

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, 2013

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.
Commission file number 1-34474

Century ALUMINUM

Century Aluminum Company

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
One South Wacker Drive
Suite 1000
Chicago, Illinois
(Address of principal executive offices)

13-3070826
(IRS Employer Identification No.)
60606
(Zip Code)

Registrant's telephone number, including area code: (312) 696-3101

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

Yes No

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

(Do not check if a smaller reporting company)

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

Yes No

The registrant had 88,682,931 shares of common stock outstanding at October 31, 2013.

TABLE OF CONTENTS

	<u>Page</u>
<u>PART I – FINANCIAL INFORMATION</u>	
<u>Item 1. Financial Statements.</u>	<u>3</u>
<u>Notes to Consolidated Financial Statements</u>	<u>8</u>
<u>Note 1. General</u>	<u>8</u>
<u>Note 2. Acquisition of Sebree aluminum smelter</u>	<u>8</u>
<u>Note 3. Asset purchase</u>	<u>10</u>
<u>Note 4. Fair value measurements</u>	<u>10</u>
<u>Note 5. Derivative and hedging instruments</u>	<u>12</u>
<u>Note 6. Earnings per share</u>	<u>14</u>
<u>Note 7. Shareholders' equity</u>	<u>15</u>
<u>Note 8. Income taxes</u>	<u>16</u>
<u>Note 9. Inventories</u>	<u>17</u>
<u>Note 10. Debt</u>	<u>17</u>
<u>Note 11. Commitments and contingencies</u>	<u>21</u>
<u>Note 12. Forward delivery contracts and financial instruments</u>	<u>26</u>
<u>Note 13. Supplemental cash flow information</u>	<u>27</u>
<u>Note 14. Asset retirement obligations</u>	<u>27</u>
<u>Note 15. Components of accumulated other comprehensive loss</u>	<u>28</u>
<u>Note 16. Components of net periodic benefit cost</u>	<u>28</u>
<u>Note 17. Condensed consolidating financial information</u>	<u>29</u>
<u>Note 18. Subsequent events</u>	<u>37</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	<u>39</u>
<u>Item 3. Quantitative and Qualitative Disclosures about Market Risk.</u>	<u>47</u>
<u>Item 4. Controls and Procedures.</u>	<u>50</u>
<u>PART II – OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings.</u>	<u>51</u>
<u>Item 1A. Risk Factors.</u>	<u>51</u>
<u>Item 5. Other Information.</u>	<u>54</u>
<u>Item 6. Exhibits.</u>	<u>55</u>
<u>SIGNATURES</u>	<u>56</u>

PART I – FINANCIAL INFORMATION
Item 1. Financial Statements.

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

	<u>September 30, 2013</u>	<u>December 31, 2012</u>
ASSETS		
Cash and cash equivalents	\$ 140,801	\$ 183,976
Restricted cash	3,273	258
Accounts receivable — net	51,247	50,667
Due from affiliates	24,955	37,870
Inventories	231,505	159,925
Prepaid and other current assets	40,708	34,975
Deferred taxes – current portion	19,720	19,726
Total current assets	<u>512,209</u>	<u>487,397</u>
Property, plant and equipment — net	1,239,201	1,188,214
Other assets	108,221	100,715
TOTAL	<u>\$ 1,859,631</u>	<u>\$ 1,776,326</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable, trade	\$ 105,950	\$ 75,370
Due to affiliates	71,739	39,737
Accrued and other current liabilities	72,921	40,099
Accrued employee benefits costs	17,060	18,683
Industrial revenue bonds	7,815	7,815
Current portion of long-term debt	2,603	—
Total current liabilities	<u>278,088</u>	<u>181,704</u>
Senior notes payable	246,442	250,582
Revolving credit facility	16,725	—
Accrued pension benefits costs — less current portion	59,724	67,878
Accrued postretirement benefits costs — less current portion	144,025	143,105
Other liabilities	37,184	40,162
Deferred taxes	111,922	110,252
Total noncurrent liabilities	<u>616,022</u>	<u>611,979</u>
COMMITMENTS AND CONTINGENCIES (NOTE 11)		
SHAREHOLDERS' EQUITY:		
Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 79,734 and 80,283 issued and outstanding at September 30, 2013 and December 31, 2012, respectively)	1	1
Common stock (one cent par value, 195,000,000 shares authorized; 93,469,452 issued and 88,682,931 outstanding at September 30, 2013; 93,335,158 issued and 88,548,637 outstanding at December 31, 2012)	935	933
Additional paid-in capital	2,508,456	2,507,454
Treasury stock, at cost	(49,924)	(49,924)
Accumulated other comprehensive loss	(138,680)	(151,192)
Accumulated deficit	(1,355,267)	(1,324,629)
Total shareholders' equity	<u>965,521</u>	<u>982,643</u>
TOTAL	<u>\$ 1,859,631</u>	<u>\$ 1,776,326</u>

See notes to consolidated financial statements

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

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
NET SALES:				
Third-party customers	\$ 271,016	\$ 170,023	\$ 680,480	\$ 542,884
Related parties	128,912	134,612	372,659	411,560
	<u>399,928</u>	<u>304,635</u>	<u>1,053,139</u>	<u>954,444</u>
Cost of goods sold	387,574	301,385	1,028,901	924,645
Gross profit	12,354	3,250	24,238	29,799
Other operating expenses – net	2,174	7,388	6,288	14,926
Selling, general and administrative expenses	14,422	9,182	45,875	24,792
Operating loss	(4,242)	(13,320)	(27,925)	(9,919)
Interest expense – third party	(5,406)	(6,041)	(17,706)	(17,966)
Interest income – third party	141	72	458	324
Interest income – related parties	—	—	—	62
Net gain (loss) on forward and derivative contracts	440	(340)	16,151	(4,049)
Gain on bargain purchase	—	—	5,253	—
Loss on early extinguishment of debt	—	—	(3,272)	—
Other income (expense) – net	213	7,648	(1,001)	8,115
Loss before income taxes and equity in earnings of joint ventures	(8,854)	(11,981)	(28,042)	(23,433)
Income tax expense	(1,384)	(1,168)	(4,714)	(7,384)
Loss before equity in earnings of joint ventures	(10,238)	(13,149)	(32,756)	(30,817)
Equity in earnings of joint ventures	731	1,126	2,118	2,116
Net loss	<u>\$ (9,507)</u>	<u>\$ (12,023)</u>	<u>\$ (30,638)</u>	<u>\$ (28,701)</u>
Net loss allocated to common shareholders	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
LOSS PER COMMON SHARE:				
Basic and Diluted	\$ (0.11)	\$ (0.14)	\$ (0.35)	\$ (0.32)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:				
Basic	88,611	88,468	88,588	88,549
Diluted	88,611	88,468	88,588	88,549

