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 September 30, 2007.

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 0−27918

Century Aluminum Company

(Exact name of Registrant as specified in its Charter)

Delaware	***13−3070826***
(State of Incorporation)	*(IRS Employer Identification No.)*
2511 Garden Road	***93940***
Building A, Suite 200	*(Zip Code)*
Monterey, California	
(Address of principal executive offices)	

(831) 642−9300

(Registrant's telephone number, including area code)

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 is a large accelerated filer, an accelerated filer, or a non−accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b−2 of the Exchange Act.
Large Accelerated Filer ☒ Accelerated Filer ☐ Non−Accelerated Filer ☐

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 40,973,805 shares of common stock outstanding at October 31, 2007.

TABLE OF CONTENTS

Table of Contents

PART I – FINANCIAL INFORMATION
Item 1. Financial Statements

CENTURY ALUMINUM COMPANY
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	September 30, 2007	December 31, 2006
ASSETS	(UNAUDITED)	
Cash	$ 64,776	$ 96,365
Restricted cash	867	2,011
Short−term investments	258,727	−−
Accounts receivable — net	100,127	113,371
Due from affiliates	27,693	37,542
Inventories	166,400	145,410
Prepaid and other current assets	20,194	19,830
Deferred taxes — current portion	116,042	103,110
Total current assets	754,826	517,639
Property, plant and equipment — net	1,259,776	1,218,777
Intangible asset — net	51,101	61,594
Goodwill	94,844	94,844
Other assets	323,824	292,380
TOTAL ASSETS	$ 2,484,371	$ 2,185,234
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable, trade	$ 72,859	$ 64,849
Due to affiliates	225,960	282,282
Accrued and other current liabilities	44,250	75,143
Long term debt — current portion	−−	30,105
Accrued employee benefits costs — current portion	11,083	11,083
Convertible senior notes	175,000	175,000
Industrial revenue bonds	7,815	7,815
Total current liabilities	536,967	646,277
Senior unsecured notes payable	250,000	250,000
Nordural debt	20,000	309,331
Accrued pension benefits costs — less current portion	15,987	19,239
Accrued postretirement benefits costs — less current portion	209,092	206,415
Due to affiliates – less current portion	716,636	554,864
Other liabilities	40,686	27,811
Deferred taxes	59,860	41,587
Total noncurrent liabilities	1,312,261	1,409,247
CONTINGENCIES AND COMMITMENTS (NOTE 8)		
SHAREHOLDERS' EQUITY:		
Common stock (one cent par value, 100,000,000 shares authorized; 40,958,071 and 32,457,670 shares issued and outstanding at September 30, 2007 and December 31, 2006, respectively)	410	325
Additional paid−in capital	854,545	432,270
Accumulated other comprehensive loss	(86,653)	(166,572)
Accumulated deficit	(133,159)	(136,313)
Total shareholders' equity	635,143	129,710
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 2,484,371	$ 2,185,234

See notes to consolidated financial statements

Table of Contents

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

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
NET SALES:				
Third−party customers	$ 360,336	$ 312,038	$ 1,112,072	$ 966,753
Related parties	94,035	69,239	253,961	167,446
	454,371	381,277	1,366,033	1,134,199
Cost of goods sold	369,875	310,303	1,062,493	878,753
Gross profit	84,496	70,974	303,540	255,446
Selling, general and administrative expenses	13,372	8,144	40,784	28,639
Operating income	71,124	62,830	262,756	226,807
Interest expense	(6,099)	(10,271)	(26,794)	(25,822)
Interest income	3,442	448	7,668	797
Net gain (loss) on forward contracts	(75,041)	210,268	(279,897)	(106,948)
Other income (expense) − net	(131)	3	(3,426)	(121)
Income (loss) before income taxes and equity in earnings of joint ventures	(6,705)	263,278	(39,693)	94,713
Income tax (expense) benefit	10,438	(92,922)	39,396	(27,675)
Income (loss) before equity in earnings of joint ventures	3,733	170,356	(297)	67,038
Equity in earnings of joint ventures	3,737	3,583	11,351	11,130
Net income	$ 7,470	$ 173,939	$ 11,054	$ 78,168
EARNINGS PER COMMON SHARE:				
Basic	$ 0.18	$ 5.36	$ 0.31	$ 2.41
Diluted	$ 0.17	$ 5.26	$ 0.29	$ 2.38
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	40,957	32,438	35,927	32,374
Diluted	43,459	33,148	38,246	33,515

See notes to consolidated financial statements

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

	Nine months ended September 30, 2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 11,054	$ 78,168
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Unrealized net loss on forward contracts	201,999	62,766
Depreciation and amortization	57,735	50,090
Deferred income taxes	(38,822)	(26,224)
Pension and other post retirement benefits	6,499	11,005
Stock−based compensation	3,765	4,603
Excess tax benefits from share−based compensation	(516)	(1,244)
(Gain) loss on disposal of assets	(49)	43
Non−cash loss on early extinguishment of debt	2,461	−−
Increase in short−term investments – net	(258,727)	−−
Undistributed earnings of joint ventures	(11,351)	(11,130)
Changes in operating assets and liabilities:		
Accounts receivable – net	13,244	628
Due from affiliates	9,849	(9,562)
Inventories	(20,990)	(29,084)
Prepaid and other current assets	(1,988)	(4,564)
Accounts payable – trade	11,849	(784)
Due to affiliates	12,018	3,129
Accrued and other current liabilities	(52,289)	(6,381)
Other – net	13,519	(3,949)
Net cash provided by (used in) operating activities	(40,740)	117,510
CASH FLOWS FROM INVESTING ACTIVITIES:		
Nordural expansion	(79,560)	(155,756)
Purchase of property, plant and equipment	(13,693)	(10,610)
Restricted and other cash deposits	3,744	(3,998)
Proceeds from sale of property, plant and equipment	543	22
Net cash used in investing activities	(88,966)	(170,342)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Borrowings of long−term debt	30,000	89,000
Repayment of long−term debt	(349,436)	(434)
Net repayments under revolving credit facility	−−	(8,069)
Excess tax benefits from shared−based compensation	516	1,244
Issuance of common stock – net of issuance costs	417,037	3,433
Net cash provided by financing activities	98,117	85,174
NET CHANGE IN CASH	(31,589)	32,342
Cash, beginning of the period	96,365	17,752
Cash, end of the period	$ 64,776	$ 50,094

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements
Nine month periods ended September 30, 2007 and 2006
(Dollars in thousands, except share and per share data)
(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, 2006. 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 nine months of 2007 are not necessarily indicative of the results that may be expected for the year ending December 31, 2007. 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.

During 2007, we purchased short−term investments primarily in variable−rate demand notes and auction rate securities. These investments have underlying maturities in excess of 90 days and are not considered cash equivalents. Our accounting policy for these short−term investments is as follows:

Short−term investments – We account for short−term investment securities in accordance with Statement of Financial Accounting Standard ("SFAS") No. 115, "Accounting for Certain Investments in Debt and Equity Securities." At September 30, 2007, our short−term investments were classified as trading securities and recorded at fair value with unrealized holding gains and losses included in net earnings.

2. Equity Offering

In June 2007, we completed a public equity offering of 8,337,500 shares of common stock, which included the exercise of the over−allotment option of 1,087,500 shares of common stock, at a price of $52.50 per share, raising $437,719 before offering costs. We sold the 8,337,500 shares of common stock in a simultaneous offering in the United States and Iceland. Shares of common stock offered and sold in Iceland are represented by global depositary receipts, with one depositary receipt representing one share of common stock. The offering costs were approximately $23,686, representing underwriting discounts and commissions and offering expenses.

In June 2007, we used a portion of the net proceeds from the equity offering to prepay $200,000 of principal of the Nordural senior term loan facility. The balance of the equity offering proceeds is expected to be used as partial funding for the construction of a greenfield aluminum smelter near Helguvik, Iceland and for general corporate purposes.

3. Earnings Per Share

The following tables provide a reconciliation of the computation of basic and diluted earnings per share:

	For the three months ended September 30,					
	2007			*2006*		
	Income	Shares	Per−Share	Income	Shares	Per−Share
Net income	$ 7,470			$ 173,939		
Basic EPS:						
Income applicable to common shareholders	7,470	40,957	$ 0.18	173,939	32,438	$ 5.36
Effect of Dilutive Securities:						
Options	−−	66		−−	60	
Service−based stock awards	−−	80		−−	94	
Assumed conversion of convertible debt	−−	2,356		490	556	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 7,470	43,459	$ 0.17	$ 174,429	33,148	$ 5.26

	For the nine months ended September 30, 2007			2006		
	Income	Shares	Per−Share	Income	Shares	Per−Share
Net income	$ 11,054			$ 78,168		
Basic EPS:						
Income applicable to common shareholders	11,054	35,927	$ 0.31	78,168	32,374	$ 2.41
Effect of Dilutive Securities:						
Options	−−	60		−−	78	
Service−based stock awards	−−	77		−−	88	
Assumed conversion of convertible debt	−−	2,182		1,470	975	
Diluted EPS:						
Income applicable to common shareholders with assumed conversion	$ 11,054	38,246	$ 0.29	$ 79,638	33,515	$ 2.38

Options to purchase 446,288 and 360,872 shares of common stock were outstanding as of September 30, 2007 and 2006, respectively. For the three months ended September 30, 2007, 34,000 options 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. For the nine month period ended September 30, 2007, approximately 48,000 options 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. Based on the average price for our common stock in the three and nine months ended September 30, 2007, we would have been required to issue approximately 2,356,000 and 2,182,000 shares, respectively, upon an assumed conversion of our convertible debt.

For the three month period ended September 30, 2006, 63,000 options 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. Based on the average price for our common stock in the three and nine months ended September 30, 2006, we would have been required to issue approximately 556,000 and 975,000 shares, respectively, upon an assumed conversion of our convertible debt. For the nine month period ending September 30, 2006, approximately 33,000 options were excluded from the calculation because the option exercise prices were greater than the average market price of the underlying common shares.

Service−based stock for which vesting is based upon continued service is not considered issued and outstanding shares of common stock until vested. 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. There were 82,834 and 94,000 unvested shares of service−based stock outstanding at September 30, 2007 and 2006, respectively. Our goal−based performance share units are not considered common stock equivalents until it becomes probable that performance goals will be achieved.

4. Income Taxes

We adopted the provisions of Financial Accounting Standards Board (“FASB”) Interpretation No. 48, “Accounting for Uncertainty in Income Taxes” (“FIN 48”), on January 1, 2007. As a result of adoption, we decreased our January 1, 2007 retained earnings balance by approximately $7,900. As of the adoption date, we had unrecognized tax benefits of $21,800. If recognized, $18,300 of this amount would affect the effective tax rate.

It is our policy to recognize potential accrued interest and penalties related to unrecognized tax benefits in income tax expense. We recognized approximately $5,000 of interest, net of federal benefits, at January 1, 2007 which is included as a component of the $21,800 net unrecognized tax benefits noted above. During the three and nine months ended September 30, 2007, we recognized as income tax expense approximately $800 and $2,300, respectively, in potential interest associated with uncertain tax positions.

Century and its subsidiaries file income tax returns in the U.S. federal jurisdiction and various state and local jurisdictions within the United States, and in Iceland. We have substantially concluded all material U.S. federal income tax matters for years through 1999. Federal income tax returns for 2000 through 2002 are currently under examination by the Internal Revenue Service ("IRS"). In connection with these examinations, the IRS has raised issues and proposed tax deficiencies. We have filed an administrative appeal with the IRS and this examination may conclude in 2007. We believe our tax position is well supported and, based on current information, we do not believe the outcome of the tax audit will have a material adverse impact on our financial condition or results of operations. Our federal income tax returns beginning in 2003 are subject to examination. Material state and local income tax matters have been concluded for years through 2002. West Virginia income tax returns for 2004 through 2006 are currently under examination and the majority of other state returns beginning in 2004 are subject to examination. Our Icelandic tax returns are subject to examination and income tax matters have been concluded for years through 2001.

We do not expect a significant change in the balance of unrecognized tax benefits within the next twelve months with the exception of reductions for potential payments to the IRS to settle the examination as noted above.

During the nine months ended September 30, 2007, we recognized a $4,311 tax benefit related to the increase in the carrying amount of deferred tax assets as a result of a tax law change in West Virginia.

5. Inventories

Inventories consist of the following:

	September 30, 2007	*December 31, 2006*
Raw materials	$ 74,272	$ 61,749
Work−in−process	22,712	20,528
Finished goods	6,308	5,435
Operating and other supplies	63,108	57,698
Total Inventories	$ 166,400	$ 145,410

Inventories are stated at the lower of cost or market, using the first−in, first−out method.

6. Goodwill and Intangible Asset

We test our goodwill for impairment annually in the second quarter of the fiscal year and at other times whenever events or circumstances indicate that the carrying amount of goodwill may exceed its fair value. If the carrying value of goodwill exceeds its fair value, an impairment loss will be recognized. No impairment loss was recorded in 2007 or 2006. The fair value is estimated using market comparable information.

