistributed earnings.

The holders of our convertible preferred stock do not have a contractual obligation to share in the losses of Century. Thus, in periods where we report net losses, we will not allocate the net losses to the convertible preferred stock for the computation of basic or diluted EPS.

#### Calculation of EPS:

	Three months ended March 31,	
	2012	2011
Options to purchase common stock outstanding	632,334	650,011
Weighted average service-based stock awards outstanding	345,524	218,000
Excluded from the calculation of diluted EPS:		
Stock options (1)	632,334	349,000
Service-based share award	345,524	—

- (1) These stock option awards were excluded from the calculation of diluted EPS because the exercise price of these options was greater than the average market price of the underlying common stock, except in periods when we had a net loss where all option were excluded because of their antidilutive effect on earnings per share.

During the three months ended March 31, 2012, we repurchased 400,000 shares of our common stock under a stock repurchase program (See [Note 5 Shareholders' Equity](#) for additional information about this program). Shares repurchased under the program are excluded from the calculation of weighted average shares of common stock outstanding.

Service-based stock for which vesting is based upon continued service is not considered issued and outstanding shares of common stock until vested and issued. However, the service-based stock is considered a common stock equivalent and, therefore, the weighted average service-based stock is included, using the treasury stock method, in common shares outstanding for diluted earnings per share computations if they have a dilutive effect on earnings per share.

## Shareholders' equity

### Shareholders' equity

3 Months Ended

Mar. 31, 2012

### Stockholders' Equity Note [Abstract]

#### Shareholders' Equity

#### Shareholders' equity

##### Common Stock

Under our Restated Certificate of Incorporation, as amended, our Board of Directors is authorized to issue up to 195,000,000 shares of our common stock.

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock which are currently outstanding, including our Series A Convertible Preferred Stock, or any series which we may designate and issue in the future.

##### Common and Preferred Stock Activity:

	Preferred stock	Common stock	
	Series A convertible	Treasury	Outstanding
Beginning balance as of December 31, 2011	80,718	4,386,521	88,844,327
Repurchase of common stock	—	400,000	(400,000)
Conversion of convertible preferred stock	(22)	—	2,225
Issuance for stock compensation plans	—	—	3,104
Ending balance as of March 31, 2012	<u>80,696</u>	<u>4,786,521</u>	<u>88,449,656</u>

##### Stock Repurchase Program

In August 2011, our Board of Directors approved a \$60,000 stock repurchase program. Under the program, we may repurchase up to \$60,000 in value of our outstanding shares of common stock from time to time on the open market at prevailing market prices, in block trades or otherwise. The timing and amount of any shares repurchased will be determined by our management based on its evaluation of market conditions, the trading price of the stock and other factors. The repurchase program may be suspended or discontinued at any time.

Shares of common stock repurchased are recorded at cost as treasury stock and result in a reduction of shareholders' equity in the consolidated balance sheets. From time to time, treasury shares may be reissued as contributions to our employee benefit plans and for the conversion of convertible preferred stock. When shares are reissued, we use an average cost method for determining cost. The difference between the cost of the shares and the reissuance price is added to or deducted from additional paid-in capital.

From August 11, 2011 through March 31, 2012, we repurchased 4,786,521 shares of common stock at an aggregate purchase price of \$49,924. We had approximately \$10,076 remaining under the repurchase program authorization as of March 31, 2012.

##### Series A Convertible Preferred Stock conversions

All shares of Series A Convertible Preferred Stock are held by Glencore. The issuance of common stock under our stock incentive programs, debt exchange transactions and any stock offering that excludes Glencore participation triggers anti-dilution provisions of the preferred stock agreement and results in the automatic conversion of Series A Convertible Preferred Stock shares into shares of common stock. See Common and Preferred Stock Activity table above for additional information about preferred stock conversions during the period.

**Income taxes**

*Income taxes*

**3 Months Ended**

**Mar. 31, 2012**

*Income Tax Disclosure [Abstract]*

Income taxes

Income taxes

The components of our unrecognized tax positions are as follows:

	March 31, 2012	December 31, 2011
Highly certain tax positions	\$ 15,700	\$ 15,100
Other unrecognized tax benefits	800	800
Gross unrecognized tax benefits	<u>\$ 16,500</u>	<u>\$ 15,900</u>
Accrued interest and penalties related to unrecognized tax benefits	100	100

We recognize interest and penalties accrued related to unrecognized tax benefits in income tax expense.

We do not expect a significant change in the balance of unrecognized tax benefits within the next twelve months.

Our federal income tax returns beginning in 2008 are subject to examination. Our 2008 tax year is currently under audit by the Internal Revenue Service ("IRS"). Additionally, a 2005 amended return is also under audit with respect to carry back items. Our state returns beginning in 2005 are subject to examination. Our Icelandic tax returns are subject to examination beginning with the 2005 tax year.

For the years 2011, 2010 and 2009, we did not elect to permanently reinvest foreign earnings. In March 2012, we are releasing the previously reinvested earnings under APB23 to the extent of foreign cash available for distribution.

**Inventories***Inventories***3 Months Ended****Mar. 31, 2012***Inventory, Net [Abstract]*

Inventories

Inventories

Inventories consist of the following:

	March 31, 2012	December 31, 2011
Raw materials	\$ 42,557	\$ 41,142
Work-in-process	15,932	15,548
Finished goods	10,886	10,535
Operating and other supplies	100,927	104,736
Inventories	<u>\$ 170,302</u>	<u>\$ 171,961</u>

Inventories are stated at the lower of cost or market, using the first-in, first-out method ("FIFO").

**Debt**

*Debt*

**3 Months Ended**

**Mar. 31, 2012**

*Debt Disclosure [Abstract]*

Debt	March 31, 2012	December 31, 2011
Debt classified as current liabilities:		
Hancock County industrial revenue bonds due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	\$ 7,815	\$ 7,815
Debt classified as non-current liabilities:		
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$2,438 and \$2,695, respectively, interest payable semiannually	247,166	246,909
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)	14,310	13,958
<b>TOTAL</b>	<b>\$ 271,894</b>	<b>\$ 271,285</b>

- (1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at March 31, 2012 was 0.44%.
- (2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below.

**Revolving credit facility**

On July 1, 2010, we and certain of our direct and indirect domestic subsidiaries (together with Century, the "Borrowers") entered into a four-year \$100,000 senior secured revolving credit facility pursuant to a Loan and Security Agreement, dated as of July 1, 2010, among the Borrowers and Wells Fargo Capital Finance, LLC, as lender and agent (the "Credit Facility"), a portion of which was later syndicated to Credit Suisse AG.

Status of our revolving credit facility:

	March 31, 2012
Senior secured revolving credit facility amount	\$ 100,000
Borrowing availability, net of outstanding letters of credit	52,932
Outstanding borrowings on revolving credit facility	—
Letter of credit sub-facility amount	50,000
Outstanding letters of credit issued under the revolving credit facility	41,451

The availability of funds under the revolving credit facility is limited by a specified borrowing base consisting of accounts receivable and inventory which meet the eligibility criteria.

Our obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a first priority security interest in all of the domestic accounts receivable, inventory and certain bank accounts. The guarantees for any and all obligations under the Credit Facility are on a joint and several basis.

Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. In addition, we pay a commitment fee on undrawn amounts, less the amount of our letters of credit exposure. For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit.

The Credit Facility will expire on July 1, 2014.

**E.ON contingent obligation**

The E.ON contingent obligation consists of the aggregate E.ON payments made on CAKY's behalf under a power purchase agreement with Big Rivers and E.ON (the "Big Rivers Agreement") in excess of the agreed upon base amount. Interest accrues at an annual rate equal to 10.94%. The term of the agreement is through December 31, 2028. Our obligation to make repayments is contingent upon certain operating criteria for Hawesville and the LME price of primary aluminum. Based on the LME forward market and our expectation of Hawesville's future operations, we classified the E.ON contingent obligation within noncurrent liabilities, which includes accrued interest on the obligation. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make principal and interest payments.

## Commitments and contingencies

### *Commitments and contingencies*

**3 Months Ended**

**Mar. 31, 2012**

### *Commitments and Contingencies Disclosure [Abstract]*

#### Commitments and contingencies

#### Commitments and contingencies

##### Environmental Contingencies

Based upon all available information, we believe our current environmental liabilities do not have, and are not likely to have, a material adverse effect on our financial condition, results of operations or liquidity. Because of the issues and uncertainties described below and the inability to predict the requirements of future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental-related accrued liabilities were \$933 and \$852 at March 31, 2012 and December 31, 2011, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Century Aluminum of West Virginia, Inc. ("CAWV") continues to perform remedial measures at Ravenswood pursuant to an order issued by the EPA in 1994 (the "3008(h) Order"). CAWV also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which formally documents the conclusion of these activities, has been submitted by the EPS for a final order.

Prior to our purchase of Hawesville, the EPA issued a final Record of Decision ("ROD") under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"). By agreement, Southwire Company ("Southwire"), the former owner and operator is to perform all obligations under the ROD. CAKY has agreed to operate and maintain the ground water treatment system required under the ROD on behalf of Southwire, and Southwire will reimburse CAKY for any expense that exceeds \$400 annually.

In July 2006, we were named as a defendant, together with certain affiliates of Alcan Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products-Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. At this time, it is not practicable to predict the ultimate outcome of these actions or to estimate a range of possible damage awards.

##### Matters relating to the St. Croix Alumina Refining Facility

We are a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands (the "St. Croix Alumina Refinery") have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation ("Lockheed"), to one of our affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, Lockheed, Vialco and Century entered into the Lockheed-Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed-Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Through March 31, 2012, we have expended approximately \$940 on the Hydrocarbon Recovery Plan. We expect the future potential payments under this indemnification to comply with the Order will be approximately \$500, which may be offset in part by sales of recoverable hydrocarbons.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources ("DPNR"), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the St. Croix Alumina Refinery and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed-Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. In November 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. The parties are currently engaged in the discovery process. Vialco has asserted factual and affirmative defenses, and in January 2012, filed a motion from summary judgment that is pending before the court. As of March 31, 2012, no trial date has been set for the remaining claims.



In December 2006, Vialco and the two succeeding owners of the St. Croix Alumina Refinery were named as defendants in a lawsuit filed by the Commissioner of the DPNR. The complaint alleges the defendants failed to take certain actions specified in a Coastal Zone management permit issued to Vialco in October 1994, and alleges violations of territorial water pollution control laws during the various defendants' periods of ownership. The complaint seeks statutory and other unspecified monetary penalties for the alleged violations. The parties are currently engaged in the discovery process.

In May 2009, St. Croix Renaissance Group, L.L.P. ("SCRG") filed a third-party complaint for contribution and other relief against several third-party defendants, including Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In February 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case. In March 2011, the court granted the remaining defendants', including Vialco's, motion for summary judgment, dismissing the case. The plaintiff filed a notice of appeal with the Third Circuit Court of Appeals in May 2011. The appeal is set for hearing in May 2012.

In December 2010, Century was among several defendants listed in a lawsuit filed by approximately 2,300 plaintiffs who either worked, resided or owned property in the area downwind from the St. Croix Alumina Refinery. In March 2011, Century was also named a defendant in a nearly identical suit brought by approximately 200 plaintiffs previously named in the aforementioned suit. The plaintiffs in both suits allege damages caused by the presence of red mud and other particulates coming from the alumina facility. The plaintiffs in both suits seek unspecified monetary damages, costs and attorney fees as well as certain injunctive relief. We have tendered indemnity and defense to St. Croix Alumina LLC and Alcoa Alumina & Chemical LLC under the terms of an acquisition agreement relating to the facility and have filed a motion to dismiss plaintiffs' claims, but the court has not yet ruled on the motion.

Pursuant to the terms of the asset purchase agreement between Vialco and the purchaser of the St. Croix Alumina Refinery in 1995, the purchaser assumed responsibility for all costs and other liabilities associated with the bauxite waste disposal facilities, including pre-closure and post-closure liabilities. At this time, it is not practicable to predict the ultimate outcome of or to estimate a range of possible losses relating to any of the foregoing actions.

#### Legal Contingencies

We have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters. Although it is not presently possible to determine the outcome of these matters, management believes their ultimate disposition will not have a material adverse effect on our financial condition, results of operations, or liquidity.

In evaluating whether to accrue for costs associated with legal contingencies, it is our policy to take into consideration factors such as the facts and circumstances asserted, our historical experience with contingencies of a similar nature, the likelihood of our prevailing and the severity of any potential loss. For some matters, no accrual is established because we have assessed our risk of loss to be remote. Where the risk of loss is probable and the costs can be reasonably estimated, we record an accrual, either on an individual basis or with respect to a group of matters involving similar claims, based on the factors set forth above.

We also determine estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when we have assessed that a loss is reasonably possible. Based on current knowledge, management has ascertained estimates for losses that are reasonably possible and management does not believe that any reasonably possible outcomes in excess of our accruals, if any, would be material to our financial condition, results of operations, or liquidity. We reevaluate and update our assessments and accruals as matters progress over time.