See notes to consolidated financial statements

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

	Three months ended September		Nine months ended September	
	2013	2012	2013	2012
Comprehensive loss:				
Net loss	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
Other comprehensive income before income tax effect:				
Net unrealized gain (loss) on financial instruments	—	2	—	(218)
Net loss reclassified to income on financial instruments	—	68	—	549
Net gain on foreign currency cash flow hedges reclassified as income	(46)	(47)	(139)	(140)
Defined benefit plans and other postretirement benefits:				
Net gain arising during the period	—	—	10,349	49
Amortization of prior service benefit during the period	(968)	(1,029)	(2,912)	(3,085)
Amortization of net loss during the period	1,880	2,562	6,362	7,687
Other comprehensive income before income tax effect	866	1,556	13,660	4,842
Income tax effect	(383)	(382)	(1,148)	(1,147)
Other comprehensive income	483	1,174	12,512	3,695
Total comprehensive loss	<u>\$ (9,024)</u>	<u>\$ (10,849)</u>	<u>\$ (18,126)</u>	<u>\$ (25,006)</u>

See notes to consolidated financial statements

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

	Nine months ended September 30,	
	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (30,638)	\$ (28,701)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Unrealized net (gain) loss on forward contracts	(762)	3,196
Gain on bargain purchase	(5,253)	—
Unrealized gain on E.ON contingent obligation	(16,428)	—
Accrued and other plant curtailment costs — net	3,380	4,025
Lower of cost or market inventory adjustment	10,286	(19,818)
Depreciation	49,082	46,925
Sebree power contract amortization	(14,461)	—
Debt discount amortization	586	791
Pension and other postretirement benefits	(2,674)	673
Stock-based compensation	961	412
Loss on early extinguishment of debt	3,272	—
Undistributed earnings of joint ventures	(2,118)	(2,116)
Change in operating assets and liabilities:		
Accounts receivable — net	(1,063)	3,320
Due from affiliates	12,915	317
Inventories	(22,848)	31,810
Prepaid and other current assets	(4,892)	(8,254)
Accounts payable, trade	26,547	(8,823)
Due to affiliates	32,002	761
Accrued and other current liabilities	2,209	8,743
Other — net	2,355	(12,176)
	42,458	21,085
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(31,994)	(10,399)
Nordural expansion — Helgøvik	(2,855)	(5,474)
Purchase of carbon anode assets and improvements	(8,519)	(14,185)
Purchase of Sebree smelter	(48,058)	—
Investments in and advances to joint ventures	—	(275)
Dividends and payments received on advances from joint ventures	—	3,166
Proceeds from sale of property, plant and equipment	515	89
Restricted and other cash deposits	(3,015)	—
	\$ (93,926)	\$ (27,078)
Net cash used in investing activities		

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

	Nine months ended September 30,	
	2013	2012
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of debt	\$ (249,604)	\$ —
Proceeds from issuance of debt	246,330	—
Borrowings under revolving credit facility	16,725	18,076
Repayments under revolving credit facility	—	(18,076)
Debt issuance costs	(3,994)	—
Debt retirement costs	(1,208)	—
Repurchase of common stock	—	(4,033)
Issuance of common stock — net	44	—
Net cash provided by (used in) financing activities	8,293	(4,033)
CHANGE IN CASH AND CASH EQUIVALENTS	(43,175)	(10,026)
Cash and cash equivalents, beginning of the period	183,976	183,401
Cash and cash equivalents, end of the period	\$ 140,801	\$ 173,375

See notes to consolidated financial statements

CENTURY ALUMINUM COMPANY
Notes to the Consolidated Financial Statements for the
Three and nine months ended September 30, 2013 and 2012
(in thousands, except share and per share amounts)
(Unaudited)

1. **General**

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2012. 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 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013. Throughout this Form 10-Q, and unless expressly stated otherwise or as the context otherwise requires, "Century Aluminum," "Century," "we," "us," "our" and "ours" refer to Century Aluminum Company and its consolidated subsidiaries.

2. **Acquisition of Sebree aluminum smelter**

On June 1, 2013, our wholly owned subsidiary, Century Aluminum Sebree LLC ("Century Sebree"), acquired the Sebree aluminum smelter ("Sebree") from a subsidiary of Rio Tinto Alcan, Inc ("RTA"). Sebree, located in Robards, Kentucky, has an annual hot metal production capacity of 205,000 metric tons of primary aluminum and employs approximately 500 people. The purchase price for the acquisition was \$61,000 (subject to customary working capital adjustments), of which we have paid approximately \$48,000 as of September 30, 2013. The remaining portion of the purchase price will be paid following final determination of the applicable working capital adjustments, which will be determined based on the amount of working capital transferred to Century Sebree at closing versus a target working capital amount of \$71,000. As part of the transaction, RTA retained all historical environmental liabilities of the Sebree smelter and funded the pension plan assumed by Century Sebree in accordance with the purchase agreement.

Purchase Price Allocation

Allocating the purchase price to the acquired assets and liabilities involves management judgment. We allocated the purchase price to the assets acquired, liabilities assumed, and the bargain gain in accordance with Accounting Standards Codification ("ASC") 805 "Business Combinations." Once it has been determined that recognition of an asset or liability in a business combination is appropriate, we measure the asset or liability at fair value in accordance with the principles of ASC 820 "Fair Value Measurements and Disclosures." Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The determination of the fair value of certain intangible assets and/or liabilities requires management judgment in each of the following areas:

- Identifying the acquired intangible assets or liabilities. In the case of the Sebree acquisition, we assumed a power contract liability as the contracted power price was in excess of current market prices.
- Estimating the fair value of the intangible assets and/or liabilities. We consider various approaches to value the acquired intangible assets and/or liabilities. These valuation approaches include the cost approach, which measures the value of an asset based on the cost to reproduce it or replace it with a like asset; the market approach, which values the asset through an analysis of sales and offerings of comparable assets; and the income approach, which measures the value of an asset (or liability) by measuring the present worth of the economic benefits (or costs) it is expected to produce.