The intangible asset consists of the power contract acquired in connection with our acquisition of the Hawesville facility ("Hawesville"). The contract value is being amortized over its term using a method that results in annual amortization equal to the percentage of a given year's expected gross annual benefit to the total as applied to the total recorded value of the power contract. As of September 30, 2007, the gross carrying amount of the intangible asset was $155,986 with accumulated amortization of $104,885.

For the three month periods ended September 30, 2007 and 2006, amortization expense for the intangible asset totaled $3,498 and $3,263, respectively. For the nine month periods ended September 30, 2007 and 2006, amortization expense for the intangible asset totaled $10,493 and $9,787, respectively. For the year ending December 31, 2007, the estimated aggregate amortization expense for the intangible asset will be approximately $13,991. The estimated aggregate amortization expense for the intangible asset through the Hawesville power contract's term is as follows:

	2008	*2009*	*2010*
Estimated amortization expense	$15,076	$16,149	$16,378

The intangible asset is reviewed for impairment in accordance with SFAS 142, "Goodwill and Other Intangible Assets," whenever events or circumstances indicate that its net carrying amount may not be recoverable.

7. Debt

	September 30, 2007	*December 31, 2006*
Debt classified as current liabilities:		
1.75% convertible senior notes due 2024, interest payable semiannually (1)(2)(5)	$ 175,000	$ 175,000
Hancock County industrial revenue bonds ("IRBs") due 2028, interest payable quarterly (variable interest rates (not to exceed 12%))(1)	7,815	7,815
Current portion of long−term debt	−−	30,105
Debt classified as non−current liabilities:		
7.5% senior unsecured notes payable due 2014, interest payable semiannually (5)(6)(8)	250,000	250,000
Nordural's senior term loan facility, maturing in 2010, interest payable monthly (variable interest rate) (3)(4)(7)	20,000	301,500
Nordural's various loans, with interest rates ranging from 5.55% to 6.75% due through 2020 (9)	−−	7,831
Total Debt	$ 452,815	$ 772,251

(1) The convertible notes are classified as current because they are convertible at any time by the holder. 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 September 30, 2007 was 4.14%.

(2) The convertible notes are convertible at any time by the holder at an initial conversion rate of 32.7430 shares of Century common stock per one thousand dollars of principal amount of convertible notes, subject to adjustments for certain events. The initial conversion rate is equivalent to a conversion price of approximately $30.5409 per share of Century common stock. Upon conversion of a convertible note, the holder of such convertible note shall receive cash equal to the principal amount of the convertible note and, at our election, either cash or Century common stock, or a combination thereof, for the convertible notes' conversion value in excess of such principal amount, if any.

(3) Nordural's senior term loan interest rate at September 30, 2007 was 6.68%. The senior term loan facility contains customary covenants, including limitations on additional indebtedness, investments, capital expenditures (other than related to the expansion project), dividends, and hedging agreements. Nordural is also subject to various financial covenants, including a net worth covenant and certain maintenance covenants, including minimum interest coverage and debt service coverage beginning as of December 31, 2006.

(4) Nordural's obligations under the senior term loan facility are secured by a pledge of all of Nordural's shares pursuant to a share pledge agreement with the lenders. In addition, substantially all of Nordural's assets are pledged as security under the loan facility.

(5) Century's obligations pursuant to the notes are unconditionally, jointly and severally guaranteed, on a senior unsecured basis, by all of our existing domestic restricted subsidiaries.

(6) The indenture governing these obligations contains customary covenants, including limitations on our ability to incur additional indebtedness, pay dividends, sell assets or stock of certain subsidiaries and purchase or redeem capital stock.

(7) The senior term loan facility agreement repayment schedule was amended in March 2007 to allow a prepayment of the August 2007 principal payment on March 31, 2007. In April 2007, a further amendment allowing additional prepayment without penalty preceded an additional prepayment which eliminated all periodic principal payments. The remaining outstanding principal amount is due February 28, 2010.

(8) On or after August 15, 2009, we have the option to redeem any of the senior notes, in whole or in part, at an initial redemption price equal to 103.75% of the principal amount, plus accrued and unpaid interest. The redemption price will decline each year after 2009 and will be 100% of the principal amount, plus accrued and unpaid interest, beginning on August 15, 2012.

(9) In July 2007, Nordural repaid the outstanding principal balance on their harbor and site lease agreements.

We have a $100,000 senior secured revolving credit facility (“Credit Facility”) with a syndicate of banks that will mature September 19, 2010. Our obligations under the Credit Facility are unconditionally guaranteed by our domestic subsidiaries (other than Century Aluminum Holdings, Inc., Century Louisiana, Inc., Century California, LLC, Century Aluminum Development LLC and Nordural US LLC) and secured by a first priority security interest in all accounts receivable and inventory belonging to Century and our subsidiary borrowers. The availability of funds under the Credit Facility is subject to a $15,000 reserve and limited by a specified borrowing base consisting of certain eligible accounts receivable and inventory. Borrowings under the Credit Facility are, at our option, at the LIBOR rate or bank base rate, plus or minus in each case an applicable margin. The Credit Facility is subject to customary covenants, including limitations on capital expenditures, additional indebtedness, affiliate transactions, liens, guarantees, mergers and acquisitions, dividends, distributions, capital redemptions and investments. We could issue up to a maximum of $25,000 in letters of credit under the Credit Facility. Any outstanding letters of credit reduce our borrowing availability on a dollar for dollar basis. We have issued letters of credit totaling $2,777 as of September 30, 2007. We had no other outstanding borrowings under the Credit Facility as of September 30, 2007. As of September 30, 2007, we had a borrowing availability of $97,223 under the Credit Facility. We pay a commitment fee for the unused portion of the line.

8. Contingencies and Commitments

Environmental Contingencies

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. However, there can be no assurance that future requirements or conditions at currently or formerly owned or operated properties will not result in liabilities which may have a material adverse effect.

Century Aluminum of West Virginia, Inc. (“CAWV”) continues to perform remedial measures at our Ravenswood, West Virginia facility (“Ravenswood”) pursuant to an order issued by the Environmental Protection Agency (“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 will formally document the conclusion of these activities, is being completed with the EPA. We believe a significant portion of the contamination on the two sites identified in the RFI is attributable to the operations of third parties and is their financial responsibility.

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

Century is 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 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. Lockheed Martin Corporation (“Lockheed”), which sold the facility to one of our affiliates, Virgin Islands Alumina Corporation (“Vialco”), in 1989, has tendered indemnity and defense of this matter to Vialco pursuant to the terms of the Lockheed–Vialco Asset Purchase Agreement. Management does not believe Vialco’s liability under the Order or its indemnity to Lockheed will require material payments. Through September 30, 2007, we have expended approximately $700 on the Recovery Plan. Although there is no limit on the obligation to make indemnification payments, 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, Century and Vialco were among the defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources, 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 alumina refinery facility at St. Croix and the adjacent petroleum refinery. Lockheed has tendered indemnity and defense of the case to Vialco pursuant to the terms of the Lockheed−Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. Vialco and the other defendants have filed separate motions to dismiss asserting certain affirmative defenses including the statute of limitations. No ruling on those motions has been rendered as of this date.

In July 2006, Century was 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 (formerly Pechiney Rolled Products, LLC) in July 1999. The complaint also seeks costs and attorney fees.

In December 2006, Vialco and the company that purchased the assets of Vialco in St. Croix in 1995 were named as defendants in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources. The complaint alleges the defendants failed to take certain actions specified in a Coastal Zone management permit issued to Vialco in October 1994, and seeks statutory and other unspecified monetary penalties for the alleged violations. Vialco filed its answer to the complaint asserting factual and affirmative defenses.

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 $966 and $605 at September 30, 2007 and December 31, 2006, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to cost for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Because of the issues and uncertainties described above, and our inability to predict the requirements of future environmental laws, there can be no assurance that future capital expenditures and costs for environmental compliance will not have a material adverse effect on our future financial condition, results of operations, or liquidity. Based upon all available information, management does not believe that the outcome of these environmental matters will have a material adverse effect on our financial condition, results of operations, or liquidity.

Legal Contingencies

We have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, 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.

Power Commitments

Hawesville purchases substantially all of its power from Kenergy Corp. (“Kenergy”), a retail electric member cooperative of the Big Rivers Electrical Corporation (“Big Rivers”), under a power supply contract that expires at the end of 2010. Under this contract, approximately 73% of this power is at fixed prices. We continuously review our options to manage the balance, or 27%, of this power and price the remaining power when we believe the combination of price and term are appropriate. Kenergy acquires most of the power it provides to Hawesville from a subsidiary of LG&E Energy Corporation (“LG&E”), with delivery guaranteed by LG&E.

Appalachian Power Company (“APCo”) supplies all of Ravenswood’s power requirements under an agreement at prices set forth in published tariffs, which are subject to change. In 2006, the Public Service Commission for the State of West Virginia (“PSC”) approved an experimental rate design through June 2009 in connection with an increase in the applicable tariff rates. Under the experimental rate, Ravenswood may be excused from or may defer the payment of the increase in the tariff rate if aluminum prices as quoted on the LME fall below pre−determined levels. After December 31, 2007, CAWV may terminate the agreement by providing 12 months notice of termination.

The Mt. Holly facility ("Mt. Holly") purchases all of its power from the South Carolina Public Service Authority at rates established by published schedules. Mt. Holly's current power contract expires December 31, 2015. Power delivered through 2010 will be priced as set forth in currently published schedules, subject to adjustments for fuel costs. Rates for the period 2011 through 2015 will be as provided under then−applicable schedules.

The Nordural facility at Grundartangi, Iceland ("Grundartangi") purchases power from Landsvirkjun, Hitaveita Suðurnesja hf. ("HS") and Orkuveita Reykjavíkur ("OR") under long−term contracts due to expire in 2019, 2026 and 2028. The power delivered to Grundartangi is priced at a rate based on the LME price for primary aluminum and is from hydroelectric and geothermal sources.

In April 2006, we announced an expansion of the Grundartangi facility from 220,000 metric tonnes per year ("mtpy") to 260,000 mtpy ("Phase V expansion") which is expected to be completed in the fourth quarter of 2007. OR has agreed to deliver the electrical power for the additional expansion capacity by late 2008. In July 2007, we formalized our agreement with Landsvirkjun to deliver electrical power for the start−up of the Phase V capacity on an interim basis, if available, until electrical power is available from OR in late 2008.

In April 2007 and June 2007, Nordural signed electrical power supply agreements with HS and OR, respectively, for the planned primary aluminum reduction facility in Helguvik, Iceland. Under the agreements, power will be supplied to the planned Helguvik facility in stages, beginning with an initial phase of up to 250 megawatts ("MW"), which will support production capacity of up to 150,000 mtpy. HS will provide up to 150 MW in this initial stage, and OR will supply up to 100 MW. Electricity delivery for this first phase is targeted to begin in late 2010. The agreements provide for a total of 435 MW, which will ultimately provide power for a 250,000 mtpy facility. The agreements are subject to the satisfaction of certain conditions.

Labor Commitments

Approximately 81% of our U.S. based work force is represented by the United Steelworkers of America (the "USWA"). Our Hawesville, Kentucky plant employees represented by the USWA are under a collective bargaining agreement that will expire on April 1, 2010. The agreement covers approximately 600 hourly workers at the Hawesville plant. Our Ravenswood plant employees represented by the USWA are under a labor agreement that will expire on May 31, 2009. The agreement covers approximately 580 hourly employees at the Ravenswood plant.

Approximately 90% of Grundartangi's work force is represented by five labor unions under an agreement that expires on December 31, 2009.

Other Commitments and Contingencies

At September 30, 2007 and December 31, 2006, we had outstanding capital commitments of approximately $11,300 and $67,732, respectively, primarily related to the Grundartangi Phase V expansion project. Our cost commitments for the Grundartangi expansion may materially change depending on the exchange rate between the U.S. dollar and certain foreign currencies, principally the Icelandic krona and the euro.

Table of Contents

9. *Forward Delivery Contracts and Financial Instruments*

As a producer of primary aluminum products, we are exposed to fluctuating raw material and primary aluminum prices. We routinely enter into fixed and market priced contracts for the sale of primary aluminum and the purchase of raw materials in future periods. The following tables present our long−term primary aluminum sales and tolling contracts. Certain contracts are with a related party, Glencore International AG (together with its subsidiaries, "Glencore").