In November 2011, we were named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract and wrongful termination in violation of public policy. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20,000 to Mr. Kruger under such agreements. In addition, the complaint seeks unspecified damages, including exemplary and punitive damages, for wrongful termination, as well as costs and attorneys' fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to vigorously defend our self against them. The matter is in a preliminary stage, and we cannot predict the ultimate outcome of this action or estimate a range of possible losses related to this matter at this time. We do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the ultimate outcome.

In March 2011, the purported stockholder class actions pending against us consolidated as In re: Century Aluminum Company Securities Litigation were dismissed with prejudice by the United States District Court for the Northern District of California. The plaintiffs in the class actions allege that we improperly accounted for cash flows associated with the termination of certain forward financial sales contracts which accounting allegedly resulted in artificial inflation of our stock price and investor losses. Plaintiffs are seeking rescission of our February 2009 common stock offering, unspecified compensatory damages, including interest thereon, costs and expenses and attorneys' fees. On March 10, 2011, plaintiffs filed a notice of appeal to the order and judgment entered by the court on March 3, 2011. The notice of appeal remains pending before the U.S. Court of Appeals for the Ninth Circuit.

#### Ravenswood Retiree Medical Benefits changes

Century Aluminum of West Virginia, Inc. ("CAWV") amended its postretirement medical benefit plan, effective January 1, 2010, for all current and former CAWV salaried employees, their dependents and all bargaining unit employees who retired before June 1, 2006, and their dependents. Effective January 1,

2011, CAWV no longer provided retiree medical benefits to active salaried CAWV personnel or any other personnel who retired prior to November 1, 2010.

The principal changes to the plan as a result of this amendment were that, upon attainment of age 65, all CAWV provided retiree medical benefits ceased for retirees and dependents. In addition, bargaining unit retirees under age 65 and qualified dependents under age 65 were covered by the salary retiree medical plan which required out-of-pocket payments for premiums, co-pays and deductibles by participants.

In November 2009, CAWV filed a class action complaint for declaratory judgment against the USWA, the USWA's local union, and four CAWV retirees, individually and as class representatives, seeking a declaration of CAWV's rights to modify/terminate retiree medical benefits as described above. Later in November 2009, the USWA and representatives of a retiree class filed a separate suit against CAWV, Century Aluminum Company, Century Aluminum Master Welfare Benefit Plan, and various John Does with respect to the foregoing. These actions, entitled Dewhurst, et al. v. Century Aluminum Co., et al., and Century Aluminum of West Virginia, Inc. v. United Steel, Paper and Forestry, Rubber Manufacturing, Energy, Allied Industrial & Service Workers International Union, AFL-CIO/CLC, et al., have been consolidated and venue has been set in the District Court for the Southern District of West Virginia.

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the trial court. In August 2011, the Fourth Circuit Court of Appeals upheld the District Court's dismissal of the USWA's motion for preliminary injunction, finding that the USWA had failed to establish the likelihood of success on the merits of the underlying matter. In October 2011, CAWV filed a motion to dismiss plaintiff's first amended complaint with the trial court. No ruling has yet been made on the motion. In March 2012, the court granted a stay pending negotiations to restart Ravenswood. The plaintiffs have agreed in principle to settle the lawsuit upon a successful restart of Ravenswood, see "CAWV Retiree VEBA contributions" below.

#### Power Commitments

##### Hawesville

The Big Rivers Agreement has a term through December 2023, unless extended. The Big Rivers Agreement is a cost-based agreement that provides sufficient power for Hawesville's full production capacity requirements. The Big Rivers Agreement is take-or-pay for Hawesville's energy requirements at full production.

##### Mt. Holly

Mt. Holly has a power purchase agreement (the "Santee Cooper Agreement") with the South Carolina Public Service Authority ("Santee Cooper") with a term through December 2015, unless extended. The Santee Cooper Agreement provides adequate power for Mt. Holly's full production capacity requirements at prices fixed based on published rate schedules (which are subject to change), with adjustments for fuel prices and other items. The Santee Cooper Agreement restricts Mt. Holly's ability to reduce its power consumption (or the associated payment obligations) below contracted levels and to terminate the agreement, unless, in each case, the LME falls below certain negotiated levels.

##### Ravenswood

CAWV has a power purchase agreement (the "ApCo Agreement") with the Appalachian Power Company ("ApCo") with a term through June 2012, unless extended. CAWV currently purchases a limited amount of power under the ApCo Agreement as necessary to maintain its Ravenswood smelter, which is presently curtailed. Power is supplied under the ApCo Agreement at prices set forth in published tariffs (which are subject to change), with certain adjustments. Under the special rate contract, Ravenswood may be excused from, or may defer the payment of, any increase in the tariff rate if LME prices fall below certain negotiated levels. CAWV is in discussions with APCo to provide for a long-term special rate arrangement that establishes the LME-based cap on the tariff rates.

##### Grundartangi

Nordural Grundartangi ehf has power purchase agreements with HS Orka hf ("HS"), Landsvirkjun and Orkuveita Reykjavíkur ("OR") to provide power to its Grundartangi smelter. These power purchase agreements, which will expire on various dates from 2019 through 2036, provide power at LME-based variable rates. Each power purchase agreement contains take-or-pay obligations with respect to a significant percentage of the total committed and available power under such agreement.

##### Helgúvik

Nordural Helgúvik ehf has power purchase agreements with HS and OR to provide power to the Helgúvik project. These power purchase agreements provide power at LME-based variable rates and contain take-or-pay obligations with respect to a significant percentage of the total committed and available power under such agreements. The first stage of power under the OR power purchase agreement (approximately 47.5 MW) became available in the fourth quarter of 2011 and is being utilized at Grundartangi until the first stage of the Helgúvik project has been completed. No other power is currently available under either power purchase agreement. HS (with respect to all phases) and OR (with respect to all phases other than the first phase) have alleged that certain conditions to the delivery of power under the power purchase agreements have not been satisfied. Nordural Helgúvik is in discussion with both HS and OR with respect to such conditions.

#### Other Commitments and Contingencies

##### Labor Commitments

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY's Hawesville plant employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015.

In April 2010, Nordural Grundartangi ehf entered into a new labor agreement with the five labor unions representing approximately 84% of Grundartangi's work force. The labor agreement expires on December 31, 2014.

CAWV's Ravenswood plant employees represented by the USWA are under a labor agreement that expired on August 31, 2010. Negotiations for a new labor agreement are ongoing.

#### CAWV Retiree VEBA contributions

We have reached an agreement in principle with the CAWV retirees to make contributions to a voluntary employee beneficiary association ("VEBA") trust that would provide certain health care benefits to these retirees and their eligible dependents in the event of a restart of our Ravenswood facility. If this agreement were entered into, our obligations under the agreement, including any contributions to the VEBA, would be contingent upon the occurrence of several future events that are necessary in order to restart the Ravenswood facility. None of these events, including the finalization of this agreement, are certain to occur.

#### Other Commitments

The Patient Protection and Affordable Care Act and the related Health Care and Education Reconciliation Act were enacted in March 2010. The Health Care Acts extend health care coverage to many uninsured individuals and expands coverage to those already insured. The Health Care Acts contain provisions which could impact our retiree medical benefits in future periods. However, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Health Care Acts and additional interpretations of the Health Care Acts become available. We are continuing to assess the potential impacts that this legislation may have on our future results of operations, cash flows and financial position related to our health care benefits and other postemployment benefit obligations. Among other things, the Health Care Acts will eliminate the tax deductibility of the Medicare Part D subsidy for companies that provide qualifying prescription drug coverage to retirees effective for years beginning after December 31, 2012.

## Forward delivery contracts and financial instruments

### *Forward delivery contracts and financial instruments*

**3 Months Ended**

**Mar. 31, 2012**

### *Forward Delivery Contracts and Financial Instruments [Abstract]*

#### Forward delivery contracts and financial instruments

#### Forward delivery contracts and financial instruments

As a producer of primary aluminum, we are exposed to fluctuating raw material and primary aluminum prices. We enter into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods.

#### Forward Physical Delivery Agreements

##### Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2012	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 16,000 metric tons	Through December 31, 2012	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2012, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility.

##### Long-term Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	130,000 mtpy	Through December 31, 2013	LME-based
Glencore Toll Agreement (1)	Glencore	90,000 mtpy	Through July 31, 2016	LME-based
Glencore Toll Agreement (1)	Glencore	40,000 mtpy	Through December 31, 2014	LME-based

- (1) Grundartangi's tolling revenues include a premium based on the European Union ("EU") import duty for primary aluminum.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had the following forward delivery contractual commitments:

#### Other forward delivery contracts

	March 31, 2012	December 31, 2011
	(in metric tons)	
Other forward delivery contracts – total	63,898	41,504
Other forward delivery contracts – Glencore	5,219	3,423
Other forward delivery contracts – fixed price	1,361	41

#### Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, including primary aluminum put option contracts, which are accounted for as derivative instruments. See [Note 3 Derivative and hedging instruments](#) for additional information about these instruments.

**Supplemental cash flow information**

*Supplemental cash flow information*

**3 Months Ended**

**Mar. 31, 2012**

*Supplemental Cash Flow  
Information [Abstract]*

Supplemental cash flow information      Supplemental cash flow information

	Three months ended March	
	31,	
	2012	2011
Cash paid for:		
Interest	\$ 116	\$ 533
Income/withholding taxes (1)	11,263	27,239
(1) We paid withholding taxes in Iceland of \$9,484 and \$26,900 in the three months ended March 31, 2012 and 2011, respectively. Our tax payments in Iceland for withholding taxes, estimated and prepayments of Icelandic income taxes and any associated refunds are denominated in ISK.		

**Asset retirement obligations (â€œAROâ€ )**

*Asset retirement obligations  
(â€œAROâ€ )*

**3 Months Ended**

**Mar. 31, 2012**

**Asset Retirement Obligation  
Disclosure [Abstract]**

Asset retirement obligations  
(â€œAROâ€ )

Asset retirement obligations (“ARO”)

Our asset retirement obligations consist primarily of costs associated with the disposal of spent pot liner used in the reduction cells of our domestic facilities.

The reconciliation of the changes in the asset retirement obligations is presented below:

	Three months ended		Year ended
	March 31, 2012	December 31, 2011	
Beginning balance, ARO liability	\$ 15,171	\$ 14,274	
Additional ARO liability incurred	291	1,110	
ARO liabilities settled	(345)	(1,315)	
Accretion expense	292	1,102	
Ending balance, ARO liability	<u>\$ 15,409</u>	<u>\$ 15,171</u>	

Certain conditional AROs related to the disposal costs of fixed assets at our primary aluminum facilities have not been recorded because they have an indeterminate settlement date. These conditional AROs will be initially recognized in the period in which sufficient information exists to estimate their fair value.

**Components of Accumulated other comprehensive loss***Components of Accumulated other comprehensive loss***3 Months Ended****Mar. 31, 2012*****Accumulated Other Comprehensive Income (Loss), Net of Tax [Abstract]***

Components of Accumulated other comprehensive loss

Components of Accumulated other comprehensive loss  
Components of Accumulated other comprehensive loss:

	March 31, 2012	December 31, 2011
Unrealized loss on financial instruments	\$ (1,061)	\$ (1,040)
Defined benefit plan liabilities	(141,100)	(142,259)
Equity in investee other comprehensive income (1)	(8,476)	(8,476)
Other comprehensive loss before income tax effect	(150,637)	(151,775)
Income tax effect	16,805	17,187
Accumulated other comprehensive loss	<u>\$ (133,832)</u>	<u>\$ (134,588)</u>

- (1) The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.

**Components of net periodic benefit cost**

*Components of net periodic benefit cost*

**3 Months Ended**

**Mar. 31, 2012**

*Components of net periodic benefit cost [Abstract]*

Components of net periodic benefit cost

Components of net periodic benefit cost

	Pension Benefits		Other Postretirement Benefits	
	Three months ended March 31,		Three months ended March 31,	
	2012	2011	2012	2011
Service cost	\$ 895	\$ 858	\$ 525	\$ 359
Interest cost	1,830	1,680	1,486	1,386
Expected return on plan assets	(1,700)	(1,540)	—	—
Amortization of prior service cost (1)	35	35	(1,060)	(15,155)
Amortization of net loss	688	482	1,496	5,803
Net periodic benefit cost	<u>\$ 1,748</u>	<u>\$ 1,515</u>	<u>\$ 2,447</u>	<u>\$ (7,607)</u>

- (1) Plan amendments made in November 2010 resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

**Employer contributions**

During the three months ended March 31, 2012, we have made contributions of approximately \$3,900 to the qualified defined benefit plans we sponsor, including both qualified defined benefit plan and non-qualified SERB contributions.



## Recently issued and adopted accounting standards

### *Recently issued and adopted accounting standards*

**3 Months Ended**

**Mar. 31, 2012**

### *Recently issued and adopted accounting standards [Abstract]*

#### Recently issued and adopted accounting standards

#### Recently issued and adopted accounting standards

We evaluate the impact of the Financial and Accounting Standards Board (“FASB”) accounting standards updates (“ASUs”) issued. When the adoption or planned adoption of recently issued ASUs will potentially have a material impact on our consolidated financial position, results of operations, and cash flows, we disclose the quantitative and qualitative effects of the adoption in our consolidated financial statements.