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

The allocation of the purchase price to the assets acquired and liabilities assumed is based on the estimated fair values at the date of acquisition. The purchase price allocation is preliminary and subject to change based on the finalization of the valuation of certain assets and liabilities. Based on the preliminary purchase price allocation, we recorded a gain on bargain purchase of approximately \$5,253. In connection with the recognition of the bargain purchase gain and related net deferred tax liabilities, we partially released a valuation allowance associated with recorded deferred tax assets of \$2,090. The gain on bargain purchase reflects the London Metal Exchange (the "LME") market and the market risk associated with the power supply agreement for the facility at June 1, 2013. We revised our second quarter financial results for 2013 for certain measurement period adjustments, which are reflected in the year-to-date financial statements (and not in the financial statements for the quarter). The measurement period adjustments to date include adjustments to the valuation of the pension liability, asset retirement obligations, certain inventory balances and related tax effects. The following table summarizes the preliminary estimates of fair value of the assets acquired and the liabilities assumed as of the acquisition date:

	Acquisition Date Estimated Fair Value as of June 1, 2013	Measurement Period Adjustments	Acquisition Date Estimated Fair Value as of September 30, 2013
Consideration:			
Cash (1)	\$ 47,373	\$ 710	\$ 48,083
Assets Acquired:			
Inventories	58,496	522	59,018
Prepaid and other current assets	363	—	363
Property, plant and equipment – net	55,520	—	55,520
Total assets acquired	<u>\$ 114,379</u>	<u>\$ 522</u>	<u>\$ 114,901</u>
Liabilities Assumed:			
Accrued and other current liabilities	\$ 44,121	\$ (805)	\$ 43,316
Accrued pension benefit costs	5,039	(4,043)	996
Accrued post retirement benefit costs	6,544	—	6,544
Other liabilities	8,003	(527)	7,476
Deferred taxes	1,257	1,976	3,233
Total liabilities assumed	<u>\$ 64,964</u>	<u>\$ (3,399)</u>	<u>\$ 61,565</u>
Gain on bargain purchase:	<u>\$ 2,042</u>	<u>\$ 3,211</u>	<u>\$ 5,253</u>

(1) This amount represents our preliminary estimate of consideration based on our expectation of the working capital adjustments. The working capital adjustments have not yet been finalized.

Through September 30, 2013, the actual revenue and net loss of Sebree since the acquisition date of June 1, 2013 included in the consolidated statement of operations is as follows:

	Three months ended September 30, 2013	Nine months ended September 30, 2013
Sebree revenue	\$ 101,531	\$ 140,284
Sebree net loss	(1,800)	(2,044)

The following unaudited pro forma financial information for the nine months ended September 30, 2013 and three and nine months ended September 30, 2012 reflects our results of continuing operations as if the acquisition of Sebree had been completed on January 1, 2012. This unaudited pro forma financial information is provided for informational purposes only and is not necessarily indicative of what the actual results of operations would have been had the transactions taken place on January 1, 2012, nor is it indicative of the future consolidated results of operations or financial position of the combined companies.

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

	Three months ended September 30,		Nine months ended September 30,	
	2012		2013	
Pro forma revenues	\$	410,009	\$	1,261,533
Pro forma loss from continuing operations		(12,620)		(57,853)
Loss per common share, basic		(0.14)		(0.65)
Loss per common share, diluted		(0.14)		(0.65)

3. Asset purchase

In June 2012, our wholly owned subsidiary, Century Aluminum Vlissingen ("Century Vlissingen") purchased substantially all of the assets of the Zalco anode production facility located in Vlissingen, the Netherlands for approximately \$12,500. In connection with the purchase, we entered into a ground lease with respect to the facility that is renewable at our option. Century Vlissingen did not assume, and is indemnified by the seller against, historical liabilities of the facility.

Following the acquisition, we have undertaken a significant capital investment to modernize the facility, comply with environmental regulations and optimize anode production for our smelter in Grundartangi. We expect the first 75,000 metric tons of capacity will be restarted in late 2013 and will provide an anode supply to replace third-party anode supply contracts that terminated in 2013.

4. Fair value measurements

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value and are categorized based on the fair value hierarchy described in ASC 820 "Fair Value Measurements."

Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market, management's estimates of the LME forward market prices for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates
Midwest premium contracts	3	Management's estimates of future U.S. Midwest premium

- (1) Trust assets are currently invested in money market funds. These trust assets are held to fund the non-qualified supplemental executive pension benefit obligations for certain of our officers. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.

Fair value measurements

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

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

The following table sets forth our financial assets and liabilities that were accounted for at fair value on a recurring basis by the level of input within the ASC 820 fair value hierarchy. As required by GAAP for fair value measurements and disclosures, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels. There were no transfers between Level 1 and 2 during the periods presented. There were no transfers into or out of Level 3 during the periods presented below. It is our policy to recognize transfers into and transfers out of Level 3 as of the actual date of the event or change in circumstances that caused the transfer.

Recurring Fair Value Measurements	As of September 30, 2013			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 119,183	\$ —	\$ —	\$ 119,183
Trust assets (1)	11,588	—	—	11,588
Surety bonds	1,574	—	—	1,574
Midwest premium contracts	—	—	363	363
TOTAL	\$ 132,345	\$ —	\$ 363	\$ 132,708
LIABILITIES:				
E.ON contingent obligation – net (2)	\$ —	\$ —	\$ —	\$ —
Primary aluminum sales contract	—	—	771	771
TOTAL	\$ —	\$ —	\$ 771	\$ 771

(1) Trust assets are currently invested in money market funds.