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Alcan Metal Agreement (1)	Alcan	(1)	Through August 31, 2009	Variable, based on U.S. Midwest market
Glencore Metal Agreement I (2)	Glencore	50,000 mtpy	Through December 31, 2009	Variable, LME−based
Glencore Metal Agreement II (3)	Glencore	20,400 mtpy	Through December 31, 2013	Variable, based on U.S. Midwest market
Southwire Metal Agreements	Southwire	240 million pounds per year (high purity molten aluminum) (4)	Through March 31, 2011	Variable, based on U.S. Midwest market
		60 million pounds per year (standard−grade molten aluminum)	Through December 31, 2010	Variable, based on U.S. Midwest market
		48 million pounds per year (standard−grade molten aluminum)	Through December 31, 2007	Variable, based on U.S. Midwest market

(1) We and Alcan have agreed to the terms of a new molten metal agreement which is being finalized. We are currently operating under the terms of the new agreement which provides for metal sales volumes of 19 million pounds per month through December 31, 2008 and 14 million pounds per month from January 2009 through August 31, 2009.

(2) We account for the Glencore Metal Agreement I as a derivative instrument under SFAS No. 133. We have not designated the Glencore Metal Agreement I as "normal" because it replaced and substituted for a significant portion of a sales contract which did not qualify for this designation. Because the Glencore Metal Agreement I is variably priced, we do not expect significant variability in its fair value, other than changes that might result from the absence of the U.S. Midwest premium.

(3) We account for the Glencore Metal Agreement II as a derivative instrument under SFAS No. 133. Under the Glencore Metal Agreement II, pricing is based on then−current 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.

(4) The Southwire Metal Agreement will automatically renew for additional five−year terms, unless either party provides 12 months notice that it has elected not to renew.

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)(2)	Glencore	90,000 mtpy	Through July 2016	LME−based
Glencore Toll Agreement (1)	Glencore	40,000 mpty	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. In May 2007, the EU members reduced the EU import duty for primary aluminum from six percent to three percent and agreed to review the new duty after three years. This decrease in the EU import duty for primary aluminum negatively impacts Grundartangi's revenues and further decreases would also have a negative impact on Grundartangi's revenues, but it is not expected to have a material effect on our financial position and results of operations.

(2) Glencore assigned 50% of its tolling rights under this agreement to Hydro Aluminum through December 31, 2010.

Apart from the Alcan Metal Agreement, Glencore Metal Agreement I, Glencore Metal Agreement II and Southwire Metal Agreements, we had forward delivery contracts to sell 57,740 metric tonnes and 110,953 metric tonnes of primary aluminum at September 30, 2007 and December 31, 2006, respectively. Of these forward delivery contracts, we had fixed price commitments to sell 2,704 metric tonnes and 2,538 metric tonnes of primary aluminum at September 30, 2007 and December 31, 2006, respectively, of which 191 metric tonnes were with Glencore at September 30, 2007 (none of the December 31, 2006 fixed price commitments were with Glencore).

Financial Sales Agreements

To mitigate the volatility in our variable priced forward delivery contracts, we enter into fixed price financial sales contracts which settle in cash in the period corresponding to the intended delivery dates of the forward delivery contracts. Certain of these fixed price financial sales contracts are accounted for as cash flow hedges depending on our designation of each contract at its inception. Glencore is the counterparty for all of the primary aluminum financial sales contracts summarized below:

Primary Aluminum Financial Sales Contracts as of:

(Metric Tonnes)

	September 30, 2007			December 31, 2006		
	Cash Flow Hedges	Derivatives	Total	Cash Flow Hedges	Derivatives	Total
2007	27,000	12,600	39,600	119,500	50,400	169,900
2008	9,000	100,200	109,200	9,000	100,200	109,200
2009	−−	105,000	105,000	−−	105,000	105,000
2010	−−	105,000	105,000	−−	105,000	105,000
2011	−−	75,000	75,000	−−	75,000	75,000
2012−2015	−−	300,000	300,000	−−	300,000	300,000
Total	36,000	697,800	733,800	128,500	735,600	864,100

In the event of a material adverse change in our creditworthiness, Glencore has the option to require a letter of credit, or any other acceptable security or collateral for outstanding balances on these contracts.

The contracts accounted for as derivatives contain clauses that trigger additional volume when the market price for a contract month is above the contract ceiling price. If the market price exceeds the ceiling price for all contract months through 2015, the maximum additional shipment volume would be 697,800 metric tonnes at September 30, 2007. These contracts will be settled monthly. We had no fixed price financial contracts to purchase aluminum at September 30, 2007 or December 31, 2006.

Additionally, to mitigate the volatility of the natural gas markets, we enter into financial purchase contracts, accounted for as cash flow hedges, which settle in cash in the period corresponding to the intended usage of natural gas.

Natural Gas Financial Purchase Contracts as of:

(Thousands of MMBTU)

	September 30, 2007	December 31, 2006
2007	1,170	2,200
2008	480	480
Total	1,650	2,680

Foreign Currency Options

In May 2006, we purchased foreign currency options with a notional value of $41,627 to hedge a portion of our foreign currency risk from our exposure to the Icelandic krona associated with capital expenditures from the ongoing Phase V project at Grundartangi. The option contracts, which are designated as cash flow hedges and qualify for hedge accounting under SFAS No. 133, “Accounting for Derivative Instruments and Hedging Activities” (“SFAS No.133”), have maturities through November 2007. The critical terms of the contracts match those of the underlying exposure. As of September 30, 2007 and December 31, 2006, the notional value outstanding on the foreign currency options was $3,817 and $31,196, respectively.

As of September 30, 2007, the fair value of the options of $994 is recorded in other assets. Included in accumulated other comprehensive income is an after−tax realized and unrealized gains of $3,699.

Based on the fair value of our financial sales contracts for primary aluminum, financial purchase contracts for natural gas and foreign currency options that qualify as cash flow hedges as of September 30, 2007, an accumulated other comprehensive loss of $18,426 is expected to be reclassified as a reduction to earnings over the next 12 month period.

The forward financial sales and purchase contracts and foreign currency options are subject to counterparty credit risk. However, we only enter into forward financial contracts with counterparties we determine to be creditworthy. If any counterparty failed to perform according to the terms of the contract, the accounting 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.

10. Supplemental Cash Flow Information

	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Cash paid for:		
Interest	$ 34,058	$ 36,763
Income tax	48,822	56,745
Cash received for:		
Interest	6,843	575
Income tax refunds	−−	577
Non−cash investing activities:		
Accrued Nordural expansion costs	(2,701)	(2,316)

Non−cash Activities

In the first quarter of 2007, we issued 50,985 shares of common stock as part of our performance share program to satisfy a $2,281 performance share liability to certain key employees. In addition, we recorded a $7,900 non−cash adjustment to the beginning balance of our retained earnings as part of the adoption of FIN 48, see Note 4.

In 2007, we reclassified the undistributed earnings of our joint ventures in our cash flow statement. In 2006, these undistributed earnings were included in our cash flow statement in. “Other – net.”

During the nine month period ended September 30, 2007 and 2006, we capitalized interest costs incurred in the construction of equipment of $3,606 and $7,933, respectively.

11. Asset Retirement Obligations

The reconciliation of the changes in the asset retirement obligation is as follows:

	For the nine months ended September 30, 2007	For the year ended December 31, 2006
Beginning balance, ARO liability	$ 12,864	$ 11,808
Additional ARO liability incurred	1,529	2,302
ARO liabilities settled	(1,761)	(2,236)
Accretion expense	774	990
Ending balance, ARO liability	$ 13,406	$ 12,864

12. Recently Issued Accounting Standards

In September 2006, the FASB issued SFAS No. 157, “Fair Value Measurements.” SFAS No. 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This pronouncement applies to other existing accounting pronouncements that require or permit fair value measurements. The pronouncement does not require any new fair value measurements. SFAS No. 157 will be effective for financial statements issued for fiscal years beginning after November 15, 2007, and the interim periods within those years. We are currently assessing the new pronouncement and have not yet determined the impact of adopting SFAS No. 157 on our financial position and results of operations.

Table of Contents

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities.” The Statement would permit us to choose to measure certain financial instruments and other items at their fair value. The objective of the Statement is to mitigate the volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. This fair value option would allow us to choose to measure eligible items at fair value at a specified election date. The Statement is effective for us as of January 1, 2008. We are currently assessing the new pronouncement and have not yet determined the impact of adopting SFAS No. 159 on our financial position and results of operations.

13. Comprehensive Income

Comprehensive income:

	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Net income	$ 11,054	$ 78,168
Other comprehensive income (loss):		
Net unrealized (gain) loss on financial instruments, net of tax of $198 and $38,630, respectively	8,454	(68,203)
Net amount reclassified to income, net of tax of $(46,833) and $(34,281), respectively	68,626	60,754
Defined benefit pension and other postemployment benefit plans adjustment, net of $(3,289) tax	2,839	−−
Comprehensive income	$ 90,973	$ 70,719

14. Components of Net Periodic Benefit Cost

	Pension Benefits			
	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Service cost	$ 1,032	$ 722	$ 3,165	$ 2,782
Interest cost	1,477	1,465	4,327	3,892
Expected return on plan assets	(1,820)	(1,700)	(5,207)	(5,100)
Amortization of prior service cost	182	202	546	409
Amortization of net gain	303	431	792	858
Net periodic benefit cost	$ 1,174	$ 1,120	$ 3,623	$ 2,841

	Other Postretirement Benefits			
	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
Service cost	$ 1,751	$ 1,669	$ 5,253	$ 4,605
Interest cost	2,911	2,956	8,733	7,795
Expected return on plan assets	−−	−−	−−	−−
Amortization of prior service cost	(540)	(925)	(1,621)	(1,364)
Amortization of net gain	1,284	1,346	3,853	3,417
Net periodic benefit cost	$ 5,406	$ 5,046	$ 16,218	$ 14,453

Employer contributions

In September 2007, we contributed $7,000 to the Century Aluminum Employees Retirement Plan.

15. Other Assets

Components of Other Assets:	*September 30, 2007*	*December 31, 2006*
Deferred tax assets – noncurrent	$ 228,966	$ 203,452
Other assets (primarily investments in joint ventures)	86,107	75,950
Capitalized financing fees	8,751	12,978
	$ 323,824	$ 292,380

16. Condensed Consolidating Financial Information

Our 7.5% Senior Notes due 2014, and 1.75% Convertible Senior Notes due 2024 are guaranteed by each of our material existing and future domestic subsidiaries, except for Nordural US LLC. Each of the subsidiary guarantors are 100% owned by Century. All guarantees are full and unconditional and joint and several. These notes are not guaranteed by our foreign subsidiaries (such subsidiaries and Nordural US LLC, collectively the "Non−Guarantor Subsidiaries"). Our policy for financial reporting purposes is to allocate corporate expenses or income to subsidiaries. For the three months ended September 30, 2007 and 2006, we allocated total corporate expense of $1,940 and $35 to our subsidiaries, respectively. For the nine months ended September 30, 2007 and 2006, we allocated total corporate expense of $6,909 and $3,488 to our subsidiaries, respectively. Additionally, we charge interest on certain intercompany balances.

The following summarized condensed consolidating balance sheets as of September 30, 2007 and December 31, 2006, condensed consolidating statements of operations for the three and nine months ended September 30, 2007 and September 30, 2006 and the condensed consolidating statements of cash flows for the nine months ended September 30, 2007 and September 30, 2006 present separate results for Century, the Guarantor Subsidiaries and the Non−Guarantor Subsidiaries.

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 September 30, 2007

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash	$ —	$ 4,701	$ 60,075	$ —	$ 64,776
Restricted cash	867	—	—	—	867
Short−term investments	—	—	258,727	—	258,727
Accounts receivable — net	83,133	16,994	—	—	100,127
Due from affiliates	189,284	4,301	1,022,830	(1,188,722)	27,693
Inventories	129,813	36,378	—	209	166,400
Prepaid and other assets	1,478	12,784	5,932	—	20,194
Deferred taxes — current portion	27,197	—	22,130	66,715	116,042
Total current assets	431,772	75,158	1,369,694	(1,121,798)	754,826
Investment in subsidiaries	37,951	—	186,638	(224,589)	—
Property, plant and equipment — net	422,085	836,710	981	—	1,259,776
Intangible asset — net	51,101	—	—	—	51,101
Goodwill	—	94,844	—	—	94,844
Other assets	48,835	16,591	490,598	(232,200)	323,824
Total assets	$ 991,744	$ 1,023,303	$ 2,047,911	$ (1,578,587)	$ 2,484,371
Liabilities and shareholders' equity:					
Accounts payable – trade	$ 40,050	$ 31,213	$ 1,596	$ —	$ 72,859
Due to affiliates	520,997	88,689	217,045	(600,771)	225,960
Industrial revenue bonds	7,815	—	—	—	7,815
Accrued and other current liabilities	19,450	6,151	18,649	—	44,250
Accrued employee benefits costs — current portion	9,803	—	1,280	—	11,083
Convertible senior notes	—	—	175,000	—	175,000
Total current liabilities	598,115	126,053	413,570	(600,771)	536,967
Senior unsecured notes payable	—	—	250,000	—	250,000
Nordural debt	—	20,000	—	—	20,000
Accrued pension benefit costs — less current portion	253	—	15,734	—	15,987
Accrued postretirement benefit costs — less current portion	207,564	—	1,528	—	209,092
Other liabilities/intercompany loan	48,809	557,104	15,300	(580,527)	40,686
Due to affiliates — less current portion	—	—	716,636	—	716,636
Deferred taxes	208,234	24,327	—	(172,701)	59,860
Total noncurrent liabilities	464,860	601,431	999,198	(753,228)	1,312,261
Shareholders' equity:					
Common stock	60	12	410	(72)	410
Additional paid−in capital	292,334	136,790	854,545	(429,124)	854,545
Accumulated other comprehensive income (loss)	(89,710)	6,063	(86,653)	83,647	(86,653)
Retained earnings (accumulated deficit)	(273,915)	152,954	(133,159)	120,961	(133,159)
Total shareholders' equity	(71,231)	295,819	635,143	(224,588)	635,143
Total liabilities and shareholders' equity	$ 991,744	$ 1,023,303	$ 2,047,911	$ (1,578,587)	$ 2,484,371