In May 2011, the FASB issued ASU 2011-04, “Fair Value Measurement.” This ASU amended the requirements for measuring fair value and disclosing information about fair value measurements and is effective for Century on January 1, 2012. Upon adoption, this standard did not have any impact on the reporting of our financial condition or results of operations.

In June 2011, the FASB issued ASU 2011-05, “Comprehensive Income”. This ASU addresses the financial statement presentation of other comprehensive income and its components. Companies may elect to present items of net income and other comprehensive income in one continuous statement or in two separate, but consecutive, statements. At December 31, 2011, we adopted ASU 2011-05 and included the updated presentation requirements in the current financial statements. This guidance only impacted the presentation of our financial statements and had no impact on our financial position, results of operations or cash flows.

## Condensed consolidating financial information

### Condensed consolidating financial information

3 Months Ended

Mar. 31, 2012

### Condensed Consolidating Financial Information [Abstract]

Condensed consolidating financial information

Condensed consolidating financial information

Our 8.0% senior secured notes due 2014 and 7.5% senior unsecured notes due 2014 are guaranteed by each of our material existing and future domestic subsidiaries, except for Nordural US LLC. Each subsidiary guarantor is 100% owned by Century. All guarantees are full and unconditional; all guarantees are joint and several. These notes are not guaranteed by our foreign subsidiaries (such subsidiaries and Nordural US LLC, collectively the "Non-Guarantor Subsidiaries"). We allocate corporate expenses or income to our subsidiaries and charge interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of March 31, 2012 and December 31, 2011, condensed consolidating statements of operations for the three months ended March 31, 2012 and March 31, 2011 and the condensed consolidating statements of cash flows for the three months ended March 31, 2012 and March 31, 2011 present separate results for Century, the Guarantor Subsidiaries, the Non-Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had Century, the guarantor subsidiaries or the non-guarantor subsidiaries operated as independent entities.

#### CONDENSED CONSOLIDATING BALANCE SHEET

	As of March 31, 2012				
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 154,506	\$ 28,039	\$ —	\$ 182,545
Accounts receivable — net	36,348	14,183	—	—	50,531
Due from affiliates	615,425	8,193	2,469,467	(3,053,868)	39,217
Inventories	103,057	67,245	—	—	170,302
Prepaid and other current assets	3,624	37,315	2,911	—	43,850
Total current assets	758,454	281,442	2,500,417	(3,053,868)	486,445
Investment in subsidiaries	36,730	—	(998,608)	961,878	—
Property, plant and equipment — net	332,665	872,655	1,073	(287)	1,206,106
Other assets	21,842	43,823	39,210	—	104,875
<b>Total</b>	<b>\$ 1,149,691</b>	<b>\$ 1,197,920</b>	<b>\$ 1,542,092</b>	<b>\$ (2,092,277)</b>	<b>\$ 1,797,426</b>
<b>Liabilities and shareholders' equity:</b>					
Accounts payable, trade	\$ 32,733	\$ 40,566	\$ 1,687	\$ —	\$ 74,986
Due to affiliates	2,107,644	77,522	202,812	(2,346,434)	41,544
Accrued and other current liabilities	11,173	22,998	14,746	—	48,917
Accrued employee benefits costs — current portion	13,918	—	2,270	—	16,188
Industrial revenue bonds	7,815	—	—	—	7,815
<b>Total current liabilities</b>	<b>2,173,283</b>	<b>141,086</b>	<b>221,515</b>	<b>(2,346,434)</b>	<b>189,450</b>
Senior notes payable	—	—	249,769	—	249,769
Accrued pension benefit costs — less current portion	37,395	—	30,876	—	68,271
Accrued postretirement benefit costs — less current portion	123,252	—	5,667	—	128,919
Other liabilities/intercompany loan	63,940	679,726	3,521	(707,721)	39,466
Deferred taxes — less current portion	—	90,807	—	—	90,807
<b>Total noncurrent liabilities</b>	<b>224,587</b>	<b>770,533</b>	<b>289,833</b>	<b>(707,721)</b>	<b>577,232</b>
<b>Shareholders' equity:</b>					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,987	(441,683)	2,506,987
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(131,278)	(1,411)	(133,832)	132,689	(133,832)
Retained earnings (accumulated deficit)	(1,414,261)	143,317	(1,293,420)	1,270,944	(1,293,420)
<b>Total shareholders' equity</b>	<b>(1,248,179)</b>	<b>286,301</b>	<b>1,030,744</b>	<b>961,878</b>	<b>1,030,744</b>
<b>Total</b>	<b>\$ 1,149,691</b>	<b>\$ 1,197,920</b>	<b>\$ 1,542,092</b>	<b>\$ (2,092,277)</b>	<b>\$ 1,797,426</b>

#### CONDENSED CONSOLIDATING BALANCE SHEET

	As of December 31, 2011				
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 159,157	\$ 24,244	\$ —	\$ 183,401
Accounts receivable — net	40,062	7,585	—	—	47,647

Due from affiliates	616,830	13,517	2,474,727	(3,060,409)	44,665
Inventories	96,197	75,764	—	—	171,961
Prepaid and other current assets	8,668	38,809	3,169	(10,000)	40,646
Total current assets	761,757	294,832	2,502,140	(3,070,409)	488,320
Investment in subsidiaries	36,965	—	(995,131)	958,166	—
Property, plant and equipment — net	338,946	878,333	1,211	(265)	1,218,225
Other assets	21,870	43,269	39,410	—	104,549
Total	<u>\$ 1,159,538</u>	<u>\$ 1,216,434</u>	<u>\$ 1,547,630</u>	<u>\$ (2,112,508)</u>	<u>\$ 1,811,094</u>
Liabilities and shareholders' equity:					
Accounts payable, trade	\$ 43,215	\$ 42,278	\$ 679	\$ —	\$ 86,172
Due to affiliates	2,103,687	78,411	205,651	(2,345,845)	41,904
Accrued and other current liabilities	10,596	29,822	10,358	(10,000)	40,776
Accrued employee benefits costs — current portion	14,267	—	2,431	—	16,698
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	<u>2,179,580</u>	<u>150,511</u>	<u>219,119</u>	<u>(2,355,845)</u>	<u>193,365</u>
Senior notes payable	—	—	249,512	—	249,512
Accrued pension benefit costs — less current portion	40,277	—	30,622	—	70,899
Accrued postretirement benefit costs — less current portion	122,609	—	5,469	—	128,078
Other liabilities/intercompany loan	63,369	686,834	4,631	(714,829)	40,005
Deferred taxes — less current portion	—	90,958	—	—	90,958
Total noncurrent liabilities	<u>226,255</u>	<u>777,792</u>	<u>290,234</u>	<u>(714,829)</u>	<u>579,452</u>
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,842	(441,683)	2,506,842
Treasury stock, at cost	—	—	(45,891)	—	(45,891)
Accumulated other comprehensive income (loss)	(132,235)	(1,373)	(134,588)	133,608	(134,588)
Retained earnings (accumulated deficit)	(1,411,422)	145,109	(1,289,019)	1,266,313	(1,289,019)
Total shareholders' equity	<u>(1,246,297)</u>	<u>288,131</u>	<u>1,038,277</u>	<u>958,166</u>	<u>1,038,277</u>
Total	<u>\$ 1,159,538</u>	<u>\$ 1,216,434</u>	<u>\$ 1,547,630</u>	<u>\$ (2,112,508)</u>	<u>\$ 1,811,094</u>

#### CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 135,854	\$ 52,985	\$ —	\$ —	\$ 188,839
Related parties	74,530	62,821	—	—	137,351
	210,384	115,806	—	—	326,190
Cost of goods sold	206,936	98,662	—	—	305,598
Gross profit	3,448	17,144	—	—	20,592
Other operating loss – net	3,721	—	—	—	3,721
Selling, general and admin expenses	7,979	480	—	—	8,459
Operating income	(8,252)	16,664	—	—	8,412
Interest expense – third party	(5,978)	—	—	—	(5,978)
Interest expense – affiliates	16,218	(16,218)	—	—	—
Interest income – third party	11	127	—	—	138
Interest income – affiliates	—	60	—	—	60
Net loss on forward contracts	(5,159)	—	—	—	(5,159)
Other income (loss) – net	804	(498)	—	—	306
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(2,356)	135	—	—	(2,221)
Income tax expense	(253)	(2,568)	—	—	(2,821)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(2,609)	(2,433)	—	—	(5,042)
Equity earnings (loss) of subsidiaries and joint ventures	(230)	641	(4,401)	4,631	641
Net loss	<u>\$ (2,839)</u>	<u>\$ (1,792)</u>	<u>\$ (4,401)</u>	<u>\$ 4,631</u>	<u>\$ (4,401)</u>

#### CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 130,487	\$ 57,825	\$ —	\$ —	\$ 188,312
Related parties	67,312	70,713	—	—	138,025
	197,799	128,538	—	—	326,337
Cost of goods sold	187,020	97,001	—	—	284,021
Gross profit	10,779	31,537	—	—	42,316
Other operating income – net	(5,884)	—	—	—	(5,884)
	9,100	1,509	—	—	10,609

Selling, general and admin expenses					
Operating income	7,563	30,028	—	—	37,591
Interest expense – third party	(6,777)	—	—	—	(6,777)
Interest expense – affiliates	17,230	(17,230)	—	—	—
Interest income – third party	30	125	—	—	155
Interest income – affiliates	—	113	—	—	113
Net loss on forward contracts	(4,809)	—	—	—	(4,809)
Other income – net	616	61	—	—	677
Income before taxes and equity in earnings of subsidiaries and joint ventures	13,853	13,097	—	—	26,950
Income tax benefit (expense)	1,821	(4,944)	—	—	(3,123)
Income before equity in earnings of subsidiaries and joint ventures	15,674	8,153	—	—	23,827
Equity earnings of subsidiaries and joint ventures	1,202	1,219	25,046	(26,248)	1,219
Net income	\$ 16,876	\$ 9,372	\$ 25,046	\$ (26,248)	\$ 25,046

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net loss	\$ (2,839)	\$ (1,792)	\$ (4,401)	4,631	\$ (4,401)
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(246)	—	—	—	(246)
Net loss reclassified to income on financial instruments	272	—	—	—	272
Net amount of foreign currency cash flow hedges reclassified as income	—	(47)	—	—	(47)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(1,035)	—	10	—	(1,025)
Amortization of net loss	1,991	—	193	—	2,184
Other comprehensive income (loss) before income tax effect	982	(47)	203	—	1,138
Income tax effect	(322)	8	(68)	—	(382)
Other comprehensive income (loss)	660	(39)	135	—	756
Total comprehensive loss	\$ (2,179)	\$ (1,831)	\$ (4,266)	4,631	\$ (3,645)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net income	\$ 16,876	\$ 9,372	\$ 25,046	(26,248)	\$ 25,046
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(11)	—	—	—	(11)
Net loss reclassified to income on financial instruments	(6)	—	—	—	(6)
Net amount of foreign currency cash flow hedges reclassified as income	—	(46)	—	—	(46)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(15,122)	—	3	—	(15,119)
Amortization of net loss	6,125	—	160	—	6,285
Other comprehensive income (loss) before income tax effect	(9,014)	(46)	163	—	(8,897)
Income tax effect	(2,514)	8	46	—	(2,460)
Other comprehensive income (loss)	(11,528)	(38)	209	—	(11,357)
Total comprehensive income	\$ 5,348	\$ 9,334	\$ 25,255	(26,248)	\$ 13,689

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 13,292	\$ (8,394)	\$ —	\$ 4,898
Investing activities:				
Purchase of property, plant and equipment	(1,649)	(1,223)	(27)	(2,899)
Nordural expansion	—	(1,946)	—	(1,946)
Proceeds from the sale of property, plant and equipment	—	58	—	58
Investments in and advances to joint ventures	—	—	(100)	(100)

Payments received on advances to joint ventures	—	—	3,166	3,166
Net cash provided by (used in) investing activities	<u>(1,649)</u>	<u>(3,111)</u>	<u>3,039</u>	<u>(1,721)</u>
Financing activities:				
Borrowings under revolving credit facility	—	—	18,076	18,076
Repayments under revolving credit facility	—	—	(18,076)	(18,076)
Intercompany transactions	(11,643)	6,854	4,789	—
Repurchase of common stock	—	—	(4,033)	(4,033)
Net cash provided by (used in) financing activities	<u>(11,643)</u>	<u>6,854</u>	<u>756</u>	<u>(4,033)</u>
Net change in cash and cash equivalents	—	(4,651)	3,795	(856)
Cash and cash equivalents, beginning of the period	—	159,157	24,244	183,401
Cash and cash equivalents, end of the period	<u>\$ —</u>	<u>\$ 154,506</u>	<u>\$ 28,039</u>	<u>\$ 182,545</u>

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 1,251	\$ (4,881)	\$ —	\$ (3,630)
Investing activities:				
Purchase of property, plant and equipment	(2,319)	(793)	(16)	(3,128)
Nordural expansion	—	(4,051)	—	(4,051)
Net cash used in investing activities	<u>(2,319)</u>	<u>(4,844)</u>	<u>(16)</u>	<u>(7,179)</u>
Financing activities:				
Intercompany transactions	1,068	15,859	(16,927)	—
Net cash provided by (used in) financing activities	<u>1,068</u>	<u>15,859</u>	<u>(16,927)</u>	<u>—</u>
Net change in cash and cash equivalents	—	6,134	(16,943)	(10,809)
Cash and cash equivalents, beginning of the period	—	214,923	89,373	304,296
Cash and cash equivalents, end of the period	<u>\$ —</u>	<u>\$ 221,057</u>	<u>\$ 72,430</u>	<u>\$ 293,487</u>

**Subsequent events**

*Subsequent events*

**3 Months Ended**

**Mar. 31, 2012**

***Subsequent Events [Abstract]***

Subsequent events

Subsequent events

We have evaluated all subsequent events through the date the financial statements were issued.