(2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

Recurring Fair Value Measurements	As of December 31, 2012			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 168,309	\$ —	\$ —	\$ 168,309
Trust assets (1)	14,254	—	—	14,254
Surety bonds	2,123	—	—	2,123
TOTAL	\$ 184,686	\$ —	\$ —	\$ 184,686
LIABILITIES:				
E.ON contingent obligation – net	\$ —	\$ —	\$ 15,369	\$ 15,369
Primary aluminum sales contract	—	—	1,170	1,170
TOTAL	\$ —	\$ —	\$ 16,539	\$ 16,539

(1) Trust assets are currently invested in money market funds.

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

Change in Level 3 Fair Value Measurements during the three months ended September 30,

	Derivative liabilities – net	
	2013	2012
Beginning balance, July 1,	\$ (773)	\$ (16,024)
Total gain (loss) included in earnings	365	(371)
Ending balance, September 30,	\$ (408)	\$ (16,395)
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,	\$ 365	\$ (371)

Change in Level 3 Fair Value Measurements during the nine months ended September 30,

	Derivative liabilities – net	
	2013	2012
Beginning balance, January 1,	\$ (16,539)	\$ (14,760)
Total gain (loss) included in earnings	16,131	(1,529)
Settlements	—	(106)
Ending balance, September 30,	\$ (408)	\$ (16,395)
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,	\$ 16,131	\$ (1,529)

The net gain (loss) on our derivative assets and liabilities is recorded in our consolidated statements of operations under net gain (loss) on forward and derivative contracts. See [Note 5 Derivative and hedging instruments](#) for the location of our Level 3 derivative assets and liabilities within our consolidated balance sheets.

5. Derivative and hedging instruments

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

Fair Value of Derivatives	Balance sheet location	September 30, 2013	December 31, 2012
DERIVATIVE ASSETS:			
Midwest premium contracts (1)	Prepaid and other current assets	\$ 363	\$ —
TOTAL		\$ 363	\$ —
DERIVATIVE LIABILITIES:			
Aluminum sales premium contracts	Accrued and other current liabilities	\$ 771	\$ 1,170
E.ON contingent obligation – net (2)	Other liabilities	—	15,369
TOTAL		\$ 771	\$ 16,539

- (1) We entered into a fixed-price forward contract that settles monthly from January 2014 to March 2014 based on the Midwest Premium price published in the Platts Metals Week for the applicable period.
- (2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

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

Primary aluminum put option contracts

In the past, we have entered into primary aluminum put option contracts that settled monthly based on LME prices. The option contract volumes accounted for a portion of our domestic production, with a strike price around our domestic facilities' average cash basis break-even price at the time.

Our counterparties included two non-related third parties and an affiliate of Glencore Xstrata plc (together with its subsidiaries, "Glencore"), a related party. We paid cash premiums to enter into the put option contracts and recorded an asset on the consolidated balance sheets. We determined the fair value of the put option contracts using a Black-Scholes model with market data provided by an independent vendor.

Aluminum sales premium contracts

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

Derivatives not designated as hedging instruments:

		<u>Gain (loss) recognized in income from derivatives</u>			
		<u>Three months ended</u>		<u>Nine months ended</u>	
		<u>September 30,</u>		<u>September 30,</u>	
<u>Location</u>		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
E.ON contingent obligation – net	Net gain (loss) on forward and derivative contracts	\$ 353	\$ —	\$ 16,428	\$ —
Midwest premium contracts	Net gain (loss) on forward and derivative contracts	363	—	363	—
Primary aluminum put option contracts	Net gain (loss) on forward and derivative contracts	—	—	—	(2,725)
Aluminum sales premium contracts	Related party sales	278	386	1,039	917
Aluminum sales premium contracts	Net gain (loss) on forward and derivative contracts	(276)	(404)	(640)	(1,389)
E.ON contingent obligation – net	Interest expense – third party	(353)	(353)	(1,059)	(1,059)

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

	<u>September 30, 2013</u>	<u>December 31, 2012</u>
Primary aluminum sales contract premium (metric tons) (1)	5,993	20,400
Midwest premium contracts (metric tons)	6,000	—

(1) Represents the remaining physical deliveries under the Glencore Metal Agreement.

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

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

As of September 30, 2013, income of \$153 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12-month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

6. Earnings (loss) per share

Basic earnings (loss) per share ("EPS") amounts are calculated by dividing earnings available to common shareholders by the weighted average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive common shares outstanding. The following table shows the basic and diluted earnings (loss) per share for the three and nine months ended September 30, 2013 and September 30, 2012:

	2013			2012		
	Loss	Shares (000)	Per-Share	Loss	Shares (000)	Per-Share
Net loss	\$ (9,507)			\$ (12,023)		
Amount allocated to common shareholders (1)	<u>100%</u>			<u>100%</u>		
Basic EPS:						
Loss allocable to common shareholders	(9,507)	88,611	\$ (0.11)	(12,023)	88,468	\$ (0.14)
Diluted EPS:						
Loss applicable to common shareholders with assumed conversion	<u>\$ (9,507)</u>	<u>88,611</u>	<u>\$ (0.11)</u>	<u>\$ (12,023)</u>	<u>88,468</u>	<u>\$ (0.14)</u>

For the nine months ended September 30,

	2013			2012		
	Loss	Shares (000)	Per-Share	Loss	Shares (000)	Per-Share
Net loss	\$ (30,638)			\$ (28,701)		
Amount allocated to common shareholders (1)	<u>100%</u>			<u>100%</u>		
Basic EPS:						
Loss allocable to common shareholders	(30,638)	88,588	\$ (0.35)	(28,701)	88,549	\$ (0.32)
Diluted EPS:						
Loss applicable to common shareholders with assumed conversion	<u>\$ (30,638)</u>	<u>88,588</u>	<u>\$ (0.35)</u>	<u>\$ (28,701)</u>	<u>88,549</u>	<u>\$ (0.32)</u>

- (1) We have not allocated net losses between common and preferred shareholders, as the holders of our preferred shares do not have a contractual obligation to share in the loss.

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

Impact of our outstanding Series A Convertible Preferred Stock on EPS

Our Series A Convertible Preferred Stock has similar characteristics of a “participating security” as described by the ASC 260–10–45. The holders of our convertible preferred stock do not have a contractual obligation to share in the losses of Century. Thus, in periods where we report net losses, we will not allocate the net losses to the convertible preferred stock for the computation of basic or diluted EPS.