Table of Contents

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2006

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	$ —	$ 11,866	$ 84,499	$ —	$ 96,365
Restricted cash	2,011	—	—	—	2,011
Accounts receivable — net	98,690	14,681	—	—	113,371
Due from affiliates	55,853	6,779	752,954	(778,044)	37,542
Inventories	112,975	32,604	—	(169)	145,410
Prepaid and other assets	4,603	12,981	2,246	—	19,830
Deferred taxes — current portion	66,530	—	11,007	25,573	103,110
Total current assets	340,662	78,911	850,706	(752,640)	517,639
Investment in subsidiaries	22,229	—	20,967	(43,196)	—
Property, plant and equipment — net	436,980	780,879	918	—	1,218,777
Intangible asset — net	61,594	—	—	—	61,594
Goodwill	—	94,844	—	—	94,844
Other assets	41,599	19,297	368,913	(137,429)	292,380
Total assets	$ 903,064	$ 973,931	$ 1,241,504	$ (933,265)	$ 2,185,234
Liabilities and shareholders' equity:					
Accounts payable – trade	$ 34,993	$ 29,804	$ 52	$ —	$ 64,849
Due to affiliates	381,853	56,665	73,734	(229,970)	282,282
Industrial revenue bonds	7,815	—	—	—	7,815
Long term debt — current portion	—	30,105	—	—	30,105
Accrued and other current liabilities	21,381	4,522	49,240	—	75,143
Accrued employee benefits costs — current portion	9,803	—	1,280	—	11,083
Convertible senior notes	—	—	175,000	—	175,000
Total current liabilities	455,845	121,096	299,306	(229,970)	646,277
Senior unsecured notes payable	—	—	250,000	—	250,000
Nordural debt	—	309,331	—	—	309,331
Accrued pension benefit costs — less current portion	3,624	—	15,615	—	19,239
Accrued postretirement benefit costs — less current portion	205,092	—	1,323	—	206,415
Other liabilities/intercompany loan	215,839	353,997	—	(542,025)	27,811
Due to affiliates — less current portion	9,314	—	545,550	—	554,864
Deferred taxes	143,421	16,240	—	(118,074)	41,587
Total noncurrent liabilities	577,290	679,568	812,488	(660,099)	1,409,247
Shareholders' equity:					
Common stock	60	12	325	(72)	325
Additional paid−in capital	259,248	85,190	432,270	(344,438)	432,270
Accumulated other comprehensive income (loss)	(172,685)	2,791	(166,572)	169,894	(166,572)
Retained earnings (accumulated deficit)	(216,694)	85,274	(136,313)	131,420	(136,313)
Total shareholders' equity	(130,071)	173,267	129,710	(43,196)	129,710
Total liabilities and shareholders' equity	$ 903,064	$ 973,931	$ 1,241,504	$ (933,265)	$ 2,185,234

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended September 30, 2007

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 272,792	$ 87,544	$ —	$ —	$ 360,336
Related parties	60,914	33,121	—	—	94,035
	333,706	120,665	—	—	454,371
Cost of goods sold	289,544	81,509	—	(1,178)	369,875
Gross profit	44,162	39,156	—	1,178	84,496
Selling, general and admin expenses	9,689	3,683	—	—	13,372
Operating income	34,473	35,473	—	1,178	71,124
Interest expense – third party	(6,097)	(2)	—	—	(6,099)
Interest income (expense) – affiliates	9,324	(9,324)	—	—	—
Interest income	3,194	248	—	—	3,442
Net loss on forward contracts	(75,041)	—	—	—	(75,041)
Other expense – net	(59)	(72)	—	—	(131)
Income (loss) before taxes and equity in earnings (loss) of subsidiaries and joint ventures	(34,206)	26,323	—	1,178	(6,705)
Income tax expense (benefit)	13,889	(3,001)	—	(450)	10,438
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(20,317)	23,322	—	728	3,733
Equity earnings (loss) of subsidiaries and joint ventures	6,083	743	7,470	(10,559)	3,737
Net income (loss)	$ (14,234)	$ 24,065	$ 7,470	$ (9,831)	$ 7,470

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the three months ended September 30, 2006

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 266,118	$ 45,920	$ —	$ —	$ 312,038
Related parties	33,432	35,807	—	—	69,239
	299,550	81,727	—	—	381,277
Cost of goods sold	253,258	58,603	—	(1,558)	310,303
Gross profit	46,292	23,124	—	1,558	70,974
Selling, general and admin expenses	7,974	170	—	—	8,144
Operating income	38,318	22,954	—	1,558	62,830
Interest expense – third party	(6,033)	(4,238)	—	—	(10,271)
Interest income (expense) – affiliates	7,749	(7,749)	—	—	—
Interest income	410	38	—	—	448
Net gain on forward contracts	210,268	—	—	—	210,268
Other income (expense) – net	5	(2)	—	—	3
Income before taxes and equity in earnings (loss) of subsidiaries	250,717	11,003	—	1,558	263,278
Income tax expense	(92,102)	(259)	—	(561)	(92,922)
Income before equity in earnings (loss) of subsidiaries	158,615	10,744	—	997	170,356
Equity earnings (loss) of subsidiaries and joint ventures	4,218	853	173,939	(175,427)	3,583
Net income (loss)	$ 162,833	$ 11,597	$ 173,939	$ (174,430)	$ 173,939

Table of Contents

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the nine months ended September 30, 2007

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 846,064	$ 266,008	$ —	$ —	$ 1,112,072
Related parties	166,882	87,079	—	—	253,961
	1,012,946	353,087	—	—	1,366,033
Cost of goods sold	830,793	233,930	—	(2,230)	1,062,493
Gross profit	182,153	119,157	—	2,230	303,540
Selling, general and administrative expenses	32,231	8,553	—	—	40,784
Operating income	149,922	110,604	—	2,230	262,756
Interest expense – third party	(18,224)	(8,570)	—	—	(26,794)
Interest income (expense) – affiliates	26,220	(26,220)	—	—	—
Interest income	6,278	1,390	—	—	7,668
Net loss on forward contracts	(279,897)	—	—	—	(279,897)
Other income (expense) – net	(384)	(3,042)	—	—	(3,426)
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(116,085)	74,162	—	2,230	(39,693)
Income tax benefit (expense)	48,915	(8,666)	—	(853)	39,396
Income (loss) before equity in earnings (loss) of subsidiaries	(67,170)	65,496	—	1,377	(297)
Equity in earnings (loss) of subsidiaries and joint ventures	17,850	2,184	11,054	(19,737)	11,351
Net income (loss)	$ (49,320)	$ 67,680	$ 11,054	$ (18,360)	$ 11,054

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
For the nine months ended September 30, 2006

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Net sales:					
Third−party customers	$ 797,657	$ 169,096	$ —	$ —	$ 966,753
Related parties	131,639	35,807	—	—	167,446
	929,296	204,903	—	—	1,134,199
Cost of goods sold	742,606	139,927	—	(3,780)	878,753
Gross profit	186,690	64,976	—	3,780	255,446
Selling, general and administrative expenses	28,133	506	—	—	28,639
Operating income	158,557	64,470	—	3,780	226,807
Interest expense – third party	(18,584)	(7,238)	—	—	(25,822)
Interest income (expense) – affiliates	22,796	(22,796)	—	—	—
Interest income	527	270	—	—	797
Net loss on forward contracts	(106,948)	—	—	—	(106,948)
Other income (expense) – net	(144)	23	—	—	(121)
Income before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	56,204	34,729	—	3,780	94,713
Income tax expense	(25,412)	(902)	—	(1,361)	(27,675)
Income before equity in earnings (loss) of subsidiaries	30,792	33,827	—	2,419	67,038
Equity in earnings (loss) of subsidiaries and joint ventures	12,933	2,910	78,168	(82,881)	11,130
Net income (loss)	$ 43,725	$ 36,737	$ 78,168	$ (80,462)	$ 78,168

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the nine months ended September 30, 2007

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	$ (154,357)	$ 113,617	$ —	$ (40,740)
Investing activities:				
Purchase of property, plant and equipment	(10,738)	(2,826)	(129)	(13,693)
Nordural expansion	—	(79,560)	—	(79,560)
Proceeds from sale of property	3	540	—	543
Restricted cash deposits	3,744	—	—	3,744
Net cash used in investing activities	(6,991)	(81,846)	(129)	(88,966)
Financing activities:				
Borrowings of long−term debt	—	30,000	—	30,000
Repayment of long−term debt	—	(349,436)	—	(349,436)
Excess tax benefits from share−based compensation	—	—	516	516
Intercompany transactions	161,348	280,500	(441,848)	—
Issuance of common stock	—	—	417,037	417,037
Net cash provided by (used in) financing activities	161,348	(38,936)	(24,295)	98,117
Net change in cash	—	(7,165)	(24,424)	(31,589)
Cash, beginning of the period	—	11,866	84,499	96,365
Cash, end of the period	$ —	$ 4,701	$ 60,075	$ 64,776

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the nine months ended September 30, 2006

	Combined Guarantor Subsidiaries	Combined Non−Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	$ 91,442	$ 26,068	$ —	$ 117,510
Investing activities:				
Purchase of property, plant and equipment	(5,950)	(4,656)	(4)	(10,610)
Nordural expansion	—	(155,756)	—	(155,756)
Proceeds from sale of property	10	12	—	22
Restricted cash deposits	(3,998)	—	—	(3,998)
Net cash used in investing activities	(9,938)	(160,400)	(4)	(170,342)
Financing activities:				
Borrowings of long−term debt	—	89,000	—	89,000
Repayment of long−term debt	—	(434)	—	(434)
Net repayments under revolving credit facility	—	—	(8,069)	(8,069)
Excess tax benefits from share−based compensation	—	—	1,244	1,244
Intercompany transactions	(81,504)	33,635	47,869	—
Issuance of common stock	—	—	3,433	3,433
Net cash provided by (used in) financing activities	(81,504)	122,201	44,477	85,174
Net change in cash and cash equivalents	—	(12,131)	44,473	32,342
Cash and cash equivalents, beginning of period	—	19,005	(1,253)	17,752
Cash and cash equivalents, end of period	$ —	$ 6,874	$ 43,220	$ 50,094

0

17. Subsequent Events

In November 2007, Glencore and Century agreed to terms for a long−term alumina supply agreement for the period January 2010 through December 2014.

FORWARD−LOOKING STATEMENTS – CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES REFORM ACT OF 1995.

This Quarterly Report on Form 10−Q contains forward−looking statements. We have based these forward−looking statements on current expectations and projections about future events. Many of these statements may be identified by the use of forward−looking words such as “expects,” “anticipates,” “plans,” “believes,” “projects,” “estimates,” “intends,” “should,” “could,” “would,” and “potential” and similar words. These forward−looking statements are subject to risks, uncertainties and assumptions including, among other things, those discussed under Part I, Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and Part I, Item 1, “Financial Statements,” and:

- The cyclical nature of the aluminum industry causes variability in our earnings and cash flows;
- The loss of a customer to whom we deliver molten aluminum would increase our production costs and potentially our sales and marketing costs;
- Glencore owns a large percentage of our common stock and has the ability to influence matters requiring shareholder approval;
- We enter into forward sales and hedging contracts with Glencore that help us manage our exposure to fluctuating aluminum prices. Because Glencore is our sole metal hedge counterparty, a material change in our relationship with Glencore could affect how we hedge our exposure to metal price risk;
- We could suffer losses due to a temporary or prolonged interruption of the supply of electrical power to one or more of our facilities, which can be caused by unusually high demand, blackouts, equipment failure, natural disasters or other catastrophic events;
- Due to volatile prices for alumina and electrical power, the principal cost components of primary aluminum production, our production costs could be materially impacted if we experience changes to or disruptions in our current alumina or electrical power supply arrangements, production costs at our alumina refining operation increase significantly, or if we are unable to obtain economic replacement contracts for our alumina supply or electrical power as those contracts expire;
- By expanding our geographic presence and diversifying our operations through the acquisition of bauxite mining, alumina refining and additional aluminum reduction assets, we are exposed to new risks and uncertainties that could adversely affect the overall profitability of our business;
- Changes in the relative cost of certain raw materials and electrical power compared to the price of primary aluminum could affect our margins;
- Most of our employees are unionized and any labor dispute could materially impair our ability to conduct our production operations at our unionized facilities;
- We are subject to a variety of existing environmental laws that could result in unanticipated costs or liabilities and our planned environmental spending over the next three years may be inadequate to meet our requirements;
- We may not realize the expected benefits of our growth strategy if we are unable to successfully integrate the businesses we acquire;
- Our indebtedness reduces cash available for other purposes and limits our ability to incur additional debt and pursue our growth strategy;
- Our planned Helguvik project is subject to various conditions and risks that may affect our ability to complete the project;
- Continued consolidation of the metals industry may limit our ability to implement our strategic goals effectively; and
- Any further reduction in the duty on primary aluminum imports into the European Union would further decrease our revenue at Grundartangi.