## Fair value measurements (Tables)

### Fair value measurements (Tables)

3 Months Ended

Mar. 31, 2012

### Fair Value Disclosures [Abstract]

Schedule of valuation methodology used to measure assets and liabilities at fair value

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value.

#### Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
Primary aluminum put option contracts	2	Quoted London Metal Exchange ("LME") forward market prices, historical volatility measurements and risk-adjusted discount rates
Natural gas forward financial contracts	2	Quoted natural gas forward market prices for primary aluminum and risk-adjusted discount rates
Power contract	3	Quoted LME forward market prices, power tariff prices, management's estimate of future power usage and risk-adjusted discount rates
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market prices for primary aluminum, management's estimates of the LME forward market prices for primary aluminum for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates

(1) Trust assets are currently invested in money market funds. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.

Financial assets and liabilities at fair value on a recurring basis

Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels.

Recurring Fair Value Measurements	As of March 31, 2012			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 175,321	\$ —	\$ —	\$ 175,321
Trust assets	15,572	—	—	15,572
Surety bond – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	2,981	—	2,981
Power contract	—	—	53	53
<b>TOTAL</b>	<b>\$ 193,284</b>	<b>\$ 2,981</b>	<b>\$ 53</b>	<b>\$ 196,318</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts	\$ —	\$ 236	\$ —	\$ 236
E.ON contingent obligation – net	—	—	14,310	14,310
Primary aluminum sales contract – premium collar	—	—	1,169	1,169
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 236</b>	<b>\$ 15,479</b>	<b>\$ 15,715</b>

Recurring Fair Value Measurements	As of December 31, 2011			
	Level 1	Level 2	Level 3	Total
<b>ASSETS:</b>				
Cash equivalents	\$ 176,284	\$ —	\$ —	\$ 176,284
Trust assets	15,889	—	—	15,889
Surety bonds – workers comp insurance	2,391	—	—	2,391
Primary aluminum put option contracts	—	9,331	—	9,331
Power contract	—	—	106	106
<b>TOTAL</b>	<b>\$ 194,564</b>	<b>\$ 9,331</b>	<b>\$ 106</b>	<b>\$ 204,001</b>
<b>LIABILITIES:</b>				
Natural gas forward financial purchase contracts	\$ —	\$ 281	\$ —	\$ 281
E.ON contingent obligation – net	—	—	13,958	13,958
Primary aluminum sales contract – premium collar	—	—	908	908
<b>TOTAL</b>	<b>\$ —</b>	<b>\$ 281</b>	<b>\$ 14,866</b>	<b>\$ 15,147</b>

Change in level 3 fair value measurements

	Change in Level 3 Fair Value Measurements during the three months ended March 31,	
	Derivative liabilities – net 2012	2011
Beginning balance, January 1,	\$ (14,760)	\$ (13,802)
Total loss (realized/unrealized) included in earnings	(613)	(473)
Settlements	(53)	(36)
Ending balance, March 31,	<u>\$ (15,426)</u>	<u>\$ (14,311)</u>
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held at March 31,	\$ 613	\$ 473



## Derivative and hedging instruments (Tables)

### Derivative and hedging instruments (Tables)

3 Months Ended

Mar. 31, 2012

### Derivative Instruments and Hedging Activities Disclosure [Abstract]

Fair value of derivative assets and liabilities by balance sheet location

The following table provides the fair value and balance sheet classification of our derivatives:

Fair Value of Derivative Assets and Liabilities

	Balance sheet location	March 31, December 31,	
		2012	2011
<b>DERIVATIVE ASSETS:</b>			
Primary aluminum put option contracts	Due from affiliates	\$ 1,801	\$ 5,439
Primary aluminum put option contracts	Prepaid and other current assets	1,180	3,892
Power contract	Prepaid and other current assets	53	106
<b>TOTAL</b>		<b>\$ 3,034</b>	<b>\$ 9,437</b>
<b>DERIVATIVE LIABILITIES:</b>			
E.ON contingent obligation	Other liabilities	\$ 14,310	\$ 13,958
Aluminum sales premium contracts – current portion	Accrued and other current liabilities	819	607
Natural gas forward financial contracts	Accrued and other current liabilities	236	281
Aluminum sales premium contracts – less current portion	Other liabilities	350	301
<b>TOTAL</b>		<b>\$ 15,715</b>	<b>\$ 15,147</b>

Derivatives not designated as hedging instruments

Derivatives not designated as hedging instruments:

Gain (loss) recognized in income from derivatives

Three months ended March 31,

		2012 2011	
Primary aluminum put option contracts	Net loss on forward contracts	\$ (4,695)	\$ (4,606)
E.ON contingent obligation	Interest expense – third party	353	364
Aluminum sales premium contracts	Related party sales	204	94
Power contract	Net loss on forward contracts	1	(5)
Aluminum sales premium contracts	Net loss on forward contracts	(465)	(198)

Outstanding forward contracts not designated as hedging instruments

We had the following outstanding forward contracts that were entered into that were not designated as hedging instruments:

	March 31, 2012	December 31, 2011
Power contracts (in megawatt hours (“MWH”)) (1)	1,886	3,772
Primary aluminum sales contract premium (metric tons) (2)	35,700	40,870
Primary aluminum put option contracts (metric tons)	7,500	15,000
Primary aluminum put option contracts (metric tons) – related party	9,000	18,000

(1) Represents our expected usage during the remaining term of the Ravenswood power contract. In June 2011, the West Virginia PSC extended the term of this contract for an additional year.

(2) Represents the remaining physical deliveries under our 2013 Glencore Metal Agreement.

**Earnings per share (Tables)**

*Earnings per share (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

**Earnings Per Share [Abstract]**

Basic and diluted earnings (loss) per share

The following table shows the basic and diluted earnings per share for three months ended March 31, 2012 and 2011:

	For the three months ended March 31,					
	2012			2011		
	Income	Shares (000)	Per-Share	Income	Shares (000)	Per-Share
Net income (loss)	\$ (4,401)			\$ 25,046		
Amount allocated to common shareholders	100%			91.85%		
Basic EPS:						
Income (loss) allocable to common shareholders	(4,401)	88,727	\$ (0.05)	23,005	92,965	\$ 0.25
Effect of Dilutive Securities:						
Stock compensation plans	—	—		—	332	
Diluted EPS:						
Income (loss) applicable to common shareholders with assumed conversion	\$ (4,401)	88,727	\$ (0.05)	\$ 23,005	93,297	\$ 0.25

Schedule of Antidilutive Securities Excluded from Computation of Earnings per Share

Calculation of EPS:

	Three months ended March 31,	
	2012	2011
Options to purchase common stock outstanding	632,334	650,011
Weighted average service-based stock awards outstanding	345,524	218,000
Excluded from the calculation of diluted EPS:		
Stock options (1)	632,334	349,000
Service-based share award	345,524	—

(1) These stock option awards were excluded from the calculation of diluted EPS because the exercise price of these options was greater than the average market price of the underlying common stock, except in periods when we had a net loss where all option were excluded because of their antidilutive effect on earnings per share.

**Shareholders' equity (Tables)**

*Shareholders' equity (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

*Stockholders' Equity Note [Abstract]*

Schedule of Stockholders Equity

The rights, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock which are currently outstanding, including our Series A Convertible Preferred Stock, or any series which we may designate and issue in the future.

Common and Preferred Stock Activity:

	Preferred stock Series A convertible	Treasury	Common stock Outstanding
Beginning balance as of December 31, 2011	80,718	4,386,521	88,844,327
Repurchase of common stock	—	400,000	(400,000)
Conversion of convertible preferred stock	(22)	—	2,225
Issuance for stock compensation plans	—	—	3,104
Ending balance as of March 31, 2012	<u>80,696</u>	<u>4,786,521</u>	<u>88,449,656</u>

**Income taxes (Tables)**

*Income taxes (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

*Income Tax Disclosure [Abstract]*

Significant components of unrecognized tax positions

The components of our unrecognized tax positions are as follows:

	March 31, 2012	December 31, 2011
Highly certain tax positions	\$ 15,700	\$ 15,100
Other unrecognized tax benefits	800	800
Gross unrecognized tax benefits	<u>\$ 16,500</u>	<u>\$ 15,900</u>
Accrued interest and penalties related to unrecognized tax benefits	100	100

**Inventories (Tables)**

*Inventories (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

*Inventory, Net [Abstract]*

Schedule of Inventories

Inventories consist of the following:

	March 31, December 31,	
	2012	2011
Raw materials	\$ 42,557	\$ 41,142
Work-in-process	15,932	15,548
Finished goods	10,886	10,535
Operating and other supplies	100,927	104,736
Inventories	<u>\$ 170,302</u>	<u>\$ 171,961</u>

**Debt (Tables)***Debt (Tables)***3 Months Ended****Mar. 31, 2012***Debt Disclosure [Abstract]*

## Schedule of Debt

Debt	March 31, 2012	December 31, 2011
Debt classified as current liabilities:		
Hancock County industrial revenue bonds due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	\$ 7,815	\$ 7,815
Debt classified as non-current liabilities:		
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$2,438 and \$2,695, respectively, interest payable semiannually	247,166	246,909
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)	14,310	13,958
<b>TOTAL</b>	<b><u>\$ 271,894</u></b>	<b><u>\$ 271,285</u></b>

- (1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at March 31, 2012 was 0.44%.
- (2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below.

## Schedule of Line of Credit Facilities

Status of our revolving credit facility:

	March 31, 2012
Senior secured revolving credit facility amount	\$ 100,000
Borrowing availability, net of outstanding letters of credit	52,932
Outstanding borrowings on revolving credit facility	—
Letter of credit sub-facility amount	50,000
Outstanding letters of credit issued under the revolving credit facility	41,451

**Forward delivery contracts and financial instruments (Tables)**

*Forward delivery contracts and financial instruments (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

**Forward Delivery Contracts and Financial Instruments [Abstract]**

Schedule of Forward Physical Delivery Agreements

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2012	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 16,000 metric tons	Through December 31, 2012	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2012, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility.

Long-term Tolling Contracts

Contract	Customer	Volume	Term	Pricing
Billiton Tolling Agreement (1)	BHP Billiton	130,000 mtpy	Through December 31, 2013	LME-based
Glencore Toll Agreement (1)	Glencore	90,000 mtpy	Through July 31, 2016	LME-based
Glencore Toll Agreement (1)	Glencore	40,000 mtpy	Through December 31, 2014	LME-based

- (1) Grundartangi's tolling revenues include a premium based on the European Union ("EU") import duty for primary aluminum.

Apart from the Glencore Metal Agreement, the Glencore Sweep Agreement, the Glencore Nordural Metal Agreement and the Southwire Metal Agreement, we had the following forward delivery contractual commitments:

Other forward delivery contracts

	March 31, 2012	December 31, 2011
	(in metric tons)	
Other forward delivery contracts – total	63,898	41,504
Other forward delivery contracts – Glencore	5,219	3,423
Other forward delivery contracts – fixed price	1,361	41

**Supplemental cash flow information (Tables)**

*Supplemental cash flow information  
(Tables)*

**3 Months Ended**

**Mar. 31, 2012**

**Supplemental Cash Flow  
Information [Abstract]**

Supplemental Cash Flow Information    Supplemental cash flow information

	Three months ended March	
	31,	
	2012	2011
Cash paid for:		
Interest	\$ 116	\$ 533
Income/withholding taxes (1)	11,263	27,239
(1) We paid withholding taxes in Iceland of \$9,484 and \$26,900 in the three months ended March 31, 2012 and 2011, respectively. Our tax payments in Iceland for withholding taxes, estimated and prepayments of Icelandic income taxes and any associated refunds are denominated in ISK.		



**Asset retirement obligations (â€œAROâ€ ) (Tables)**

*Asset retirement obligations  
(â€œAROâ€ ) (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

**Asset Retirement Obligation  
Disclosure [Abstract]**

Schedule of Change in Asset  
Retirement Obligations

The reconciliation of the changes in the asset retirement obligations is presented below:

	Three months ended		Year ended	
	March 31, 2012		December 31, 2011	
Beginning balance, ARO liability	\$	15,171	\$	14,274
Additional ARO liability incurred		291		1,110
ARO liabilities settled		(345)		(1,315)
Accretion expense		292		1,102
Ending balance, ARO liability	\$	<u>15,409</u>	\$	<u>15,171</u>

**Components of Accumulated other comprehensive loss (Tables)***Components of Accumulated other comprehensive loss (Tables)***3 Months Ended****Mar. 31, 2012*****Accumulated Other Comprehensive Income (Loss), Net of Tax [Abstract]***

Components of Accumulated Other Comprehensive Loss

Components of Accumulated other comprehensive loss:

	March 31, 2012	December 31, 2011
Unrealized loss on financial instruments	\$ (1,061)	\$ (1,040)
Defined benefit plan liabilities	(141,100)	(142,259)
Equity in investee other comprehensive income (1)	(8,476)	(8,476)
Other comprehensive loss before income tax effect	(150,637)	(151,775)
Income tax effect	16,805	17,187
Accumulated other comprehensive loss	<u>\$ (133,832)</u>	<u>\$ (134,588)</u>

(1) The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.