Antidilutive securities excluded from the calculation of diluted EPS:	Three months ended September		Nine months ended September 30,	
	2013	2012	2013	2012
Stock options (1)	620,334	626,334	620,334	626,334
Service-based share awards (1)	573,628	406,070	522,032	382,462

(1) In periods when we report a net loss, all share awards are excluded from the calculation of diluted weighted average stock outstanding because of their antidilutive effect on earnings (loss) per share.

We exclude shares of our common stock repurchased under a stock repurchase program from the calculation of weighted average shares of common stock outstanding as of the date of repurchase. See [Note 7 Shareholders' equity](#) for additional information about this program.

Service-based share awards for which vesting is based upon continued service are not considered issued and outstanding shares of common stock until vested and issued. However, the service-based share awards are considered common stock equivalents and, therefore, the weighted average service-based share awards are 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.

7. Shareholders' equity

Common Stock

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

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

Stock Repurchase Program

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

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

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

From August 11, 2011 through September 30, 2013, we repurchased 4,786,521 shares of common stock for an aggregate purchase price of \$49,924. We had approximately \$10,076 remaining under the repurchase program authorization as of September 30, 2013.

Series A Convertible Preferred Stock conversions

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

Common and Preferred Stock Activity:

	Preferred stock	Common stock	
	Series A convertible	Treasury	Outstanding
Beginning balance as of December 31, 2012	80,283	4,786,521	88,548,637
Conversion of convertible preferred stock	(549)	—	54,825
Issuance for stock compensation plans	—	—	79,469
Ending balance as of September 30, 2013	<u>79,734</u>	<u>4,786,521</u>	<u>88,682,931</u>

8. Income taxes

We recorded income tax expense for the nine months ended September 30, 2013 of \$4,714 which primarily consisted of foreign and state income taxes, net of a release of a valuation allowance as disclosed in [Note 2 Acquisition of Sebree aluminum smelter](#). Our domestic deferred tax assets, net of deferred tax liabilities, are subject to a valuation allowance; therefore, the domestic losses were not benefited.

We recorded income tax expense for the nine months ended September 30, 2012 of \$7,384 which primarily consisted of foreign and state income taxes.

Income tax expense is based on an annual effective tax rate forecast, including estimates and assumptions that could change during the year.

As of September 30, 2013, all of Century's U.S. and certain foreign deferred tax assets, net of deferred tax liabilities, continue to be subject to a valuation allowance. The realization of these assets is dependent on substantial future taxable income which, at September 30, 2013, is not more likely than not to be achieved.

In April 2013, we received notice from the Internal Revenue Service ("IRS") that the Congressional Joint Committee on Taxation finalized their review of the US Federal examinations for the income tax years 2008, 2009, and 2010 and refund years of 2004, 2005, 2006, and 2007 without exception to the conclusions reached by the IRS. This Joint Committee is a special nonpartisan Congressional committee involved with the analysis and drafting of federal tax legislation and, as part of its mandate, reviews all federal tax refund claims over a certain amount. As a result of this determination, we have reduced the reserve for the unrecognized tax benefits related to prior years by \$14,341. The reduction did not result in an impact to the effective tax rate since the reduction was offset by an increase in our valuation allowance. During the second quarter of 2013, we received refunds from the IRS of \$5,009 following the Joint Committee review.

During the second quarter of 2013, we received notice from the Directorate of Internal Revenue of Iceland of their intent to conduct a periodic review regarding certain of our Icelandic subsidiaries for the years 2010–2012.

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

9. Inventories

Inventories consist of the following:

	September 30, 2013	December 31, 2012
Raw materials	\$ 68,091	\$ 40,725
Work-in-process	22,286	15,259
Finished goods	12,834	9,753
Operating and other supplies	128,294	94,188
Inventories (1)	\$ 231,505	\$ 159,925

- (1) The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See [Note 2 Acquisition of Sebree aluminum smelter](#) for additional information about the Sebree acquisition.

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

10. Debt

	September 30, 2013	December 31, 2012
Debt classified as current liabilities:		
Hancock County industrial revenue bonds ("IRBs") due 2028, interest payable quarterly (variable interest rates (not to exceed 12%)) (1)	\$ 7,815	\$ 7,815
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	—
Debt classified as non-current liabilities:		
7.5% senior secured notes payable due June 1, 2021, net of debt discount of \$3,558, interest payable semiannually	246,442	—
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$1,625, interest payable semiannually	—	247,979
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	—	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)	—	15,369
Revolving credit facility (3)	16,725	—
TOTAL	\$ 273,585	\$ 273,766

- (1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at September 30, 2013 was 0.27%.
- (2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below and [Note 4 Fair value measurements](#) for additional information.
- (3) Borrowings under the revolving line of credit bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter.

Amended Revolving Credit Facility

General. We and certain of our direct and indirect domestic subsidiaries (together with Century, the "Borrowers") and Wells Fargo Capital Finance, LLC, as lender and agent, and Credit Suisse AG and BNP Paribas, as lenders, entered into the Amended and Restated Loan and Security Agreement (the "Credit Facility"), dated May 24, 2013, as amended, modifying the credit facility signed July 1, 2010. The Credit Facility extended the term through May 24, 2018 and provides for borrowings of up to \$137,500 in the aggregate, including up to \$80,000 under a letter of credit sub-facility. Any letters of credit issued and outstanding under the Credit Facility reduce our borrowing availability on a dollar-for-dollar basis.

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

Status of our Credit Facility:

	<u>September 30, 2013</u>
Credit Facility maximum amount	\$ 137,500
Borrowing availability, net of outstanding letters of credit	44,255
Outstanding borrowings	16,725
Letter of credit sub-facility amount	80,000
Outstanding letters of credit issued	70,545

Borrowing Base. The availability of funds under the Credit Facility is limited by a specified borrowing base consisting of accounts receivable and inventory of the Borrowers which meet the eligibility criteria.

Guaranty. The Borrowers' obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a continuing lien upon and a security interest in all of the Borrowers' accounts receivable, inventory and certain bank accounts. Each Borrower is liable for any and all obligations under the Credit Facility on a joint and several basis.