We believe the expectations reflected in our forward−looking statements are reasonable, based on information available to us on the date of this filing. However, given the described uncertainties and risks, we cannot guarantee our future performance or results of operations and you should not place undue reliance on these forward−looking statements. We undertake no obligation to update or revise any forward−looking statements, whether as a result of new information, future events or otherwise. When reading any forward−looking statements in this filing, the reader should consider the risks described above and elsewhere in this report as well as those described under the headings "Risk Factors" and "Managements Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10−K and Quarterly Reports on Form 10−Q filed with the Securities and Exchange Commission. Given these uncertainties and risks, the reader should not place undue reliance on these forward−looking statements.

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

Recent Developments

Glencore alumina agreement

In November 2007, Glencore and Century agreed to terms for a long−term alumina supply agreement for the period January 2010 through December 2014.

Nordural receives a positive opinion on Helguvik Environmental Impact Assessment

In October 2007, Nordural received a positive opinion from the Icelandic Planning Agency on the Environmental Impact Assessment for our proposed greenfield smelter to be constructed near Helguvik, Iceland.

The Planning Agency concluded that the construction of the aluminum smelter would not have a significantly negative impact on the environment or communities surrounding the proposed site near Helguvik. In addition, the Planning Agency suggested to the municipalities that carbon dioxide quotas be obtained and the environmental status of related power plant and transmission lines be considered, prior to the issuance of construction licenses. We are addressing these suggestions with the municipalities and appropriate authorities and do not believe that this process will impact the timing of the project.

Transmission Agreement signed for Helguvik project

In October 2007, Nordural Helguvik signed a transmission agreement with Landsnet to provide an electrical power transmission system to the Helguvik smelter. Landsnet is the company responsible for operating and managing Iceland's transmission system.

Century prices power for Hawesville

In October 2007, Century acquired 22% of the 27% unpriced position of the power requirements for Hawesville for the first six months of 2008. The power was acquired through Kenergy from Big Rivers and Constellation Energy at fixed prices. Approximately five percent of Hawesville's power requirements for the first six months of 2008 and 27% for the balance of 2008 remain unpriced.

Alcan metal agreement

In August 2007, Century Aluminum of West Virginia, Inc.'s ("CAWV") and Alcan agreed to terms for a long−term metal agreement, which is being finalized, through August 31, 2009.

Increase in electrical power tariff rates in West Virginia

In May 2007, the West Virginia Public Service Commission ("PSC") tentatively agreed on proposed adjustments to the tariff rates paid by purchasers of electrical power from Appalachian Power Company ("APCo"). APCo supplies all the electrical power requirements for CAWV's Ravenswood smelter. APCo requested an increase in the tariff rate established in July 2006 for pollution control additions and higher than anticipated fuel, purchased power and capacity charges. The agreement became effective July 1, 2007 and increased the special contract rate for CAWV by approximately ten percent.

Equity offering raises $414 million, net of offering costs

In June 2007, we completed a public equity offering of 8,337,500 shares of common stock, which included the exercise of the over−allotment option of 1,087,500 shares of common stock, at a price of $52.50 per share, raising $437.7 million before offering costs. We sold the 8,337,500 shares of common stock in a simultaneous offering in the United States and Iceland. Shares of common stock offered and sold in Iceland are represented by global depositary receipts, with one depositary receipt representing one share of common stock. The offering costs were approximately $23.7 million, representing underwriting discounts and commissions and offering expenses.

Repayment of Nordural debt

Nordural repaid a total of $349.4 million of principal balances associated with their senior term loan facility, harbor loan and site loans in the nine month period ended September 30, 2007. In June 2007, we used a portion of the net proceeds from the equity offering to prepay $200.0 million of principal of the Nordural senior term loan facility. The remaining repayments were provided by available cash and cash generated from operations in the nine month period ended September 30, 2007.

Century signs power contracts for Helguvik project

In June 2007, we entered into an electrical power supply agreement with Orkuveita Reykjavikur ("OR) to supply part of the electrical power for the Helguvik project. The price of the electrical power provided under the contract will be based on the London Metal Exchange ("LME") price of primary aluminum. The contract is subject to various conditions.

With this agreement, together with the electric power supply agreement entered into with Hitaveita Suðurnesja hf. ("HS") in April 2007, we have secured adequate electrical power supplies for the initial phase of the Helguvik project. The Helguvik smelter would be located approximately 30 miles from the city of Reykjavik and would be operated through our Nordural subsidiary. This site provides a flat location and existing harbor, as well as proximity to the capital and other industry. To date, we have signed an electrical power transmission agreement, a harbor agreement, site agreement and an agreement to grant, as required, the necessary construction licenses and permits and terms regarding principles of taxation, with the Reykjanesbaer Municipal Council, the Gardur Municipal Council and the Reykjanes Harbour Board. The first phase of construction which corresponds with a production capacity of about 150,000 mtpy is currently being planned based on our expectation that power would be available beginning in 2010 for startup of production. An additional 185 megawatts is expected to become available not later than 2015 which would allow us to increase the Helguvik project's capacity to approximately 250,000 mtpy. Successful completion of the Helguvik project is subject to various conditions.

EU lowers European import duty for primary aluminum

In May 2007, the European Union ("EU") members reduced the EU import duty for primary aluminum from six percent to three percent and agreed to review the new duty after three years. This decrease in the EU import duty for primary aluminum negatively impacts Grundartangi's revenues and further decreases would also have a negative impact on Grundartangi's revenues. We do not expect the change in the import duty to have a material effect on our financial position or results of operations.

Century signs memorandum of understanding with Guangxi Investment Group Company

In June 2007, we signed a memorandum of understanding with the Guangxi Investment Group Company to explore the feasibility of developing a high purity aluminum reduction project and related bauxite and alumina supplies in China.

Results of Operations

The following discussion reflects our historical results of operations.

Century's financial highlights include:

	Three months ended September 30, 2007	Three months ended September 30, 2006	Nine months ended September 30, 2007	Nine months ended September 30, 2006
	(In thousands, except per share data)			
Net sales:				
Third−party customers	$ 360,336	$ 312,038	$ 1,112,072	$ 966,753
Related party customers	94,035	69,239	253,961	167,446
Total	$ 454,371	$ 381,277	$ 1,366,033	$ 1,134,199
Gross profit	$ 84,496	$ 70,974	$ 303,540	$ 255,446
Net income	$ 7,470	$ 173,939	$ 11,054	$ 78,168
Earnings per common share:				
Basic	$ 0.18	$ 5.36	$ 0.31	$ 2.41
Diluted	$ 0.17	$ 5.26	$ 0.29	$ 2.38
Shipments – primary aluminum (millions of pounds):				
Direct	296,509	279,568	878,670	863,722
Toll	134,583	94,331	375,345	234,760
Total	431,092	373,899	1,254,015	1,098,482

Net Sales (in millions)	***2007***	***2006***	***$ Difference***	***% Difference***
Three months ended September 30,	$ 454.4	$ 381.3	$ 73.1	19.2 %
Nine months ended September 30,	$ 1,366.0	$ 1,134.2	$ 231.8	20.4 %

Higher price realizations for primary aluminum in the three months ended September 30, 2007, due to improved LME prices for primary aluminum, contributed $20.4 million to the sales increase. Additional net sales volume contributed $52.7 million to the sales increase. Direct shipments increased 16.9 million pounds from the same period in 2006, primarily due to the temporary shutdown of a potline in August 2006, and toll shipments increased 40.3 million pounds from the same period in 2006 due to the Grundartangi expansion capacity that has come on−stream since September 2006.

Higher price realizations for primary aluminum in the nine months ended September 30, 2007, due to improved LME prices for primary aluminum, contributed $93.5 million to the sales increase. Additional sales volume contributed $138.3 million to the sales increase. Direct shipments increased 14.9 million pounds from the same period in 2006, primarily due to the temporary shutdown of a potline in August 2006, with toll shipments increasing 140.6 million pounds from the same period in 2006 due to the Grundartangi expansion capacity that has come on−stream since September 2006.

Gross Profit (in millions)	2007	2006	$ Difference	% Difference
Three months ended September 30,	$ 84.5	$ 71.0	$ 13.5	19.0 %
Nine months ended September 30,	$ 303.5	$ 255.4	$ 48.1	18.8 %

During the three months ended September 30, 2007, improved price realizations, net of LME−based alumina and LME−based power cost increases, improved gross profit by $8.8 million. Increased shipment volume contributed $14.6 million in additional gross profit. Offsetting these gains were $9.9 million in net cost increases comprised of: increased power and natural gas costs at our U.S. smelters, $2.7 million; increased costs for non−LME−based alumina, $6.3 million; increased net amortization and depreciation charges, primarily at Grundartangi, $1.8 million; other cost decreases, $0.9 million.

During the nine months ended September 30, 2007, improved price realizations, net of LME−based alumina and LME−based power cost increases, improved gross profit by $49.2 million. Increased shipment volume contributed $50.6 million in additional gross profit. Partially offsetting these gains were $51.7 million in net cost increases comprised of: increased power and natural gas costs at our U.S. smelters, $9.8 million; increased costs for maintenance, supplies and materials, $15.3 million; increased costs for our non−LME−based alumina, $10.7 million; increased net amortization and depreciation charges, primarily at Grundartangi, $7.6 million; other cost increases, $8.3 million.

Selling, general and administrative expenses (in millions)	2007	2006	$ Difference	% Difference
Three months ended September 30,	$ 13.4	$ 8.1	$ (5.3)	(65.4)%
Nine months ended September 30,	$ 40.8	$ 28.6	$ (12.2)	(42.7)%

The increases in selling, general and administrative expenses for the three and nine months ended September 30, 2007 were primarily due to spending on the proposed Helguvik project and expenses incurred for other business development activities.

Interest expense (in millions)	2007	2006	$ Difference	% Difference
Three months ended September 30,	$ 6.1	$ 10.3	$ 4.2	40.8 %
Nine months ended September 30,	$ 26.8	$ 25.8	$ (1.0)	(3.9)%

The decrease in interest expense for the three months ended September 30, 2007 from the same periods in 2006 are a result of the substantial repayment during 2007 of Nordural's outstanding debt, offset by less capitalized interest in 2007. The increase in interest expense for the nine months ended September 30, 2007 from the same periods in 2006 are a result of higher outstanding debt balances early in 2007 followed by substantial repayment of Nordural's outstanding debt, offset by less capitalized interest in 2007.

Interest income (in millions)	2007	2006	$ Difference	% Difference
Three months ended September 30,	$ 3.4	$ 0.4	$ 3.0	750.0 %
Nine months ended September 30,	$ 7.7	$ 0.8	$ 6.9	862.5 %

Increases in interest income for the three and nine months ended September 30, 2007 from the same periods in 2006 are a result of the higher average cash and short−term investment balances during 2007 due to increased cash from operations, proceeds of the equity offering and reduced investing activities for the Nordural expansion, offset by the repayment of Nordural's outstanding debt.

Table of Contents

Net gain (loss) on forward contracts (in millions)	*2007*	*2006*	*$ Difference*	*% Difference*
Three months ended September 30,	$ (75.0)	$ 210.3	$ (285.3)	(135.7)%
Nine months ended September 30,	$ (279.9)	$ (106.9)	$ (173.0)	(161.8)%

The gains and losses on forward contracts for the three and nine months ended September 30, 2007 and 2006, were primarily a result of mark−to−market adjustments to the value of our long term financial sales contracts that do not qualify for cash flow hedge accounting. Cash settlements of financial metal sales contracts that do not qualify for cash flow hedge treatment for the three months ended September 30, 2007 and 2006 were $23.3 million and $9.7 million, respectively. Cash settlements of financial metal sales contracts that do not qualify for cash flow hedge treatment for the nine months ended September 30, 2007 and 2006 were $78.2 million and $41.9 million, respectively.

Tax provision (in millions)	*2007*	*2006*	*$ Difference*	*% Difference*
Three months ended September 30,	$ 10.4	$ (92.9)	$ 103.3	111.2 %
Nine months ended September 30,	$ 39.4	$ (27.7)	$ 67.1	242.2 %

The changes in the income tax provision were a result of changes in the level of earnings and losses within the various tax jurisdictions in which we operate, changes in the estimate of the current year's effective tax rate and a change in the West Virginia tax law. We recorded a tax benefit of $4.3 million in the nine months ended September 30, 2007 to increase the carrying amount of deferred tax assets as a result of a West Virginia tax law change.