**Components of net periodic benefit cost (Tables)**

*Components of net periodic benefit cost (Tables)*

**3 Months Ended**

**Mar. 31, 2012**

*Components of net periodic benefit cost [Abstract]*

Schedule of Net Benefit Costs

Components of net periodic benefit cost

	Pension Benefits		Other Postretirement Benefits	
	Three months ended March 31,		Three months ended March 31,	
	2012	2011	2012	2011
Service cost	\$ 895	\$ 858	\$ 525	\$ 359
Interest cost	1,830	1,680	1,486	1,386
Expected return on plan assets	(1,700)	(1,540)	—	—
Amortization of prior service cost (1)	35	35	(1,060)	(15,155)
Amortization of net loss	688	482	1,496	5,803
Net periodic benefit cost	<u>\$ 1,748</u>	<u>\$ 1,515</u>	<u>\$ 2,447</u>	<u>\$ (7,607)</u>

- (1) Plan amendments made in November 2010 resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

## Condensed consolidating financial information (Tables)

### Condensed consolidating financial information (Tables)

3 Months Ended

Mar. 31, 2012

### Condensed Consolidating Financial Information [Abstract]

#### Condensed Financial information

The following summarized condensed consolidating balance sheets as of March 31, 2012 and December 31, 2011, condensed consolidating statements of operations for the three months ended March 31, 2012 and March 31, 2011 and the condensed consolidating statements of cash flows for the three months ended March 31, 2012 and March 31, 2011 present separate results for Century, the Guarantor Subsidiaries, the Non-Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations or financial position had Century, the guarantor subsidiaries or the non-guarantor subsidiaries operated as independent entities.

#### CONDENSED CONSOLIDATING BALANCE SHEET

	As of March 31, 2012				
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 154,506	\$ 28,039	\$ —	\$ 182,545
Accounts receivable — net	36,348	14,183	—	—	50,531
Due from affiliates	615,425	8,193	2,469,467	(3,053,868)	39,217
Inventories	103,057	67,245	—	—	170,302
Prepaid and other current assets	3,624	37,315	2,911	—	43,850
Total current assets	758,454	281,442	2,500,417	(3,053,868)	486,445
Investment in subsidiaries	36,730	—	(998,608)	961,878	—
Property, plant and equipment — net	332,665	872,655	1,073	(287)	1,206,106
Other assets	21,842	43,823	39,210	—	104,875
Total	\$ 1,149,691	\$ 1,197,920	\$ 1,542,092	\$ (2,092,277)	\$ 1,797,426
<b>Liabilities and shareholders' equity:</b>					
Accounts payable, trade	\$ 32,733	\$ 40,566	\$ 1,687	\$ —	\$ 74,986
Due to affiliates	2,107,644	77,522	202,812	(2,346,434)	41,544
Accrued and other current liabilities	11,173	22,998	14,746	—	48,917
Accrued employee benefits costs — current portion	13,918	—	2,270	—	16,188
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,173,283	141,086	221,515	(2,346,434)	189,450
Senior notes payable	—	—	249,769	—	249,769
Accrued pension benefit costs — less current portion	37,395	—	30,876	—	68,271
Accrued postretirement benefit costs — less current portion	123,252	—	5,667	—	128,919
Other liabilities/intercompany loan	63,940	679,726	3,521	(707,721)	39,466
Deferred taxes — less current portion	—	90,807	—	—	90,807
Total noncurrent liabilities	224,587	770,533	289,833	(707,721)	577,232
<b>Shareholders' equity:</b>					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,987	(441,683)	2,506,987
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(131,278)	(1,411)	(133,832)	132,689	(133,832)
Retained earnings (accumulated deficit)	(1,414,261)	143,317	(1,293,420)	1,270,944	(1,293,420)
Total shareholders' equity	(1,248,179)	286,301	1,030,744	961,878	1,030,744
Total	\$ 1,149,691	\$ 1,197,920	\$ 1,542,092	\$ (2,092,277)	\$ 1,797,426

#### CONDENSED CONSOLIDATING BALANCE SHEET

	As of December 31, 2011				
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
<b>Assets:</b>					
Cash and cash equivalents	\$ —	\$ 159,157	\$ 24,244	\$ —	\$ 183,401
Accounts receivable — net	40,062	7,585	—	—	47,647
Due from affiliates	616,830	13,517	2,474,727	(3,060,409)	44,665
Inventories	96,197	75,764	—	—	171,961
Prepaid and other current assets	8,668	38,809	3,169	(10,000)	40,646
Total current assets	761,757	294,832	2,502,140	(3,070,409)	488,320
Investment in subsidiaries	36,965	—	(995,131)	958,166	—
Property, plant and equipment — net	338,946	878,333	1,211	(265)	1,218,225
Other assets	21,870	43,269	39,410	—	104,549
Total	\$ 1,159,538	\$ 1,216,434	\$ 1,547,630	\$ (2,112,508)	\$ 1,811,094

Liabilities and shareholders' equity:					
Accounts payable, trade	\$ 43,215	\$ 42,278	\$ 679	\$ —	\$ 86,172
Due to affiliates	2,103,687	78,411	205,651	(2,345,845)	41,904
Accrued and other current liabilities	10,596	29,822	10,358	(10,000)	40,776
Accrued employee benefits costs — current portion	14,267	—	2,431	—	16,698
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	<u>2,179,580</u>	<u>150,511</u>	<u>219,119</u>	<u>(2,355,845)</u>	<u>193,365</u>
Senior notes payable	—	—	249,512	—	249,512
Accrued pension benefit costs — less current portion	40,277	—	30,622	—	70,899
Accrued postretirement benefit costs — less current portion	122,609	—	5,469	—	128,078
Other liabilities/intercompany loan	63,369	686,834	4,631	(714,829)	40,005
Deferred taxes — less current portion	—	90,958	—	—	90,958
Total noncurrent liabilities	<u>226,255</u>	<u>777,792</u>	<u>290,234</u>	<u>(714,829)</u>	<u>579,452</u>
Shareholders' equity:					
Preferred stock	—	—	1	—	1
Common stock	60	12	932	(72)	932
Additional paid-in capital	297,300	144,383	2,506,842	(441,683)	2,506,842
Treasury stock, at cost	—	—	(45,891)	—	(45,891)
Accumulated other comprehensive income (loss)	(132,235)	(1,373)	(134,588)	133,608	(134,588)
Retained earnings (accumulated deficit)	<u>(1,411,422)</u>	<u>145,109</u>	<u>(1,289,019)</u>	<u>1,266,313</u>	<u>(1,289,019)</u>
Total shareholders' equity	<u>(1,246,297)</u>	<u>288,131</u>	<u>1,038,277</u>	<u>958,166</u>	<u>1,038,277</u>
Total	<u>\$ 1,159,538</u>	<u>\$ 1,216,434</u>	<u>\$ 1,547,630</u>	<u>\$ (2,112,508)</u>	<u>\$ 1,811,094</u>

#### CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 135,854	\$ 52,985	\$ —	\$ —	\$ 188,839
Related parties	74,530	62,821	—	—	137,351
	210,384	115,806	—	—	326,190
Cost of goods sold	<u>206,936</u>	<u>98,662</u>	<u>—</u>	<u>—</u>	<u>305,598</u>
Gross profit	3,448	17,144	—	—	20,592
Other operating loss – net	3,721	—	—	—	3,721
Selling, general and admin expenses	7,979	480	—	—	8,459
Operating income	(8,252)	16,664	—	—	8,412
Interest expense – third party	(5,978)	—	—	—	(5,978)
Interest expense – affiliates	16,218	(16,218)	—	—	—
Interest income – third party	11	127	—	—	138
Interest income – affiliates	—	60	—	—	60
Net loss on forward contracts	(5,159)	—	—	—	(5,159)
Other income (loss) – net	804	(498)	—	—	306
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(2,356)	135	—	—	(2,221)
Income tax expense	(253)	(2,568)	—	—	(2,821)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(2,609)	(2,433)	—	—	(5,042)
Equity earnings (loss) of subsidiaries and joint ventures	(230)	641	(4,401)	4,631	641
Net loss	<u>\$ (2,839)</u>	<u>\$ (1,792)</u>	<u>\$ (4,401)</u>	<u>\$ 4,631</u>	<u>\$ (4,401)</u>

#### CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third-party customers	\$ 130,487	\$ 57,825	\$ —	\$ —	\$ 188,312
Related parties	67,312	70,713	—	—	138,025
	197,799	128,538	—	—	326,337
Cost of goods sold	<u>187,020</u>	<u>97,001</u>	<u>—</u>	<u>—</u>	<u>284,021</u>
Gross profit	10,779	31,537	—	—	42,316
Other operating income – net	(5,884)	—	—	—	(5,884)
Selling, general and admin expenses	9,100	1,509	—	—	10,609
Operating income	7,563	30,028	—	—	37,591
Interest expense – third party	(6,777)	—	—	—	(6,777)
Interest expense – affiliates	17,230	(17,230)	—	—	—
Interest income – third party	30	125	—	—	155
Interest income – affiliates	—	113	—	—	113
Net loss on forward contracts	(4,809)	—	—	—	(4,809)
Other income – net	616	61	—	—	677

Income before taxes and equity in earnings of subsidiaries and joint ventures	13,853	13,097	—	—	26,950
Income tax benefit (expense)	1,821	(4,944)	—	—	(3,123)
Income before equity in earnings of subsidiaries and joint ventures	15,674	8,153	—	—	23,827
Equity earnings of subsidiaries and joint ventures	1,202	1,219	25,046	(26,248)	1,219
Net income	<u>\$ 16,876</u>	<u>\$ 9,372</u>	<u>\$ 25,046</u>	<u>\$ (26,248)</u>	<u>\$ 25,046</u>

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net loss	\$ (2,839)	\$ (1,792)	\$ (4,401)	\$ 4,631	\$ (4,401)
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(246)	—	—	—	(246)
Net loss reclassified to income on financial instruments	272	—	—	—	272
Net amount of foreign currency cash flow hedges reclassified as income	—	(47)	—	—	(47)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(1,035)	—	10	—	(1,025)
Amortization of net loss	1,991	—	193	—	2,184
Other comprehensive income (loss) before income tax effect	982	(47)	203	—	1,138
Income tax effect	(322)	8	(68)	—	(382)
Other comprehensive income (loss)	660	(39)	135	—	756
Total comprehensive loss	<u>\$ (2,179)</u>	<u>\$ (1,831)</u>	<u>\$ (4,266)</u>	<u>\$ 4,631</u>	<u>\$ (3,645)</u>

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Comprehensive income (loss)					
Net income	\$ 16,876	\$ 9,372	\$ 25,046	\$ (26,248)	\$ 25,046
Other comprehensive income (loss) before income tax effect:					
Net unrealized loss on financial instruments	(11)	—	—	—	(11)
Net loss reclassified to income on financial instruments	(6)	—	—	—	(6)
Net amount of foreign currency cash flow hedges reclassified as income	—	(46)	—	—	(46)
Defined benefit plans and other postretirement benefits:					
Amortization of prior service benefit	(15,122)	—	3	—	(15,119)
Amortization of net loss	6,125	—	160	—	6,285
Other comprehensive income (loss) before income tax effect	(9,014)	(46)	163	—	(8,897)
Income tax effect	(2,514)	8	46	—	(2,460)
Other comprehensive income (loss)	(11,528)	(38)	209	—	(11,357)
Total comprehensive income	<u>\$ 5,348</u>	<u>\$ 9,334</u>	<u>\$ 25,255</u>	<u>\$ (26,248)</u>	<u>\$ 13,689</u>

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended March 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 13,292	\$ (8,394)	\$ —	\$ 4,898
Investing activities:				
Purchase of property, plant and equipment	(1,649)	(1,223)	(27)	(2,899)
Nordural expansion	—	(1,946)	—	(1,946)
Proceeds from the sale of property, plant and equipment	—	58	—	58
Investments in and advances to joint ventures	—	—	(100)	(100)
Payments received on advances to joint ventures	—	—	3,166	3,166
Net cash provided by (used in) investing activities	(1,649)	(3,111)	3,039	(1,721)
Financing activities:				
Borrowings under revolving credit facility	—	—	18,076	18,076
Repayments under revolving credit facility	—	—	(18,076)	(18,076)
Intercompany transactions	(11,643)	6,854	4,789	—
Repurchase of common stock	—	—	(4,033)	(4,033)
Net cash provided by (used in) financing activities	(11,643)	6,854	756	(4,033)