Interest Rates and Fees. Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter. In addition, we pay an unused line fee on undrawn amounts, less the amount of our letters of credit exposure.

For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit that varies depending on whether the letter of credit exposure is cash collateralized.

Maturity. The Credit Facility will mature on May 24, 2018.

Prepayments. We can make prepayments of amounts outstanding under the Credit Facility, in whole or in part, without premium or penalty, subject to standard LIBOR breakage costs, if applicable. We may be required to apply the proceeds from sales of collateral accounts, other than sales of inventory in the ordinary course of business, to repay amounts outstanding under the revolving credit facility and correspondingly reduce the commitments there under.

Covenants. The Credit Facility contains customary covenants, including restrictions on mergers and acquisitions, indebtedness, affiliate transactions, liens, dividends and distributions, dispositions of collateral, investments and prepayments of indebtedness, as well as a covenant that requires the Borrowers to maintain certain minimum liquidity or availability requirements.

Events of Default. The Credit Facility also includes customary events of default, including nonpayment, misrepresentation, breach of covenant, bankruptcy, change of ownership, certain judgments and certain cross defaults. Upon the occurrence of an event of default, commitments under the Credit Facility may be terminated and amounts outstanding may be accelerated and declared immediately due and payable.

8% Notes Tender Offer, Consent Solicitation and Redemption

In May 2013, we commenced a tender offer and consent solicitation (the "8.0% Notes Tender Offer") to the holders of the outstanding 8% Senior Secured Notes due 2014 (the "8.0% Notes"). Investors electing to participate in the 8.0% Notes Tender Offer consented to certain amendments and modifications to the indenture governing the 8.0% Notes to remove, among other things, most of the restrictive covenants, in exchange for which we paid these investors consent fees.

We received tenders and consents from holders of a majority of the outstanding principal amount of the 8.0% Notes. The remaining 8.0% Notes outstanding that had not participated in the 8.0% Notes Tender Offer were redeemed at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest (the "Redemption"). Together the 8.0% Notes Tender Offer and Redemption satisfied and discharged our obligations under the 8.0% Notes and the related indenture. We

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

used the net proceeds from the issuance of the 7.5% Senior Secured Notes due 2021 (the "7.5% Notes") and available cash on hand to fund the 8.0% Notes Tender Offer and the Redemption.

In accordance with ASC 470, based on an evaluation of the characteristics of the 8.0% Notes and the 7.5% Notes that were issued, we determined the tender and redemption of the 8.0% Notes should be treated as an extinguishment of the debt and accordingly, we recorded a loss on early extinguishment of debt in the second quarter of 2013. The loss on early extinguishment of debt consisted of the write-off of deferred financing costs and the debt discount associated with the 8.0% Notes, as well as the tender premium paid as part of the 8.0% Notes Tender Offer.

7.5% Notes

General. On June 4, 2013, we issued \$250,000 of our 7.5% Notes in a private offering exempt from the registration requirements of the Securities Act. The 7.5% Notes were issued at a discount and we received proceeds of \$246,330, prior to payment of financing fees and related expenses.

Interest rate. The 7.5% Notes bear interest at 7.5% per annum on the principal amount, payable semi-annually in arrears in cash on June 1st and December 1st of each year.

Maturity. The 7.5% Notes mature on June 1, 2021.

Seniority. The 7.5% Notes are senior secured obligations of Century, ranking equally in right of payment with all existing and future senior indebtedness of Century, but effectively senior to unsecured debt to the extent of the value of the collateral.

Guaranty. Our obligations under the 7.5% Notes are guaranteed by all of our existing and future domestic restricted subsidiaries (the "Guarantor Subsidiaries"), except for foreign owned holding companies and any domestic restricted subsidiary that owns no assets other than equity interests or other investments in foreign subsidiaries, which guaranty shall in each case be a senior secured obligation of such Guarantor Subsidiaries, ranking equally in right of payment with all existing and future senior indebtedness of such Guarantor Subsidiaries but effectively senior to unsecured debt.

Collateral. Our obligations under the 7.5% Notes and the Guarantor Subsidiaries' obligations under the guarantees are secured by a pledge of and lien on (subject to certain exceptions):

- (i) all of our and the Guarantor Subsidiaries' property, plant and equipment (other than certain excluded property, such as the assets of Berkeley Aluminum, Inc., the owner of our interest in our Mt. Holly facility);
- (i) all equity interests in domestic subsidiaries directly owned by us and the Guarantor Subsidiaries and 65% of equity interests in foreign subsidiaries or foreign holding companies directly owned by us and the Guarantor Subsidiaries;
- (ii) intercompany notes owed by any non-guarantor to us or any Guarantor Subsidiary to us; and
- (iii) proceeds of the foregoing.

Under certain circumstances, we may incur additional debt that also may be secured by liens on the collateral that are equal to or have priority over the liens securing the 7.5% Notes.

Redemption Rights. Prior to June 1, 2016, we may redeem the 7.5% Notes, in whole or in part, at a redemption price equal to 100% of the principal amount plus a make-whole premium, and if redeemed during the twelve-month period beginning on June 1 of the years indicated below, at the following redemption prices plus accrued and unpaid interest:

Year	Percentage
2016	105.625%
2017	103.750%
2018	101.875%
2019 and thereafter	100.000%

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

Upon a change of control (as defined in the indenture governing the 7.5% Notes), we will be required to make an offer to purchase the 7.5% Notes at a purchase price equal to 101% of the outstanding principal amount of the 7.5% Notes on the date of the purchase, plus accrued interest to the date of purchase.

Covenants. The indenture governing the 7.5% Notes contains customary covenants which may limit our ability, and the ability of certain of our subsidiaries, to: (i) incur additional debt; (ii) create liens; (iii) pay dividends or make distributions in respect of capital stock; (iv) purchase or redeem capital stock; (v) make investments or certain other restricted payments; (vi) sell assets; (vii) issue or sell stock of certain subsidiaries; (viii) enter into transactions with shareholders or affiliates; and (ix) effect a consolidation or merger.