Equity in earnings of joint venture (in millions)	*2007*	*2006*	*$ Difference*	*% Difference*
Three months ended September 30,	$ 3.7	$ 3.6	$ 0.1	2.8 %
Nine months ended September 30,	$ 11.4	$ 11.1	$ 0.3	2.7 %

Our equity in earnings of joint ventures represents our share of profits from third party bauxite, hydrate and chemical grade alumina sales from the Gramercy and St. Ann Bauxite Ltd investments.

Liquidity and Capital Resources

Our statements of cash flows for the nine months ended September 30, 2007 and 2006 are summarized below:

	Nine months ended September 30,	
	2007	*2006*
	(dollars in thousands)	
Net cash (used in) provided by operating activities	$ (40,740)	$ 117,510
Net cash used in investing activities	(88,966)	(170,342)
Net cash provided by financing activities	98,117	85,174
Net change in cash	$ (31,589)	$ 32,342

Net cash used in operating activities in the nine months ended September 30, 2007 was $40.7 million, which included a net $258.7 million use of cash for the purchase of short−term investments. Such investments generally yield higher returns than cash or other money market instruments. If we had not used cash to purchase those investments, our net cash from operating activities would have increased due to improved market conditions and additional shipment volume from Grundartangi.

Our net cash used in investing activities for the nine months ended September 30, 2007 was $89.0 million, primarily a result of the ongoing expansion of the Grundartangi facility. The remaining net cash used in investing activities consisted of capital expenditures to maintain and improve plant operations offset by the return of cash deposits for energy purchases and proceeds from the sale of assets. Our net cash used in investing activities for the nine month period ended September 30, 2006 was $170.3 million, primarily a result of the ongoing expansion of the Grundartangi facility. The remaining net cash used in investing activities consisted of capital expenditures to maintain and improve plant operations and cash placed on deposit to support future energy purchases.

Net cash provided by financing activities during the nine months ended September 30, 2007 was $98.1 million. We increased our borrowings by $30.0 million; this increase was offset by principal payments of $349.4 million on Nordural debt. We received net proceeds from the issuance of common stock of $417.0 million related to our equity offering in June 2007 and the exercise of stock options, and recognized excess tax benefits from share−based compensation of $0.5 million. Net cash provided by financing activities during the first nine months of 2006 was $85.2 million. We increased our borrowings by $89.0 million. We also received proceeds from the issuance of common stock of $3.4 million related to the exercise of stock options and excess tax benefits from share−based compensation of $1.2 million, which were partially offset by repayments on our revolving credit facility of $8.1 million and on our long−term debt of $0.4 million.

Liquidity

Our principal sources of liquidity are cash flow from operations and available borrowings under our $100 million senior secured revolving credit facility ("Credit Facility"). We believe these sources of cash will be sufficient to meet our near−term working capital needs. We have not determined the sources of funding for our long−term debt repayment requirements; however, we believe that our cash flow from operations, available borrowing under our revolving credit facility and, to the extent necessary and/or economically attractive, future financial market activities will be adequate to address our long−term liquidity requirements. Our principal uses of cash are operating costs, settlement payments on our derivative contracts, payments of interest on our outstanding debt, the funding of capital expenditures, investments in related businesses, working capital and other general corporate requirements.

In June 2007, we used a portion of the proceeds of an equity offering to repay $200.0 million of principal on the Nordural senior term loan facility.

As of September 30, 2007, we had $452.8 million of indebtedness outstanding, including $250.0 million of principal under our 7.5% senior notes, $175.0 million of principal under our 1.75% convertible senior notes, $20.0 million of principal under the senior term loan facility at Nordural and $7.8 million of principal under our industrial revenue bonds. More information concerning the various debt instruments and our borrowing arrangements is available in Note 7 to the consolidated financial statements.

As of September 30, 2007, we had borrowing availability of $97.2 million under our Credit Facility, subject to customary covenants. We issued letters of credit totaling $2.8 million. We had no other outstanding borrowings under the Credit Facility as of September 30, 2007. We could issue up to a maximum of $25.0 million in letters of credit under the Credit Facility. Any outstanding letters of credit reduce our borrowing availability on a dollar for dollar basis.

We are party to primary aluminum financial sales contracts with Glencore. In the event of a material adverse change in our creditworthiness, Glencore has the option to require a letter of credit, or any other acceptable security or collateral, for outstanding balances on these contracts.

Capital Resources

Capital expenditures for the nine months ended September 30, 2007 were $93.3 million, $79.6 million of which was for the ongoing expansion projects at Grundartangi, with the balance principally related to upgrading production equipment, maintaining facilities and complying with environmental requirements. Exclusive of the Grundartangi expansion, we anticipate capital expenditures of approximately $20.0 million in 2007. The Phase V expansion will require approximately $95.0 million of capital expenditures in 2007 to complete the expansion to 260,000 mtpy. At September 30, 2007, we had outstanding capital commitments of approximately $11.3 million, primarily related to the Grundartangi Phase V expansion project. We expect to incur approximately $10.0 million for preliminary project development costs for the Helguvik greenfield project in 2007, of which approximately 75 percent will be expensed (not capitalized) in selling, general and administrative expenses in 2007. Our cost commitments for the Grundartangi expansion may materially change depending on the exchange rate between the U.S. dollar and certain foreign currencies, principally the euro and the Icelandic krona.

In May 2006, we purchased foreign currency options with a notional value of $41.6 million to hedge our foreign currency risk in the Icelandic krona associated with a portion of the capital expenditures from the ongoing Grundartangi expansion project to 260,000 mtpy. As of September 30, 2007 and December 31, 2006, the notional value outstanding on the foreign currency options was $3.8 million and $31.2 million, respectively. The option contracts, which are designated as cash flow hedges and qualify for hedge accounting under SFAS No.133, have maturities through November 2007. The critical terms of the contracts match those of the underlying exposure.

As of September 30, 2007, the fair value of the foreign currency options of $1.0 million was recorded in other assets. Accumulated other comprehensive loss includes realized and unrealized gains, net of tax, of $3.7 million related to the foreign currency options.

Other Contingencies

Hawesville Electrical Power

In February 2007, we were informed that the Corps of Engineers is planning to lower reservoir water levels on the Cumberland River for repair and maintenance. This may reduce electrical production from the dams of these reservoirs that were expected to provide a portion of the electrical power we purchase from Big Rivers for use by our Hawesville facility. If Big Rivers is unable to provide sufficient electricity our Hawesville facility, we will be required to purchase electricity from alternate sources at market prices.

Based on current expectations of reservoir levels, we expect any impact to be limited annually to the summer months, when usage rates on the Big Rivers system are at peak consumption. For 2007, we have purchased electrical power from alternative sources and we paid market prices which represent a premium over and above our power contracts for this energy. Based on the current market for electrical power, we do not expect the payment of the premium to have a material adverse effect on our financial condition, results of operation or liquidity.

Income Tax

Our income tax returns are periodically examined by various tax authorities. Our federal income tax returns for 2000 through 2002 are currently under examination by the Internal Revenue Service (“IRS”). In connection with these examinations, the IRS has raised issues and proposed tax deficiencies. We have filed an administrative appeal with the IRS and this examination may conclude in 2007. We believe that our tax position is well supported and, based on current information, do not believe that the outcome of the tax audit will have a material impact on our financial condition or results of operations.

Our federal tax returns beginning in 2003 are subject to examination. Material state and local income tax matters have been concluded for years through 2002. West Virginia income tax returns for 2004 through 2006 are currently under examination and the majority of other state returns beginning in 2004 are subject to examination. Our Icelandic tax returns are subject to examination and income tax matters have been concluded for years through 2001.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Commodity Price Sensitivity

We are exposed to price risk for primary aluminum. We manage our exposure to fluctuations in the price of primary aluminum by selling aluminum at fixed prices for future delivery and through financial instruments, as well as 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. The following table shows our forward priced sales as a percentage of our estimated production capacity.

Forward Priced Sales as of September 30, 2007

	2007(1)(2)	2008 (2)	2009 (2)	2010 (2)	2011−2015 (2)
Base Volume:					
Pounds (000)	92,843	241,745	231,485	231,485	826,733
Metric tonnes	42,113	109,654	105,000	105,000	375,000
Percent of capacity	21 %	14 %	13 %	13 %	9 %
Potential additional volume (2):					
Pounds (000)	27,778	220,903	231,485	231,485	826,733
Metric tonnes	12,600	100,200	105,000	105,000	375,000
Percent of capacity	6 %	12 %	13 %	13 %	9 %

(1) The forward priced sales in 2007 exclude October 2007 shipments to customers that are priced based upon the prior month's market price.

(2) Certain financial contracts included in the forward priced sales base volume for the period 2007 through 2015 contain clauses that trigger potential additional sales volume when the market price for a contract month is above the base contract ceiling price. These contacts will be settled monthly and, if the market price exceeds the ceiling price for all remaining contract months through 2015, the potential sales volume would be equivalent to the amounts shown.

Apart from the Alcan Metal Agreement, Glencore Metal Agreement I, Glencore Metal Agreement II and Southwire Metal Agreements, we had forward delivery contracts to sell 57,740 metric tonnes and 110,953 metric tonnes of primary aluminum at September 30, 2007 and December 31, 2006, respectively. Of these forward delivery contracts, we had fixed price commitments to sell 2,704 metric tonnes and 2,538 metric tonnes of primary aluminum at September 30, 2007 and December 31, 2006, respectively, of which 191 metric tonnes were with Glencore at September 30, 2007 (none of the December 31, 2006 fixed price commitments were with Glencore).

Primary Aluminum Financial Sales Contracts as of:

(Metric Tonnes)

	September 30, 2007			December 31, 2006		
	Cash Flow Hedges	Derivatives	Total	Cash Flow Hedges	Derivatives	Total
2007	27,000	12,600	39,600	119,500	50,400	169,900
2008	9,000	100,200	109,200	9,000	100,200	109,200
2009	−−	105,000	105,000	−−	105,000	105,000
2010	−−	105,000	105,000	−−	105,000	105,000
2011	−−	75,000	75,000	−−	75,000	75,000
2012−2015	−−	300,000	300,000	−−	300,000	300,000
Total	36,000	697,800	733,800	128,500	735,600	864,100

The financial sales contracts accounted for as derivatives contain clauses that trigger additional volume when the market price for a contract month is above the contract ceiling price. If the market price exceeds the ceiling price for all remaining contract months through 2015, the maximum additional shipment volume would be 697,800 metric tonnes. These contracts will be settled monthly. We had no fixed price financial contracts to purchase aluminum at September 30, 2007 and December 31, 2006.

On a hypothetical basis, a $200 per metric tonne increase in the market price of primary aluminum is estimated to have an unfavorable impact of $4.4 million after tax on accumulated other comprehensive loss for the contracts designated as cash flow hedges, and lower net income $84.9 million for the contracts designated as derivatives (or $169.8 million, if the potential additional volumes that could be triggered under these contracts are included) for the period ended September 30, 2007 as a result of the primary aluminum financial sales contracts outstanding at September 30, 2007.

Additionally, to mitigate the volatility of the natural gas markets, we enter into fixed price financial purchase contracts, accounted for as cash flow hedges, which settle in cash in the period corresponding to the intended usage of natural gas.

Natural Gas Financial Purchase Contracts as of:

	(Thousands of MMBTU)	
	September 30, 2007	***December 31, 2006***
2007	1,170	2,200
2008	480	480
Total	1,650	2,680

On a hypothetical basis, a $1.00 per million British Thermal Units (“MMBTU”) decrease in the market price of natural gas is estimated to have an unfavorable impact of $1.0 million, after tax effect, on accumulated other comprehensive loss for the period ended September 30, 2007 as a result of the natural gas financial purchase contracts outstanding at September 30, 2007.

Our metals and natural gas risk management activities are subject to the control and direction of senior management. These activities are regularly reported to our board of directors.

This quantification 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. Because all of our alumina contracts, except Hawesville’s alumina contract with Gramercy, are indexed to the LME price for primary aluminum, they act as a natural hedge for approximately 10% of our production. As of September 30, 2007, approximately 50% of our production for the remainder of 2007 (including 12,600 metric tonnes of potential additional volume under our derivative sales contracts) is hedged by our LME−based alumina contracts, Grundartangi’s electrical power and tolling contracts, and by fixed price forward delivery and financial sales contracts.

Grundartangi. Substantially all of Grundartangi’s revenues are derived from toll conversion agreements with BHP Billiton, Glencore and Hydro Aluminum whereby Grundartangi converts alumina provided by these companies into primary aluminum for a fee based on the LME price for primary aluminum. Grundartangi’s LME−based toll revenues are subject to the risk of decreases in the market price of primary aluminum; however, Grundartangi is not exposed to increases in the price for alumina, the principal raw material used in the production of primary aluminum. In addition, under its power contract, Grundartangi purchases power at a rate which is a percentage of the LME price for primary aluminum, providing Grundartangi with a natural hedge against the market price for primary aluminum.