Net change in cash and cash equivalents	—	(4,651)	3,795	(856)
Cash and cash equivalents, beginning of the period	—	159,157	24,244	183,401
Cash and cash equivalents, end of the period	<u>\$ —</u>	<u>\$ 154,506</u>	<u>\$ 28,039</u>	<u>\$ 182,545</u>

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the three months ended March 31, 2011

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	<u>\$ 1,251</u>	<u>\$ (4,881)</u>	<u>\$ —</u>	<u>\$ (3,630)</u>
Investing activities:				
Purchase of property, plant and equipment	(2,319)	(793)	(16)	(3,128)
Acquisition of Nordural expansion	—	(4,051)	—	(4,051)
Net cash used in investing activities	<u>(2,319)</u>	<u>(4,844)</u>	<u>(16)</u>	<u>(7,179)</u>
Financing activities:				
Intercompany transactions	1,068	15,859	(16,927)	—
Net cash provided by (used in) financing activities	<u>1,068</u>	<u>15,859</u>	<u>(16,927)</u>	<u>—</u>
Net change in cash and cash equivalents	—	6,134	(16,943)	(10,809)
Cash and cash equivalents, beginning of the period	—	214,923	89,373	304,296
Cash and cash equivalents, end of the period	<u>\$ —</u>	<u>\$ 221,057</u>	<u>\$ 72,430</u>	<u>\$ 293,487</u>

## Fair value measurements (Details) (USD \$)

Fair value measurements (Details) (USD \$) In Thousands	Mar. 31, 2012 Fair Value, Measurements, Recurring [Member]	Dec. 31, 2011 Fair Value, Measurements, Recurring [Member]	Mar. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 1 [Member]	Dec. 31, 2011 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 1 [Member]	Mar. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 2 [Member]	Dec. 31, 2011 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 2 [Member]	Mar. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 3 [Member]	Dec. 31, 2011 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 3 [Member]	3 Months Ended	
									Mar. 31, 2012 Derivative Liabilities - Net [Member]	Mar. 31, 2011 Derivative Liabilities - Net [Member]
<b>ASSETS:</b>										
Cash equivalents	\$ 175,321	\$ 176,284	\$ 175,321	\$ 176,284	\$ 0	\$ 0	\$ 0	\$ 0		
Trust assets	15,572	15,889	15,572	15,889	0	0	0	0		
Surety bond â€” workers comp insurance	2,391	2,391	2,391	2,391	0	0	0	0		
Primary aluminum put option contracts	2,981	9,331	0	0	2,981	9,331	0	0		
Power contract	53	106	0	0	0	0	53	106		
<b>TOTAL</b>	<b>196,318</b>	<b>204,001</b>	<b>193,284</b>	<b>194,564</b>	<b>2,981</b>	<b>9,331</b>	<b>53</b>	<b>106</b>		
<b>LIABILITIES:</b>										
Natural gas forward financial purchase contracts	236	281	0	0	236	281	0	0		
E.ON contingent obligation â€” net	14,310	13,958	0	0	0	0	14,310	13,958		
Primary aluminum sales contract â€” premium collar	1,169	908	0	0	0	0	1,169	908		
<b>TOTAL</b>	<b>15,715</b>	<b>15,147</b>	<b>0</b>	<b>0</b>	<b>236</b>	<b>281</b>	<b>15,479</b>	<b>14,866</b>		
<b>Level 3 fair value measurements [Roll Forward]</b>										
Beginning balance									(14,760)	(13,802)
Total loss (realized/unrealized) included in earnings									(613)	(473)
Settlements									(53)	(36)
Ending balance									(15,426)	(14,311)
Amount of total loss included in earnings attributable to the change in unrealized losses (gains) relating to assets and liabilities held									\$ 613	\$ 473





<b>Derivative and hedging instruments Part 2 (Details) (Not Designated as Hedging Instrument [Member], USD \$)</b>		
<i>Derivative and hedging instruments Part 2 (Details) (Not Designated as Hedging Instrument [Member], USD \$)</i>	<b>3 Months Ended</b>	
<i>In Thousands</i>	<b>Mar. 31, 2012</b>	<b>Mar. 31, 2011</b>
Power Contracts [Member]   Net Gain (Loss) on Forward Contracts [Member]		
<i>Derivatives not designated as hedging instruments [Abstract]</i>		
Gain (loss) recognized in income from derivatives	\$ 1	\$ (5)
E.ON Contingent Obligation [Member]   Interest Expense [Member]		
<i>Derivatives not designated as hedging instruments [Abstract]</i>		
Gain (loss) recognized in income from derivatives	353	364
Primary Aluminum Put Option Contracts [Member]   Net Gain (Loss) on Forward Contracts [Member]		
<i>Derivatives not designated as hedging instruments [Abstract]</i>		
Gain (loss) recognized in income from derivatives	(4,695)	(4,606)
Aluminum Sales Premium Contracts [Member]   Net Gain (Loss) on Forward Contracts [Member]		
<i>Derivatives not designated as hedging instruments [Abstract]</i>		
Gain (loss) recognized in income from derivatives	(465)	(198)
Aluminum Sales Premium Contracts [Member]   Related Party Sales [Member]		
<i>Derivatives not designated as hedging instruments [Abstract]</i>		
Gain (loss) recognized in income from derivatives	\$ 204	\$ 94

**Earnings per share (Details) (USD \$)***Earnings per share (Details) (USD \$)***3 Months Ended***In Thousands, except Share data, unless otherwise specified***Mar. 31, 2012****Mar. 31, 2011****Earnings Per Share [Abstract]**

Net income (loss)	\$ (4,401)	\$ 25,046
Amount allocated to common shareholders (in hundredths)	100.00%	91.85%

**Basic EPS:**

Income (loss) allocable to common shareholders – in Shares (000)	88,727,000	92,965,000
Income (loss) allocable to common shareholders (in dollars per share)	\$ (0.05)	\$ 0.25

**Effect of Dilutive Securities:**

Income (loss) allocable to common shareholders	(4,401)	23,005
Stock compensation plans	0	0
Share-based stock awards – in Shares (000)	0	332,000

**Diluted EPS:**

Income (loss) applicable to common shareholders with assumed conversion	\$ (4,401)	\$ 23,005
Income (loss) applicable to common shareholders with assumed conversion – in Shares (000)	88,727,000	93,297,000
Income (loss) applicable to common shareholders with assumed conversion (in dollars per share)	\$ (0.05)	\$ 0.25

**Antidilutive Securities Excluded from Computation of Earnings Per Share [Line Items]**

Options to purchase common stock outstanding (in shares)	632,334,000	650,011,000
Options to purchase common stock outstanding (in shares)	345,524,000	218,000,000
Shares repurchased (in shares)	400,000	

Options [Member]

**Antidilutive Securities Excluded from Computation of Earnings Per Share [Line Items]**

Antidilutive securities excluded from calculation of diluted EPS (in shares)	632,334,000 <sup>[1]</sup>	349,000,000 <sup>[1]</sup>
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Service-Based Share Awards [Member]

**Antidilutive Securities Excluded from Computation of Earnings Per Share [Line Items]**

Antidilutive securities excluded from  
calculation of diluted EPS (in shares)

345,524,000

0

[1] These stock option awards were excluded from the calculation of diluted EPS because the exercise price of these options was greater than the average market price of the underlying common stock, except in periods when we had a net loss where all option were excluded because of their antidilutive effect on earnings per share.

**Shareholders' equity (Details) (USD \$)**

<i>Shareholders' equity (Details) (USD \$)</i>	<b>1 Months Ended Aug. 31, 2011</b>	<b>3 Months Ended Mar. 31, 2012</b>	<b>12170 Months Ended Mar. 31, 2012</b>	<b>Dec. 31, 2011</b>
<b><i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i></b>				
Repurchase of common stock (in shares)		400,000		
Common stock, shares authorized (in shares)		195,000,000		195,000,000
Stock repurchase program, Number of shares authorized to be repurchased (in shares)	\$ 60,000,000			
Number of shares Treasury stock acquired (in shares)			4,786,521	
Treasury stock acquired, Aggregate purchase price			49,924,000	
Stock repurchase program, Remaining authorized repurchase amount (in shares)		\$ 10,076,000		
Series A Convertible Preferred Stock [Member]				
<b><i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i></b>				
Shares, Beginning balance		80,718		
Repurchase of common stock (in shares)		0		
Conversion of convertible preferred stock (in shares)		22		
Issuance for stock compensation plans (in shares)		0		
Shares, Ending balance		80,696		
Treasury Stock [Member]				
<b><i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i></b>				
Shares, Beginning balance		4,386,521		
Repurchase of common stock (in shares)		400,000		
Conversion of convertible preferred stock (in shares)		0		
Issuance for stock compensation plans (in shares)		0		
Shares, Ending balance		4,786,521		
Common Stock [Member]				
<b><i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i></b>				
Shares, Beginning balance		88,844,327		
		400,000		

Repurchase of common stock (in shares)	
Conversion of convertible preferred stock (in shares)	2,225
Issuance for stock compensation plans (in shares)	3,104
Shares, Ending balance	88,449,656

**Income taxes (Details) (USD \$)***Income taxes (Details) (USD \$)  
In Thousands***3 Months Ended    12 Months Ended  
Mar. 31, 2012    Dec. 31, 2011*****Income Tax Uncertainties [Abstract]***

Highly certain tax positions	\$ 15,700	\$ 15,100
Other unrecognized tax benefits	800	800
Other unrecognized tax benefits	<u>16,500</u>	<u>15,900</u>
Other unrecognized tax benefits	\$ 100	\$ 100

**Inventories (Details) (USD \$)***Inventories (Details) (USD \$)  
In Thousands***Mar. 31, 2012    Dec. 31, 2011*****Inventory, Net [Abstract]***

Raw materials	\$ 42,557	\$ 41,142
Work-in-process	15,932	15,548
Finished goods	10,886	10,535
Operating and other supplies	100,927	104,736
Inventories	<u>\$ 170,302</u>	<u>\$ 171,961</u>



<b>Debt (Details) (USD \$)</b>		
<i>Debt (Details) (USD \$) In Thousands, unless otherwise specified</i>	<b>3 Months Ended Mar. 31, 2012</b>	<b>12 Months Ended Dec. 31, 2011</b>
<b><i>Debt Instrument [Line Items]</i></b>		
Debt	\$ 271,894	\$ 271,285
Term of credit facility	4 years	
Current [Member]   Industrial revenue bonds due 2028 [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		
Debt	7,815 <sup>[1]</sup>	7,815 <sup>[1]</sup>
Variable interest rates, maximum (as a percent)	12.00%	12.00%
Interest rate (as a percent)	0.44%	
Maturity date	Apr. 01, 2028	Apr. 01, 2028
Long-Term [Member]   Senior secured notes due May 15, 2014 [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		
Debt	247,166	246,909
Interest rate (as a percent)	8.00%	8.00%
Maturity date	May 15, 2014	May 15, 2014
Net of debt discount	2,438	2,695
Long-Term [Member]   Senior unsecured notes due August 15, 2014 [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		
Debt	2,603	2,603
Interest rate (as a percent)	7.50%	7.50%
Maturity date	Aug. 15, 2014	Aug. 15, 2014
Long-Term [Member]   Contingent obligation [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		
Debt	14,310 <sup>[2]</sup>	13,958 <sup>[2]</sup>
Interest rate (as a percent)	10.94%	10.94%
Maturity date	Dec. 31, 2028	Dec. 31, 2028
Senior secured notes due May 15, 2014 [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		
Interest rate (as a percent)	8.00%	
Senior unsecured notes due August 15, 2014 [Member]		
<b><i>Debt Instrument [Line Items]</i></b>		

Interest rate (as a percent)	7.50%
------------------------------	-------

Line of Credit [Member]

***Debt Instrument [Line Items]***

Senior secured revolving credit facility amount	100,000
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Borrowing availability, net of outstanding letters of credit	52,932
--	--------

Outstanding borrowings on revolving credit facility	0
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Letter of credit sub-facility amount	50,000
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Outstanding letters of credit issued under the revolving credit facility	\$ 41,451
--	-----------

[1] The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at March 31, 2012 was 0.44%.

[2] E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below.