E.ON contingent obligation

The E.ON contingent obligation consists of the aggregate E.ON payments made to Big Rivers Electric Corporation ("Big Rivers") on CAKY's behalf in excess of the agreed upon base amount under an agreement to "unwind" a former contractual arrangement and enter into an agreement to provide power for Hawesville's production requirements with pricing based on the provider's cost of production (the "Big Rivers Agreement"). Our obligation to make repayments is contingent upon certain operating criteria for our Hawesville, Kentucky facility and the LME price of primary aluminum. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make principal and interest payments, in up to 72 monthly payments.

Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we recognized a derivative asset which offsets our contingent obligation. As a result, our net liability decreased and we recorded a gain of \$16,428 in net gain (loss) on forward and derivative contracts for the nine months ended September 30, 2013. Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement, which expires in 2028. However, future increases in the LME forward market may result in a partial or full derecognition of the derivative asset and a corresponding recognition of a loss. The following table provides information about the balance sheet location and gross amounts offset:

	Balance sheet location	September 30, 2013	December 31, 2012
E.ON contingent obligation – principal	Other liabilities	\$ (12,902)	\$ (12,902)
E.ON contingent obligation – accrued interest	Other liabilities	(3,526)	(2,467)
E.ON contingent obligation – derivative asset	Other liabilities	16,428	—
		<u>\$ —</u>	<u>\$ (15,369)</u>

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

11. Commitments and contingencies

Environmental Contingencies

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

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental-related accrued liabilities were \$1,322 and \$906 at September 30, 2013 and December 31, 2012, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Century Aluminum of West Virginia ("CAWV") continues to perform monitoring activities at our Ravenswood, West Virginia facility pursuant to an order issued by the United States Environmental Protection Agency (the "EPA") in 1994 (the "3008(h) Order"). CAWV also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which formally documents the conclusion of these activities, has been submitted to the EPA and a final order has been completed and was signed by the EPA in April 2013. Under the order, CAWV's responsibilities going forward include monitoring specific wells as well as restricting access to certain parts of the site.

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

In July 2006, we were named as a defendant, together with certain affiliates of Alcan Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products-Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. The matter is in a preliminary stage, and we cannot predict the ultimate outcome of this action or estimate a range of possible losses related to this matter at this time. We do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the final outcome.

Matters relating to the St. Croix Alumina Refining Facility

We are a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands (the "St. Croix Alumina Refinery") have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation ("Lockheed") to one of our affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, Lockheed, Vialco and Century entered into the Lockheed-Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed-Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Through September 30, 2013, we have expended approximately \$985 on the Hydrocarbon Recovery Plan. At this time, we are not able to estimate the amount of any future potential payments under this indemnification to comply with the Order, but we do not anticipate that any such

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

amounts will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the final outcome.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources (“DPNR”), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the St. Croix Alumina Refinery and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed–Vialco Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. In November 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case and has asserted factual and affirmative defenses. The discovery process has closed. As of September 30, 2013, no trial date has been set for the remaining claims.

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

In May 2009, St. Croix Renaissance Group, L.L.L.P. (“SCRG”) filed a third–party complaint for contribution and other relief against several third–party defendants, including Century and Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In February 2011, the court granted a motion by Century, dismissing Century from the case. In March 2011, the court granted the remaining defendants’, including Vialco’s, motion for summary judgment, dismissing the case. The plaintiff filed a notice of appeal with the Third Circuit Court of Appeals in May 2011. On June 5, 2013, the Third Circuit Court of Appeals reversed the lower court’s ruling to hold that plaintiff’s expenditures of funds may be found as recoverable response costs incurred by the government entitling plaintiffs to recover future response costs. Vialco remains the only Century entity in the litigation.

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

Legal Contingencies

In addition to the foregoing matters, we have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters.

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

We also determine estimates of reasonably possible losses or ranges of reasonably possible losses in excess of related accrued liabilities, if any, when we have assessed that a loss is reasonably possible. Based on current knowledge, management has ascertained estimates for losses that are reasonably possible and management does not believe that any reasonably possible

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

outcomes in excess of our accruals, if any, either individually or in aggregate, would be material to our financial condition, results of operations, or liquidity. We reevaluate and update our assessments and accruals as matters progress over time.

We have been named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20,000 to Mr. Kruger under such agreements. In addition, the complaint seeks unspecified damages, including costs and attorneys' fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to defend ourselves against them. The arbitration hearing was held in the third quarter of 2013, and we currently expect a ruling in the arbitration in late 2013 or in the first quarter of 2014.

In April 2013, our subsidiary Nordural Grundartangi received a ruling in an arbitration case involving two of its power suppliers, HS Orka and Orkuveita Reykjavikur. Under the arbitration award, Nordural Grundartangi is restricted from reducing power under its existing power contracts with HS Orka and Orkuveita Reykjavikur in order to take power under a separate power contract with Orkuveita Reykjavikur originally intended to be used at Helguvik. Nordural Grundartangi remains entitled to take power under the Orkuveita Reykjavikur Helguvik contract to the extent that its power needs exceed the amount of power provided under its existing power contracts. As part of the award, the tribunal awarded HS Orka damages and Nordural Grundartangi paid \$1,470 to HS Orka in full satisfaction of such award. The tribunal ordered each party to pay its own legal fees and costs. While no damages were awarded to Orkuveita Reykjavikur as part of the arbitration, Orkuveita Reykjavikur has subsequently alleged damages against Nordural Grundartangi. We intend to defend ourselves against these claims. The matter is in a preliminary stage, and we cannot estimate a range of possible losses related to this matter at this time. Regardless of the final outcome, we do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity.

Ravenswood Retiree Medical Benefits changes

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

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the trial court. In August 2011, the Fourth Circuit Court of Appeals upheld the District Court's dismissal of the USWA's motion for preliminary injunction. The discovery process is closed.

PBGC Settlement

In June 2011, the Pension Benefit Guaranty Corporation (the "PBGC") informed us that it believed a "cessation of operations" under ERISA had occurred at our Ravenswood facility as a result of the curtailment of operations at the facility. Although we disagree that a "cessation of operations" occurred, we entered into a settlement agreement with the PBGC in April 2013 to resolve the matter. Pursuant to the terms of the agreement, we will make additional contributions (above any minimum required contributions) to our defined benefit pension plans totaling approximately \$17,400 over the term of the agreement, which runs through 2016. In April 2013, we made the first scheduled contribution pursuant to this agreement of \$5,900. Under certain circumstances, in periods of lower primary aluminum prices relative to our operations, we may defer one or more of these payments, but we would be required to provide the PBGC with acceptable security for any deferred payments.