Grundartangi's tolling revenues include a premium based on the exemption available to Icelandic aluminum producers from the EU import duty for primary aluminum. In May 2007, the EU members reduced the EU import duty for primary aluminum from six percent to three percent and agreed to review the new duty after three years. This decrease in the EU import duty for primary aluminum negatively impacts Grundartangi's revenues and further decreases would also have a negative impact on Grundartangi's revenues. The decrease is not expected to have a material effect on our financial position or results of operations.

Grundartangi is exposed to foreign currency risk due to fluctuations in the value of the U.S. dollar as compared to the euro and the Icelandic krona. Grundartangi's revenues and power costs are based on the LME price for primary aluminum, which is denominated in U.S. dollars. There is no currency risk associated with these contracts. Grundartangi's labor costs are denominated in Icelandic krona 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.

Nordural does not currently have financial instruments to hedge commodity price risk. Nordural may hedge such risks in the future. Nordural has entered into currency options to mitigate a portion of our foreign currency exposure to the Icelandic krona for the Phase V expansion capital expenditures. See the discussion in the Capital Resources section of "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Other Market Risks

Interest Rate Risk. As of September 30, 2007, our primary debt obligations are the $250.0 million of senior notes, $175.0 million of convertible senior notes, the $7.8 million in industrial revenue bonds ("IRBs") and the remaining $20.0 million of borrowings under Nordural's senior term loan facility. Our senior notes and convertible senior notes bear a fixed rate of interest and changes in interest rates do not subject us to changes in future interest expense. Borrowings under our revolving credit facility are at variable rates at a margin over LIBOR or the bank base rate, as defined in the credit agreement. There were no outstanding borrowings on our revolving credit facility at September 30, 2007. The IRBs bear interest at variable rates determined by reference to the interest rate of similar instruments in the industrial revenue bond market. Borrowings under Nordural's senior term loan facility bear interest at a margin over the applicable LIBOR rate. At September 30, 2007, we had approximately $27.8 million of variable rate borrowings. A hypothetical one percentage point increase in the interest rate would increase our annual interest expense by $0.3 million, assuming no debt reduction.

We do not currently hedge our interest rate risk, but may do so in the future through interest rate swaps or other instruments which would have the effect of fixing a portion of our floating rate debt.

Our primary financial instruments are cash and short−term investments, including cash in bank accounts, other highly rated liquid money market investments and government securities which are considered cash equivalents and other short−term investments, primarily variable−rate demand notes and auction rate securities, that we do not classify as cash equivalents.

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

As of September 30, 2007, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our management, including the Chief Executive Officer and the Chief Financial Officer, concluded that our disclosure controls and procedures were effective.

b. Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2007, there have not been any changes in our internal controls over financial reporting that would have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 6. Exhibit Index

Exhibit Number	Description of Exhibit	Incorporated by Reference: Form	File No.	Filing Date	Filed Herewith
10.1	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Logan W. Kruger*				X
10.2	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Michael A. Bless*				X
10.3	Amendment No. 1 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Wayne R. Hale*				X
10.4	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Robert R. Nielsen*				X
31.1	Rule 13a−14(a)/15d−14(a) Certification of the Chief Executive Officer				X
31.2	Rule 13a−14(a)/15d−14(a) Certification of the Chief Financial Officer				X
32.1	Section 1350 Certifications				X

* Management contract or compensatory plan

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:	November 9, 2007	By:	/s/ Logan W. Kruger
			Logan W. Kruger
			President and Chief Executive Officer
Date:	November 9, 2007	By:	/s/ Michael A. Bless
			Michael A. Bless
			Executive Vice−President and Chief Financial Officer

Table of Contents

Exhibit Index

Exhibit Number	Description of Exhibit	Incorporated by Reference			Filed Herewith
		Form	File No.	Filing Date	
10.1	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Logan W. Kruger*				X
10.2	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Michael A. Bless*				X
10.3	Amendment No. 1 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Wayne R. Hale*				X
10.4	Amendment No. 2 to Employment Agreement dated as of August 30, 2007, by and between Century Aluminum Company and Robert R. Nielsen*				X
31.1	Rule 13a−14(a)/15d−14(a) Certification of the Chief Executive Officer				X
31.2	Rule 13a−14(a)/15d−14(a) Certification of the Chief Financial Officer				X
32.1	Section 1350 Certifications				X

* Management contract or compensatory plan

EXHIBIT 10.1

AMENDMENT No. 2 to

EMPLOYMENT AGREEMENT

THIS AMENDMENT No. 2 to EMPLOYMENT AGREEMENT (this “Amendment No. 2”) is made as of August 30, 2007 (the “Effective Date”), by and between Century Aluminum Company, a Delaware corporation (the “Company”), and Logan W. Kruger (the “Executive”).

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of December 13, 2005 and amended as of March 19, 2007, pursuant to which agreement, as so amended, the parties agreed that the Company would employ Executive as President and Chief Executive Officer (collectively, the “Employment Agreement”).

B. The Company and the Executive desire to amend certain provisions of the Employment Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. ***Amendment with regard to Initial Term***. Section 1.1, B of the Employment Agreement is deleted in its entirety and replaced as follows, effective on the Effective Date:

“B. Initial Term. Executive's employment hereunder shall commence as of December 13, 2005, and shall end December 31, 2009 (the “Initial Term”); provided, however, that unless earlier terminated in accordance with the terms of this Agreement, and subject, however, to termination as provided in Section 1.1.C, commencing on January 1, 2008, and on each January 1 thereafter, the Initial Term of this Agreement shall automatically be extended for one year (each then−extended year of this Agreement being an “Extended Term”). The Initial Term as may be extended by each Extended Term is hereinafter referred to as the “term of this Agreement.” For the second and each subsequent year during the term of this Agreement, Executive shall be employed at a salary not less than Executive’s salary in the immediately preceding year, and on other terms and conditions at least as favorable to Executive as those applicable to Executive during the immediately preceding year, or as may otherwise be agreed to by the Company and Executive in writing.”

2. ***Amended Provision with regard to Base Salary***. Section 2.1 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date:

“2.1 Base Salary.

(a) (i) Effective as of December 13, 2005, Executive shall be paid an initial salary at the monthly rate of $62,500, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $750,000.

(ii) If Executive (a) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years (“Highest Annual Bonus”) for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a Change in Control (as defined in the SPA).

(b) If Executive resigns voluntarily (without "Good Reason" as defined in the SPA) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive's disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less payments and benefits, if any, received under any disability plan or insurance provided by the Company and less any "sick leave" payments received from the Company for the applicable period."

3. ***Amended Provision with regard to Change in Control***. Section 3.2 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date.

"3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for "Good Reason" as defined in the SPA) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA, all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires, those which may become vested upon retirement pursuant to the terms of the Guidelines).

(b) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all option rights will transfer to Executive's representative. If Executive's employment terminates by reason of death or disability, Executive or Executive's representative may exercise all unexercised options within three years after such death or disability or the expiration date of the option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iii) retires, all performance shares awarded to such Executive pursuant to the Guidelines shall immediately vest, but be valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of such Guidelines.

(d) If there is a Change in Control, then all options and performance shares that have not vested will accelerate and vest immediately. Performance shares awarded to Executive pursuant to the Guidelines shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company's common stock upon the vesting of each Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of stock purchased upon exercise of any option or received upon the vesting of any Performance Share. (Terms used in this Section, unless defined in this Employment Agreement, are as defined in the SPA.)"

4. ***Amended Vesting for Supplemental Retirement Benefit***. Section 4.2(c) of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date:

"(c) Vesting. The Qualified Plan Benefits and the Supplemental Retirement Benefit described in Section 4.2 (b)(i) shall be fully vested as of December 13, 2005. Upon the termination of Executive's employment he shall be entitled to receive all such benefits as provided in Section 4.2 (d). The Supplemental Retirement Benefit described in Section 4.2 (b)(ii) shall begin vesting on December 13, 2005 and shall, so long as Executive is employed by the Company, cumulatively vest thereafter in equal monthly installments at the rate of 1/120th per calendar month for 120 months (with the period from December 13 to December 31, 2005, inclusive, being considered a "calendar month" for vesting purposes hereunder), except as follows; i.e., if during the term of this Agreement, and prior to full vesting:

(i) Executive voluntarily terminates his employment (other than for "Good Reason" as defined in the SPA) prior to December 13, 2010, then Executive shall be vested in zero percent of the Supplemental Retirement Benefit, except as provided in Sections 4.2(c)(iii), (iv) or (v) below; and if Executive voluntarily terminates his employment (other than for "Good Reason" as defined in the SPA) on or after December 13, 2010, then with respect to the calendar year in which he so terminates his employment Executive shall vest 1/120th per calendar month up to and including the month of termination if such termination occurs after June 30 of such calendar year, and he shall not vest with respect to any calendar month in the first half of such calendar year if such termination occurs on or before June 30 thereof;

(ii) Executive is terminated for cause pursuant to Section 7(c) prior to December 13, 2010, he shall be vested in zero percent of the Supplemental Retirement Benefit; and if Executive is terminated for cause on or after December 13, 2010, he shall not be entitled to be vested for any interest for the calendar year in which he is terminated;

(iii) Executive (a) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, or (ii) his termination for cause, death, disability, or due to a change in control, Executive shall in the circumstances contemplated under Sections 4.2(c)(iii)(a) or (b), above, continue to vest in equal monthly installments at the rate of 1/120th per calendar month for the then−remaining balance of the term of this Agreement;

(iv) Executive dies or becomes disabled, and (a) death or such disability occurs on or before December 12, 2010, then the Supplemental Retirement Benefit will vest at the cumulative vesting level reached as of the date of Executive's death or disability (i.e., in equal monthly installments, at the rate of 1/120th per calendar month, as hereinabove provided), or (b) death or such disability occurs on or after December 13, 2010, the Supplemental Retirement Benefit will vest 100 percent upon Executive's death or disability; and Executive shall in either case be entitled to receive payments as described in Section 4.2 (d), except that if termination occurs as a result of disability, and Executive is receiving disability payments from the Company, the Supplemental Retirement Benefit will be reduced so that the combined Supplemental Retirement Benefit and disability benefit shall equal the amount described in Section 4.2(b)(ii); or

(v) There is a Change of Control, and Executive is terminated or resigns for Good Reason in connection therewith, Executive will vest 100 percent immediately upon such termination or resignation."

5. ***Incorporation of Amendment Agreement and SPA***. Except as explicitly set forth in this Amendment No. 2 the parties do not intend to modify the terms and conditions of the Employment Agreement or the SPA, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment No. 2 by this reference.

6. ***Miscellaneous***.

a. This Amendment No. 2 may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

b. Wherever possible, each provision of this Amendment No. 2 shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment No. 2 shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment No. 2.

c. This Amendment No. 2 shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

IN WITNESS WHEREOF, this Amendment No. 2 has been duly executed as of the Effective Date.

For CENTURY ALUMINUM COMPANY

By: /s/ Craig A. Davis
Craig A. Davis
Chairman of the Board

EXECUTIVE

/s/ Logan W. Kruger
Logan W. Kruger
President,
Chief Executive Officer

EXHIBIT 10.2

AMENDMENT No. 2 to

EMPLOYMENT AGREEMENT

THIS AMENDMENT No. 2 to EMPLOYMENT AGREEMENT (this “Amendment No. 2”) is made as of August 30, 2007 (the “Effective Date”), by and between Century Aluminum Company, a Delaware corporation (the “Company”), and Michael A. Bless (the “Executive”).

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of January 23, 2006 and amended as of March 19, 2007 (collectively, the “Employment Agreement”).

B. The Company and the Executive desire to amend certain provisions of the Employment Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. ***Amendment with regard to Initial Term***. Section 1.1, B of the Employment Agreement is deleted in its entirety and replaced as follows, effective on the Effective Date:

“B. Initial Term. Executive's employment hereunder shall commence as of January 23, 2006, and shall end December 31, 2009 (the “Initial Term”); provided, however, that unless earlier terminated in accordance with the terms of this Agreement, and subject, however, to termination as provided in Section 1.1.C, commencing on January 1, 2008, and on each January 1 thereafter, the Initial Term of this Agreement shall automatically be extended for one year (each then−extended year of this Agreement being an “Extended Term”). The Initial Term as may be extended by each Extended Term is hereinafter referred to as the “term of this Agreement.” For the second and each subsequent year during the term of this Agreement, Executive shall be employed at a salary not less than Executive’s salary in the immediately preceding year, and on other terms and conditions at least as favorable to Executive as those applicable to Executive during the immediately preceding year, or as may otherwise be agreed to by the Company and Executive in writing.”

2. ***Amended Provision with regard to Base Salary***. Section 2.1 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date:

“2.1 Base Salary.