Power currently available under the power purchase agreement (in megawatts) 47.5

***Labor Commitments [Abstract]***

Percentage of U.S. based work force represented by a union (in hundredths) 75.00%

Number of labor unions foreign subsidiary entered into a new labor agreement with 5

Percentage of foreign work force represented by the labor unions (in hundredths) 84.00%

## Forward delivery contracts and financial instruments (Details)

3 Months Ended

			Mar. 31, 2012	Mar. 31, 2012	Mar. 31, 2012			Mar. 31, 2012	Mar. 31, 2012	Mar. 31, 2012	Mar. 31, 2012	Mar. 31, 2012	Dec. 31, 2011
	Mar. 31, 2012	Dec. 31, 2011	Primary Aluminum Sales Contracts [Member]	Primary Aluminum Sales Contracts [Member]	Primary Aluminum Sales Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Mar. 31, 2012 Long-Term Tolling Contracts [Member]	Dec. 31, 2011
Forward delivery contracts and financial instruments (Details)	Glencore [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]	Southwire [Member]	BHP Billiton [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]	Glencore [Member]
	Other Forward Delivery Contracts [Member]	Other Forward Delivery Contracts [Member]	Glencore Metal Agreement [Member]	Glencore Sweep Agreement [Member]	Glencore Nordural Metal Agreement [Member]	Southwire Metal Agreement [Member]	BHP Billiton Tolling Agreement [Member]	Glencore Toll Agreement 1 [Member]	Glencore Toll Agreement 2 [Member]	Glencore Toll Agreement 1 [Member]	Glencore Toll Agreement 2 [Member]	Glencore Toll Agreement 1 [Member]	Glencore Toll Agreement 2 [Member]
			T	T	T	lb	T	T	T	T	T	T	T
<b>Supply Commitment [Line Items]</b>													
Customer			Glencore [1]	Glencore [2]	Glencore	Southwire [3]	BHP Billiton [4]	Glencore [4]	Glencore [4]				
Volume			20,400 mtpy	Surplus primary aluminum produced in the United States [1]	Approximately 16,000 metric tons [2]	240 million pounds per year (high conductivity molten aluminum)	130,000 mtpy [3]	90,000 mtpy [4]	40,000 mtpy [4]				
Volume (in mtpy, metric tons, and pounds per year)			20,400		16,000	240,000,000	130,000	90,000	40,000				
Term			Through December 31, 2013 [1]	Through December 31, 2012 [2]	Through December 31, 2012	Through December 31, 2013	Through December 31, 2013 [3]	Through July 31, 2016 [4]	Through December 31, 2014 [4]				
Pricing			Variable, based on U.S. Midwest market [1]	Variable, based on U.S. Midwest market [2]	Variable, based on LME [2]	Variable, based on U.S. Midwest market	LME-based [3]	LME-based [4]	LME-based [4]				
Other forward delivery contracts to sell primary aluminum (in metric tons)	5,219	3,423											63,898
Fixed price commitments on these other forward delivery contracts (in metric tons)													41

[1] We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.

[2] The Glencore Sweep Agreement is for all metal produced in the U.S. in 2012, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.

[3] The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility.

[4] Grundartangia's tolling revenues include a premium based on the European Union (€) import duty for primary aluminum.

**Supplemental cash flow information (Details) (USD \$)****Supplemental cash flow information  
(Details) (USD \$)  
In Thousands****3 Months Ended**

	<b>Mar. 31, 2012</b>	<b>Mar. 31, 2011</b>
Interest	\$ 116	\$ 533
Income/withholding taxes	11,263 <sup>[1]</sup>	27,239 <sup>[1]</sup>
Iceland [Member]		
Income/withholding taxes	\$ 9,484	\$ 26,900

[1] We paid withholding taxes in Iceland of \$9,484 and \$26,900 in the three months ended March 31, 2012 and 2011, respectively. Our tax payments in Iceland for withholding taxes, estimated and prepayments of Icelandic income taxes and any associated refunds are denominated in ISK.

<b>Asset retirement obligations (â€œAROâ€ ) (Details) (USD \$)</b>		
<i>Asset retirement obligations</i>	<b>3 Months Ended</b>	<b>12 Months Ended</b>
<i>(â€œAROâ€ ) (Details) (USD \$)</i>		
<i>In Thousands</i>	<b>Mar. 31, 2012</b>	<b>Dec. 31, 2011</b>
<b><i>Asset Retirement Obligation [Roll Forward]</i></b>		
Beginning balance, ARO liability	\$ 15,171	\$ 14,274
Additional ARO liability incurred	291	1,110
ARO liabilities settled	(345)	(1,315)
Accretion expense	292	1,102
Ending balance, ARO liability	\$ 15,409	\$ 15,171

**Components of Accumulated other comprehensive loss (Details) (USD \$)***Components of Accumulated other  
comprehensive loss (Details) (USD  
\$)***Mar. 31, 2012****Dec. 31, 2011***In Thousands****Accumulated Other Comprehensive  
Income (Loss), Net of Tax [Abstract]***

Unrealized loss on financial instruments	\$ (1,061)	\$ (1,040)
Defined benefit plan liabilities	(141,100)	(142,259)
Equity in investee other comprehensive income	(8,476) <sup>[1]</sup>	(8,476) <sup>[1]</sup>
Other comprehensive loss before income tax effect	<u>(150,637)</u>	<u>(151,775)</u>
Income tax effect	16,805	17,187
Accumulated other comprehensive loss	<u>\$ (133,832)</u>	<u>\$ (134,588)</u>

[1]

The amount includes our equity in the other comprehensive income of Mt. Holly Aluminum Company.



**Components of net periodic benefit cost (Details) (USD \$)**

**3 Months Ended**

*Components of net periodic benefit cost (Details) (USD \$)*  
*In Thousands*

**Mar. 31, 2012**

**Mar. 31, 2011**

***Defined Benefit Plans and Other Postretirement Benefit Plans Table***  
***Text Block [Line Items]***

Employer contributions \$ 3,900

Other Postretirement Benefit Plans

***Defined Benefit Plans and Other Postretirement Benefit Plans Table***  
***Text Block [Line Items]***

Service cost 525 359

Interest cost 1,486 1,386

Expected return on plan assets 0 0

Amortization of prior service costs (1,060) <sup>[1]</sup> (15,155) <sup>[1]</sup>

Amortization of net loss 1,496 5,803

Total net periodic benefit cost 2,447 (7,607)

Pension Plans

***Defined Benefit Plans and Other Postretirement Benefit Plans Table***  
***Text Block [Line Items]***

Service cost 895 858

Interest cost 1,830 1,680

Expected return on plan assets (1,700) (1,540)

Amortization of prior service costs 35 <sup>[1]</sup> 35 <sup>[1]</sup>

Amortization of net loss 688 482

Total net periodic benefit cost \$ 1,748 \$ 1,515

[1] Plan amendments made in November 2010 resulted in a reduction in OPEB liability and a credit to accumulated other comprehensive loss. The resulting prior service benefit and actuarial losses were amortized ratably into income over the period November 1, 2010 to June 30, 2011 at which time the CAWV OPEB plan terminated.

**Condensed consolidating financial information (Details) (USD \$)***Condensed consolidating financial  
information (Details) (USD \$)  
In Thousands, unless otherwise  
specified***3 Months Ended****Mar. 31, 2012****Mar. 31, 2011****Dec. 31, 2011*****Guarantor Obligations [Line Items]***Percentage of subsidiary guarantor  
owned by company (in hundredths)

100.00%

***Assets:***

Cash and cash equivalents

\$ 182,545

\$ 293,487

Accounts receivable â€” net

50,531

47,647

Due from affiliates

39,217

44,665

Inventories

170,302

171,961

Prepaid and other assets

43,850

40,646

Total current assets

486,445

488,320

Investment in subsidiaries

0

0

Property, plant and equipment â€” net

1,206,106

1,218,225

Other assets

104,875

104,549

TOTAL

1,797,426

1,811,094

***Liabilities and shareholders' equity:***

Accounts payable, trade

74,986

86,172

Due to affiliates

41,544

41,904

Accrued and other current liabilities

48,917

40,776

Accrued employee benefits costs â€”  
current portion

16,188

16,698

Industrial revenue bonds

7,815

7,815

Total current liabilities

189,450

193,365

Senior notes payable

249,769

249,512

Accrued pension benefits costs â€”  
less current portion

68,271

70,899

Accrued postretirement benefits costs  
â€” less current portion

128,919

128,078

Other liabilities/intercompany loan

39,466

40,005

Deferred taxes â€” less current  
portion

90,807

90,958

Total noncurrent liabilities

577,232

579,452

***Shareholders' equity:***

Preferred stock

1

1

Common stock

932

932

Additional paid-in capital

2,506,987

2,506,842

Treasury stock, at cost

(49,924)

(45,891)

(133,832)

(134,588)

Accumulated other comprehensive income (loss)		
Retained earnings (accumulated deficit)	(1,293,420)	(1,289,019)
Total shareholders' equity	1,030,744	1,038,277
TOTAL	1,797,426	1,811,094

**Net sales:**

Third-party customers	188,839	188,312
Related parties	137,351	138,025
Sales Revenue â€“ net	326,190	326,337
Cost of goods sold	305,598	284,021
Gross profit	20,592	42,316
Other operating income – net	3,721	(5,884)
Selling, general and admin expenses	8,459	10,609
Operating income	8,412	37,591
Interest expense â€“ third party	(5,978)	(6,777)
Interest expense – related parties	0	0
Interest income â€“ third party	138	155
Interest income – affiliates	60	113
Net loss on forward contracts	(5,159)	(4,809)
Other income (loss) – net	306	677
Income (loss) before income taxes and equity in earnings of joint ventures	(2,221)	26,950
Income tax benefit (expense)	(2,821)	(3,123)
Income (loss) before equity in earnings of joint ventures	(5,042)	23,827
Equity earnings (loss) of subsidiaries and joint ventures	641	1,219
Net income (loss)	(4,401)	25,046

**CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME**

Net income (loss)	(4,401)	25,046
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**Other comprehensive income (loss) before income tax effect:**

Net unrealized loss on financial instruments	(246)	(11)
Net amount of foreign currency cash flow hedges reclassified as income	272	(6)
Net gain on foreign currency cash flow hedges reclassified to income	(47)	(46)

**Defined benefit plans and other postretirement benefits:**

Amortization of prior service benefit	(1,025)	(15,119)
---------------------------------------	---------	----------

Amortization of net loss	2,184	6,285
Other comprehensive income (loss) before income tax effect	1,138	(8,897)
Income tax effect	(382)	(2,460)
Other comprehensive income (loss)	756	(11,357)
Comprehensive income (loss)	(3,645)	13,689

**CONDENSED CONSOLIDATING  
STATEMENT OF CASH FLOWS**

Net cash provided by operating activities	4,898	(3,630)
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**Investing activities:**

Purchase of property, plant and equipment	(2,899)	(3,128)
Nordural expansion	(1,946)	(4,051)
Proceeds from sale of property, plant and equipment	58	0
Investments in and advances to joint ventures	(100)	0
Payments received on advances from joint ventures	3,166	0
Net cash used in investing activities	(1,721)	(7,179)

**Financing activities:**

Borrowing on revolving credit facility	18,076	0
Repayments under revolving credit facility	(18,076)	0
Intercompany transactions	0	0
Repurchase of common stock	(4,033)	0
Net cash provided by (used in) financing activities	(4,033)	0

CHANGE IN CASH AND CASH EQUIVALENTS	(856)	(10,809)
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Cash and cash equivalents, beginning of the period	183,401	304,296
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Cash and cash equivalents, end of the period	182,545	293,487
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Combined Guarantor Subsidiaries  
[Member]

**Assets:**

Cash and cash equivalents	0	0
Accounts receivable – net	36,348	40,062
Due from affiliates	615,425	616,830
Inventories	103,057	96,197
Prepaid and other assets	3,624	8,668
Total current assets	758,454	761,757
Investment in subsidiaries	36,730	36,965

Property, plant and equipment â€” net	332,665	338,946
Other assets	21,842	21,870
<b>TOTAL</b>	<b>1,149,691</b>	<b>1,159,538</b>
<b><i>Liabilities and shareholders' equity:</i></b>		
Accounts payable, trade	32,733	43,215
Due to affiliates	2,107,644	2,103,687
Accrued and other current liabilities	11,173	10,596
Accrued employee benefits costs â€” current portion	13,918	14,267
Industrial revenue bonds	7,815	7,815
Total current liabilities	2,173,283	2,179,580
Senior notes payable	0	0
Accrued pension benefits costs â€” less current portion	37,395	40,277
Accrued postretirement benefits costs â€” less current portion	123,252	122,609
Other liabilities/intercompany loan	63,940	63,369
Deferred taxes â€” less current portion	0	0
Total noncurrent liabilities	224,587	226,255
<b><i>Shareholders' equity:</i></b>		
Preferred stock	0	0
Common stock	60	60
Additional paid-in capital	297,300	297,300
Treasury stock, at cost	0	0
Accumulated other comprehensive income (loss)	(131,278)	(132,235)
Retained earnings (accumulated deficit)	(1,414,261)	(1,411,422)
Total shareholders' equity	(1,248,179)	(1,246,297)
<b>TOTAL</b>	<b>1,149,691</b>	<b>1,159,538</b>
<b><i>Net sales:</i></b>		
Third-party customers	135,854	130,487
Related parties	74,530	67,312
Sales Revenue â€” net	210,384	197,799
Cost of goods sold	206,936	187,020
Gross profit	3,448	10,779
Other operating income – net	3,721	(5,884)
Selling, general and admin expenses	7,979	9,100
Operating income	(8,252)	7,563
Interest expense â€” third party	(5,978)	(6,777)
Interest expense – related parties	16,218	17,230

Interest income – third party	11	30
Interest income – affiliates	0	0
Net loss on forward contracts	(5,159)	(4,809)
Other income (loss) – net	804	616
Income (loss) before income taxes and equity in earnings of joint ventures	(2,356)	13,853
Income tax benefit (expense)	(253)	1,821
Income (loss) before equity in earnings of joint ventures	(2,609)	15,674
Equity earnings (loss) of subsidiaries and joint ventures	(230)	1,202
Net income (loss)	(2,839)	16,876
<b>CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME</b>		
Net income (loss)	(2,839)	16,876
<b>Other comprehensive income (loss) before income tax effect:</b>		
Net unrealized loss on financial instruments	(246)	(11)
Net amount of foreign currency cash flow hedges reclassified as income	272	(6)
Net gain on foreign currency cash flow hedges reclassified to income	0	0
<b>Defined benefit plans and other postretirement benefits:</b>		
Amortization of prior service benefit	(1,035)	(15,122)
Amortization of net loss	1,991	6,125
Other comprehensive income (loss) before income tax effect	982	(9,014)
Income tax effect	(322)	(2,514)
Other comprehensive income (loss)	660	(11,528)
Comprehensive income (loss)	(2,179)	5,348
<b>CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS</b>		
Net cash provided by operating activities	13,292	1,251
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(1,649)	(2,319)
Nordural expansion	0	0
Proceeds from sale of property, plant and equipment	0	0
Investments in and advances to joint ventures	0	0
Payments received on advances from joint ventures	0	0

Net cash used in investing activities	(1,649)	(2,319)	
<b>Financing activities:</b>			
Borrowing on revolving credit facility	0		
Repayments under revolving credit facility	0		
Intercompany transactions	(11,643)	1,068	
Repurchase of common stock	0		
Net cash provided by (used in) financing activities	(11,643)	1,068	
CHANGE IN CASH AND CASH EQUIVALENTS	0	0	
Cash and cash equivalents, beginning of the period	0	0	
Cash and cash equivalents, end of the period	0	0	
Combined Non–Guarantor Subsidiaries [Member]			
<b>Assets:</b>			
Cash and cash equivalents	154,506	221,057	
Accounts receivable â€” net	14,183		7,585
Due from affiliates	8,193		13,517
Inventories	67,245		75,764
Prepaid and other assets	37,315		38,809
Total current assets	281,442		294,832
Investment in subsidiaries	0		0
Property, plant and equipment â€” net	872,655		878,333
Other assets	43,823		43,269
TOTAL	1,197,920		1,216,434
<b>Liabilities and shareholders' equity:</b>			
Accounts payable, trade	40,566		42,278
Due to affiliates	77,522		78,411
Accrued and other current liabilities	22,998		29,822
Accrued employee benefits costs â€” current portion	0		0
Industrial revenue bonds	0		0
Total current liabilities	141,086		150,511
Senior notes payable	0		0
Accrued pension benefits costs â€” less current portion	0		0
Accrued postretirement benefits costs â€” less current portion	0		0
Other liabilities/intercompany loan	679,726		686,834
Deferred taxes â€” less current portion	90,807		90,958

Total noncurrent liabilities	770,533		777,792
<b>Shareholders' equity:</b>			
Preferred stock	0		0
Common stock	12		12
Additional paid-in capital	144,383		144,383
Treasury stock, at cost	0		0
Accumulated other comprehensive income (loss)	(1,411)		(1,373)
Retained earnings (accumulated deficit)	143,317		145,109
Total shareholders' equity	286,301		288,131
TOTAL	1,197,920		1,216,434
<b>Net sales:</b>			
Third-party customers	52,985	57,825	
Related parties	62,821	70,713	
Sales Revenue â€“ net	115,806	128,538	
Cost of goods sold	98,662	97,001	
Gross profit	17,144	31,537	
Other operating income – net	0	0	
Selling, general and admin expenses	480	1,509	
Operating income	16,664	30,028	
Interest expense â€“ third party	0	0	
Interest expense – related parties	(16,218)	(17,230)	
Interest income â€“ third party	127	125	
Interest income – affiliates	60	113	
Net loss on forward contracts	0	0	
Other income (loss) – net	(498)	61	
Income (loss) before income taxes and equity in earnings of joint ventures	135	13,097	
Income tax benefit (expense)	(2,568)	(4,944)	
Income (loss) before equity in earnings of joint ventures	(2,433)	8,153	
Equity earnings (loss) of subsidiaries and joint ventures	641	1,219	
Net income (loss)	(1,792)	9,372	
<b>CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME</b>			
Net income (loss)	(1,792)	9,372	
<b>Other comprehensive income (loss) before income tax effect:</b>			
Net unrealized loss on financial instruments	0	0	



Net amount of foreign currency cash flow hedges reclassified as income	0	0
Net gain on foreign currency cash flow hedges reclassified to income	(47)	(46)
<b><i>Defined benefit plans and other postretirement benefits:</i></b>		
Amortization of prior service benefit	0	0
Amortization of net loss	0	0
Other comprehensive income (loss) before income tax effect	(47)	(46)
Income tax effect	8	8
Other comprehensive income (loss)	(39)	(38)
Comprehensive income (loss)	(1,831)	9,334
<b><i>CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS</i></b>		
Net cash provided by operating activities	(8,394)	(4,881)
<b><i>Investing activities:</i></b>		
Purchase of property, plant and equipment	(1,223)	(793)
Nordural expansion	(1,946)	(4,051)
Proceeds from sale of property, plant and equipment	58	
Investments in and advances to joint ventures	0	
Payments received on advances from joint ventures	0	
Net cash used in investing activities	(3,111)	(4,844)
<b><i>Financing activities:</i></b>		
Borrowing on revolving credit facility	0	
Repayments under revolving credit facility	0	
Intercompany transactions	6,854	15,859
Repurchase of common stock	0	
Net cash provided by (used in) financing activities	6,854	15,859
CHANGE IN CASH AND CASH EQUIVALENTS	(4,651)	6,134
Cash and cash equivalents, beginning of the period	159,157	214,923
Cash and cash equivalents, end of the period	154,506	221,057
Century Aluminum Company [Member]		
<b><i>Assets:</i></b>		
Cash and cash equivalents	28,039	72,430
Accounts receivable â€” net	0	0

Due from affiliates	2,469,467	2,474,727
Inventories	0	0
Prepaid and other assets	2,911	3,169
Total current assets	2,500,417	2,502,140
Investment in subsidiaries	(998,608)	(995,131)
Property, plant and equipment " net	1,073	1,211
Other assets	39,210	39,410
TOTAL	1,542,092	1,547,630
<b><i>Liabilities and shareholders' equity:</i></b>		
Accounts payable, trade	1,687	679
Due to affiliates	202,812	205,651
Accrued and other current liabilities	14,746	10,358
Accrued employee benefits costs " current portion	2,270	2,431
Industrial revenue bonds	0	0
Total current liabilities	221,515	219,119
Senior notes payable	249,769	249,512
Accrued pension benefits costs " less current portion	30,876	30,622
Accrued postretirement benefits costs " less current portion	5,667	5,469
Other liabilities/intercompany loan	3,521	4,631
Deferred taxes " less current portion	0	0
Total noncurrent liabilities	289,833	290,234
<b><i>Shareholders' equity:</i></b>		
Preferred stock	1	1
Common stock	932	932
Additional paid-in capital	2,506,987	2,506,842
Treasury stock, at cost	(49,924)	(45,891)
Accumulated other comprehensive income (loss)	(133,832)	(134,588)
Retained earnings (accumulated deficit)	(1,293,420)	(1,289,019)
Total shareholders' equity	1,030,744	1,038,277
TOTAL	1,542,092	1,547,630
<b><i>Net sales:</i></b>		
Third-party customers	0	0
Related parties	0	0
Sales Revenue " net	0	0
Cost of goods sold	0	0
Gross profit	0	0

Other operating income – net	0	0
Selling, general and admin expenses	0	0
Operating income	0	0
Interest expense – third party	0	0
Interest expense – related parties	0	0
Interest income – third party	0	0
Interest income – affiliates	0	0
Net loss on forward contracts	0	0
Other income (loss) – net	0	0
Income (loss) before income taxes and equity in earnings of joint ventures	0	0
Income tax benefit (expense)	0	0
Income (loss) before equity in earnings of joint ventures	0	0
Equity earnings (loss) of subsidiaries and joint ventures	(4,401)	25,046
Net income (loss)	(4,401)	25,046
<b>CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME</b>		
Net income (loss)	(4,401)	25,046
<b>Other comprehensive income (loss) before income tax effect:</b>		
Net unrealized loss on financial instruments	0	0
Net amount of foreign currency cash flow hedges reclassified as income	0	0
Net gain on foreign currency cash flow hedges reclassified to income	0	0
<b>Defined benefit plans and other postretirement benefits:</b>		
Amortization of prior service benefit	10	3
Amortization of net loss	193	160
Other comprehensive income (loss) before income tax effect	203	163
Income tax effect	(68)	46
Other comprehensive income (loss)	135	209
Comprehensive income (loss)	(4,266)	25,255
<b>CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS</b>		
Net cash provided by operating activities	0	0
<b>Investing activities:</b>		
Purchase of property, plant and equipment	(27)	(16)

Nordural expansion	0	0
Proceeds from sale of property, plant and equipment	0	
Investments in and advances to joint ventures	(100)	
Payments received on advances from joint ventures	3,166	
Net cash used in investing activities	3,039	(16)
<b>Financing activities:</b>		
Borrowing on revolving credit facility	18,076	
Repayments under revolving credit facility	(18,076)	
Intercompany transactions	4,789	(16,927)
Repurchase of common stock	(4,033)	
Net cash provided by (used in) financing activities	756	(16,927)
CHANGE IN CASH AND CASH EQUIVALENTS	3,795	(16,943)
Cash and cash equivalents, beginning of the period	24,244	89,373
Cash and cash equivalents, end of the period	28,039	72,430
Reclassifications and Eliminations [Member]		
<b>Assets:</b>		
Cash and cash equivalents	0	
Accounts receivable â€” net	0	0
Due from affiliates	(3,053,868)	(3,060,409)
Inventories	0	0
Prepaid and other assets	0	(10,000)
Total current assets	(3,053,868)	(3,070,409)
Investment in subsidiaries	961,878	958,166
Property, plant and equipment â€” net	(287)	(265)
Other assets	0	0
TOTAL	(2,092,277)	(2,112,508)
<b>Liabilities and shareholders' equity:</b>		
Accounts payable, trade	0	0
Due to affiliates	(2,346,434)	(2,345,845)
Accrued and other current liabilities	0	(10,000)
Accrued employee benefits costs â€” current portion	0	0
Industrial revenue bonds	0	0
Total current liabilities	(2,346,434)	(2,355,845)
Senior notes payable	0	0

Accrued pension benefits costs â€” less current portion	0	0
Accrued postretirement benefits costs â€” less current portion	0	0
Other liabilities/intercompany loan	(707,721)	(714,829)
Deferred taxes â€” less current portion	0	0
Total noncurrent liabilities	(707,721)	(714,829)
<b>Shareholders' equity:</b>		
Preferred stock	0	0
Common stock	(72)	(72)
Additional paid-in capital	(441,683)	(441,683)
Treasury stock, at cost	0	0
Accumulated other comprehensive income (loss)	132,689	133,608
Retained earnings (accumulated deficit)	1,270,944	1,266,313
Total shareholders' equity	961,878	958,166
TOTAL	(2,092,277)	(2,112,508)
<b>Net sales:</b>		
Third-party customers	0	0
Related parties	0	0
Sales Revenue â€” net	0	0
Cost of goods sold	0	0
Gross profit	0	0
Other operating income – net	0	0
Selling, general and admin expenses	0	0
Operating income	0	0
Interest expense â€” third party	0	0
Interest expense – related parties	0	0
Interest income â€” third party	0	0
Interest income – affiliates	0	0
Net loss on forward contracts	0	0
Other income (loss) – net	0	0
Income (loss) before income taxes and equity in earnings of joint ventures	0	0
Income tax benefit (expense)	0	0
Income (loss) before equity in earnings of joint ventures	0	0
Equity earnings (loss) of subsidiaries and joint ventures	4,631	(26,248)
Net income (loss)	4,631	(26,248)

**CONDENSED CONSOLIDATING  
STATEMENT OF  
COMPREHENSIVE INCOME**

Net income (loss)	4,631	(26,248)
<b><i>Other comprehensive income (loss) before income tax effect:</i></b>		
Net unrealized loss on financial instruments	0	0
Net amount of foreign currency cash flow hedges reclassified as income	0	0
Net gain on foreign currency cash flow hedges reclassified to income	0	0
<b><i>Defined benefit plans and other postretirement benefits:</i></b>		
Amortization of prior service benefit	0	0
Amortization of net loss	0	0
Other comprehensive income (loss) before income tax effect	0	0
Income tax effect	0	0
Other comprehensive income (loss)	0	0
Comprehensive income (loss)	4,631	(26,248)
<b><i>Financing activities:</i></b>		
Cash and cash equivalents, beginning of the period	0	
Cash and cash equivalents, end of the period	\$ 0	
Senior secured notes due May 15, 2014 [Member]		
<b><i>Guarantor Obligations [Line Items]</i></b>		
Interest rate (in hundredths)	8.00%	
Senior unsecured notes due August 15, 2014 [Member]		
<b><i>Guarantor Obligations [Line Items]</i></b>		
Interest rate (in hundredths)	7.50%	

Financial Reports formatted for presentation by Westlaw Business based on filed XBRL exhibits:  
EX-101.INS, EX-101.SCH and EX-101.CAL