(a) (i) Effective as of January 23, 2006, Executive shall be paid an initial salary at the monthly rate of $31,250, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $375,000.

(ii) If Executive (a) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years (“Highest Annual Bonus”) for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a Change in Control (as defined in the SPA).

(b) If Executive resigns voluntarily (without “Good Reason” as defined in the SPA) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive’s disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less payments and benefits, if any, received under any disability plan or insurance provided by the Company and less any "sick leave" payments received from the Company for the applicable period.”

3. ***Amended Provision with regard to Change in Control***. Section 3.2 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date.

“3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for “Good Reason” as defined in the SPA) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires, those which may become vested upon retirement pursuant to the terms of the Guidelines).

(b) If Executive (i) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all option rights will transfer to Executive's representative. If Executive’s employment terminates by reason of death or disability, Executive or Executive’s representative may exercise all unexercised options within three years after such death or disability or the expiration date of the option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iv) retires, all performance shares awarded to such Executive pursuant to the Guidelines shall immediately vest, but be valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of such Guidelines.

(d) If there is a Change in Control, then all options and performance shares that have not vested will accelerate and vest immediately. Performance shares awarded to Executive pursuant to the Guidelines shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company’s common stock upon the vesting of each Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of stock purchased upon exercise of any option or received upon the vesting of any Performance Share. (Terms used in this Section, unless defined in this Employment Agreement, are as defined in the SPA.)”

4. ***Incorporation of Amendment Agreement and SPA***. Except as explicitly set forth in this Amendment No. 2 the parties do not intend to modify the terms and conditions of the Employment Agreement or the SPA, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment No. 2 by this reference.

5. ***Miscellaneous***.

a. This Amendment No. 2 may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

b. Wherever possible, each provision of this Amendment No. 2 shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment No. 2 shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment No. 2.

c. This Amendment No. 2 shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

IN WITNESS WHEREOF, this Amendment No. 2 has been duly executed as of the Effective Date.

CENTURY ALUMINUM COMPANY

By: /s/ Logan Kruger
Logan Kruger
President,
Chief Executive Officer

EXECUTIVE

/s/ Michael A. Bless
Michael A. Bless
Executive Vice President
Chief Financial Officer

EXHIBIT 10.3

AMENDMENT No. 1 to

EMPLOYMENT AGREEMENT

THIS AMENDMENT No. 1 to EMPLOYMENT AGREEMENT (this “Amendment No. 1”) is made as of August 30, 2007 (the “Effective Date”), by and between Century Aluminum Company, a Delaware corporation (the “Company”), and Wayne R. Hale (the “Executive”).

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of March 1, 2007 (the “Employment Agreement”).

B. The Company and the Executive desire to amend certain provisions of the Employment Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. ***Amended Provision with regard to Base Salary***. Section 2.1 of theEmployment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date:

“2.1 Base Salary.

(a) (i) Effective as of March 1, 2007, Executive shall be paid an initial salary at the monthly rate of $37,500, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $450,000.

(ii) If Executive (a) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years (“Highest Annual Bonus”) for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a Change in Control (as defined in the SPA).

(b) If Executive resigns voluntarily (without “Good Reason” as defined in the SPA) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive’s disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less payments and benefits, if any, received under any disability plan or insurance provided by the Company and less any "sick leave" payments received from the Company for the applicable period.”

2. ***Amended Provision with regard to Change in Control***. Section 3.2 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date.

"3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for "Good Reason" as defined in the SPA) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires, those which may become vested upon retirement pursuant to the terms of the Guidelines).

(b) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all option rights will transfer to Executive's representative. If Executive's employment terminates by reason of death or disability, Executive or Executive's representative may exercise all unexercised options within three years after such death or disability or the expiration date of the option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iv) retires, all performance shares awarded to such Executive pursuant to the Guidelines shall immediately vest, but be valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of such Guidelines.

(d) If there is a Change in Control, then all options and performance shares that have not vested will accelerate and vest immediately. Performance shares awarded to Executive pursuant to the Guidelines shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company's common stock upon the vesting of each Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of stock purchased upon exercise of any option or received upon the vesting of any Performance Share. (Terms used in this Section, unless defined in this Employment Agreement, are as defined in the SPA.)"

3. ***Incorporation of Amendment Agreement and SPA***. Except as explicitly setforth in this Amendment No. 1 the parties do not intend to modify the terms and conditions of the Employment Agreement or the SPA, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment No. 1 by this reference.

4. ***Miscellaneous***

a. This Amendment No. 1 may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

b. Wherever possible, each provision of this Amendment No. 1 shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment No. 1 shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment No. 1.

c. This Amendment No. 1 shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

IN WITNESS WHEREOF, this Amendment No. 1 has been duly executed as of the Effective Date.

CENTURY ALUMINUM COMPANY

By: /s/ Logan Kruger
Logan Kruger
President,
Chief Executive Officer

EXECUTIVE

/s/ Wayne R. Hale
Wayne R. Hale
Executive Vice President
Chief Operating Officer

EXHIBIT 10.4

AMENDMENT No. 2 to
EMPLOYMENT AGREEMENT

THIS AMENDMENT No. 2 to EMPLOYMENT AGREEMENT (this “Amendment No. 2”) is made as of August 30, 2007 (the “Effective Date”), by and between Century Aluminum Company, a Delaware corporation (the “Company”), and Robert R. Nielsen (the “Executive”).

RECITALS

A. The Company and the Executive are parties to an Employment Agreement, made as of May 1, 2006 and amended as of March 19, 2007 (collectively, the “Employment Agreement”).

B. The Company and the Executive desire to amend certain provisions of the Employment Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. ***Amendment with regard to Initial Term***. Section 1.1, B of the Employment Agreement is deleted in its entirety and replaced as follows, effective on the Effective Date:

“B. Initial Term. Executive's employment hereunder shall commence as of May 1, 2006, and shall end December 31, 2009 (the “Initial Term”); provided, however, that unless earlier terminated in accordance with the terms of this Agreement, and subject, however, to termination as provided in Section 1.1.C, commencing on January 1, 2008, and on each January 1 thereafter, the Initial Term of this Agreement shall automatically be extended for one year (each then−extended year of this Agreement being an “Extended Term”). The Initial Term as may be extended by each Extended Term is hereinafter referred to as the “term of this Agreement.” For the second and each subsequent year during the term of this Agreement, Executive shall be employed at a salary not less than Executive’s salary in the immediately preceding year, and on other terms and conditions at least as favorable to Executive as those applicable to Executive during the immediately preceding year, or as may otherwise be agreed to by the Company and Executive in writing.”

2. ***Amended Provision with regard to Base Salary***. Section 2.1 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date:

“2.1 Base Salary.

(a) (i) Effective as of May 1, 2006, Executive shall be paid an initial salary at the monthly rate of $29,166.67, which shall be paid in accordance with the Company's normal payroll practice with respect to salaried employees, subject to applicable payroll taxes and deductions (the "Base Salary"). Executive's Base Salary shall be subject to review and possible change in accordance with the usual practices and policies of the Company. However, Executive's base annual salary shall not be reduced to less than $350,000.

(ii) If Executive (a) voluntarily terminates his employment for “Good Reason” as defined in the SPA, or (b) does not continue to be employed by the Company for any reason other than (i) his voluntary resignation without Good Reason, (ii) his termination for disability as determined pursuant to Section 7(b), (iii) his death, or (iv) his termination for cause pursuant to Section 7(c), Executive shall in the circumstances contemplated under Sections 2.1(a)(ii)(a) or (b), above continue to receive an amount equal to his then current Base Salary plus an annual performance bonus equal to the highest annual bonus payment Executive has received in the previous three years (“Highest Annual Bonus”) for the then remaining balance of the term of this Agreement. In no event shall such payment be less than one year's Base Salary plus Highest Annual Bonus. The foregoing amounts shall be paid to Executive over the remaining term of this Agreement or one year (whichever is applicable) in accordance with the Company's payroll and bonus payment policies. Notwithstanding the foregoing, no payments under this Section 2.1(a)(ii) shall be made if the Company makes all payments to Executive required to be made, if any, under the SPA in the event of a Change in Control (as defined in the SPA).

(b) If Executive resigns voluntarily (without “Good Reason” as defined in the SPA) or ceases to be employed by reason of his death or by the Company (or any affiliate) for cause as described in Section 7(c) of this Agreement, all benefits described in Sections 2 and 4 hereof shall terminate (except to the extent previously earned or vested).

(c) If Executive's employment shall have been terminated as a result of Executive’s disability pursuant to Section 7(b), the Company shall pay in equal monthly installments for the then remaining balance of the term of this Agreement or one year, whichever is greater, to Executive (or his beneficiaries or personal representatives, as the case may be) disability benefits at a rate per annum equal to one hundred percent (100%) of his then current Base Salary, plus amounts equal to the Highest Annual Bonus, less payments and benefits, if any, received under any disability plan or insurance provided by the Company and less any "sick leave" payments received from the Company for the applicable period.”

3. ***Amended Provision with regard to Change in Control***. Section 3.2 of the Employment Agreement is hereby deleted in its entirety and replaced as follows, effective on the Effective Date.

"3.2 Effect of Termination of Employment or Change in Control.

(a) If Executive shall resign voluntarily (other than for "Good Reason" as defined in the SPA) or cease to be employed by the Company (or an affiliate) for cause as described in Section 7(c) of this Agreement, except as provided in the SPA all benefits described in Section 3 hereof shall terminate (except to the extent previously earned or vested and, if Executive retires, those which may become vested upon retirement pursuant to the terms of the Guidelines).

(b) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), all options which have not vested as of the date of such voluntary termination, or death or disability, or such non−continuation of employment, as the case may be, will accelerate and vest immediately as of such date, and, in the event of Executive's death, all option rights will transfer to Executive's representative. If Executive's employment terminates by reason of death or disability, Executive or Executive's representative may exercise all unexercised options within three years after such death or disability or the expiration date of the option, whichever is sooner.

(c) If Executive (i) voluntarily terminates his employment for "Good Reason" as defined in the SPA, or (ii) dies or becomes disabled, or (iii) does not continue to be employed by the Company for any reason other than (a) his voluntary resignation without Good Reason, or (b) his death or disability as determined pursuant to Section 7(b) of this Agreement, or (c) his termination for cause pursuant to Section 7(c), or (iv) retires, all performance shares awarded to such Executive pursuant to the Guidelines shall immediately vest, but be valued and awarded at the times and in the manner awarded to other plan participants pursuant to the terms of such Guidelines.

(d) If there is a Change in Control, then all options and performance shares that have not vested will accelerate and vest immediately. Performance shares awarded to Executive pursuant to the Guidelines shall be valued at 100 percent as though the Company had achieved its target for each relevant plan period. The Executive shall be entitled to receive one share of the Company's common stock upon the vesting of each Performance Share. Upon a Change in Control, the Executive shall have the right to require the Company to purchase, for cash, and at fair market value, any shares of stock purchased upon exercise of any option or received upon the vesting of any Performance Share. (Terms used in this Section, unless defined in this Employment Agreement, are as defined in the SPA.)"

4. ***Incorporation of Amendment Agreement and SPA***. Except as explicitly set forth in this Amendment No. 2 the parties do not intend to modify the terms and conditions of the Employment Agreement or the SPA, those terms and conditions shall remain in full force and effect, and they shall be incorporated into this Amendment No. 2 by this reference.

5. ***Miscellaneous***.

a. This Amendment No. 2 may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

b. Wherever possible, each provision of this Amendment No. 2 shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Amendment No. 2 shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amendment No. 2.

c. This Amendment No. 2 shall be interpreted and construed in accordance with the laws of the State of California. Each of the Company and Executive consents to the jurisdiction of any state or federal court sitting in California, in any action or proceeding arising out of or relating to this Agreement.

IN WITNESS WHEREOF, this Amendment No. 2 has been duly executed as of the Effective Date.

CENTURY ALUMINUM COMPANY

By: /s/ Logan Kruger
Logan Kruger
President,
Chief Executive Officer

EXECUTIVE

/s/ Robert R. Nielsen
Robert R. Nielsen
Executive Vice President
General Counsel,
Secretary

EXHIBIT 31.1

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

I, Logan W. Kruger, 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 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 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: November 9, 2007

/s/ LOGAN W. KRUGER
Name: Logan W. Kruger
Title: President and Chief Executive Officer

EXHIBIT 31.2

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 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 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: November 9, 2007

/s/ MICHAEL A. BLESS
Name: Michael A. Bless
Title: Executive Vice President and Chief 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 September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Logan W. Kruger, as Chief Executive Officer of the Company, and Michael A. Bless, as Chief Financial Officer of the Company, each 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/ Logan W. Kruger	/s/ Michael A. Bless
By: Logan W. Kruger	By: Michael A. Bless
Title: Chief Executive Officer	Title: Chief Financial Officer
Date: November 9, 2007	Date: November 9, 2007

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.