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

Power Commitments

Hawesville

In August 2012, CAKY issued a 12-month notice to terminate its long-term power supply agreement (the "Hawesville Power Agreement") with Kenergy, a member cooperative of Big Rivers. Pursuant to the termination notice, the Hawesville Power Agreement terminated on August 20, 2013.

The Kentucky Public Service Commission ("KPSC") approved a new power supply agreement with Kenergy and Big Rivers for providing market priced power to the Hawesville smelter, effective August 20, 2013. Under the arrangement, the power companies purchase power on the open market and pass it through to Hawesville at the market price plus transmission and other costs incurred by them. In connection with the new power agreements, CAKY is also seeking approval from applicable regional transmission organizations and regulatory bodies regarding grid stability and energy import capability. A group of industrial customers in Kentucky subsequently filed an appeal to the KPSC order approving the new power supply arrangement at Hawesville, which appeal is currently pending. We believe this appeal is without merit and that the points argued in the appeal were already rejected by the KPSC prior to the issuance of its order approving the new power supply arrangement at Hawesville.

Sebree

In January 2013, Sebree issued a 12-month notice to terminate its long-term power supply agreement (the "Sebree Power Agreement") with Kenergy. The Sebree Power Agreement is take-or-pay for Sebree's energy requirements at full production. During the 12-month notice period, Century is required to pay a demand charge for power, but is not obligated to continue operating the plant. The Sebree Power Agreement currently provides sufficient power at cost-based rates for Sebree's full production capacity requirements, but, pursuant to the termination notice, the Sebree Power Agreement will terminate on January 31, 2014. We are seeking a market-based power contract for Sebree similar to the agreement we have reached for Hawesville, but no assurance can be given that we will be able to obtain one. If a new power arrangement is not reached and approved prior to January 31, 2014, the Sebree plant will be curtailed.

Mt. Holly

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

In 2012, Mt. Holly and Santee Cooper amended the terms of the Santee Cooper agreement in order to allow Mt. Holly to receive all or a portion of Mt. Holly's supplemental power requirements from an off-system natural gas-fired power generation facility (the "off-system facility"). The energy charge for supplemental power from the off-system facility is based, among other factors, on the cost of natural gas rather than Santee Cooper's system average fuel costs, which are primarily coal-based. The amendments to the power agreement may provide a benefit to Mt. Holly provided that natural gas costs remain below Santee Cooper's system average fuel costs. The amended power agreement provides that Mt. Holly may continue to receive its supplemental power requirements from the off-system facility through December 31, 2015. We are currently in discussions with Santee Cooper regarding power arrangements for Mt. Holly following December 31, 2015.

Ravenswood

CAWV has a power purchase agreement (the "ApCo Agreement") with the Appalachian Power Company ("ApCo"). CAWV currently purchases a limited amount of power under the ApCo Agreement as necessary to maintain its Ravenswood smelter, which is presently curtailed. Power is supplied under the ApCo Agreement at prices set forth in published tariffs (which are subject to change), with certain adjustments.

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

Grundartangi

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

In the fourth quarter of 2011, an additional 47.5 MW of power became available under a power purchase agreement with OR. This power can be used at either Grundartangi or Helguvik and a significant portion is currently being utilized at Grundartangi.

In June 2012, Nordural Grundartangi entered into a new supplemental power contract with Landsvirkjun. The supplemental power contract, which will expire in October 2029 (or upon the occurrence of certain earlier events), will provide Nordural Grundartangi with supplemental power, as Nordural Grundartangi may request from time to time, at LME-based variable rates. Nordural Grundartangi has agreed to make certain prepayments to Landsvirkjun for power expected to be used at a later date in connection with the contract, which will reduce the price paid for power at the time of consumption. As of September 30, 2013, these power prepayments totaled approximately \$2,000. We expect the amount of the prepayment to continue to grow slowly and we do not expect to realize the benefits from the prepayments in the near term.

Helguvik

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

Other Commitments and Contingencies

Labor Commitments

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY’s Hawesville employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015. The Sebree employees represented by the USWA are under a collective bargaining agreement that expires on September 30, 2014.

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

The labor agreement for CAWV’s Ravenswood plant employees represented by the USWA expired on August 31, 2010.

Other Commitments

The Patient Protection and Affordable Care Act and the related Health Care and Education Reconciliation Act (the “Health Care Acts”) were enacted in March 2010. The Health Care Acts extend health care coverage to many uninsured individuals and expand coverage to those already insured. The Health Care Acts contain provisions which could impact our retiree medical benefits in future periods. However, the extent of that impact, if any, cannot be determined until regulations are promulgated under the Health Care Acts and additional interpretations of the Health Care Acts become available. We are continuing to assess the potential impacts that this legislation may have on our future results of operations, liquidity and financial position related to our health care benefits and other postretirement benefit obligations. Among other things, the Health Care Acts

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

eliminated the tax deductibility of the Medicare Part D subsidy for companies that provide qualifying prescription drug coverage to retirees effective for years beginning after December 31, 2012.

12. Forward delivery contracts and financial instruments

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

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 metric tons per year ("mtpy")	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 19,000 metric tons	Through December 31, 2013	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	220 to 240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market
RTA Metal Agreement	Rio Tinto Alcan	Approximately 111,000 metric tons	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2013, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility. Despite reaching power agreements, certain regulatory approvals have not yet been received and CAKY could curtail all smelter operations if these approvals are not ultimately received.

Tolling Contracts

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

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

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

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

Other forward delivery contracts

	September 30, 2013	December 31, 2012
	(in metric tons)	
Other forward delivery contracts – total	32,994	88,827
Other forward delivery contracts – Glencore	1,775	1,811

We had no outstanding primary aluminum forward financial sales contracts at September 30, 2013. We had no fixed price forward financial contracts to purchase aluminum at September 30, 2013.

Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, which are accounted for as derivative instruments. See [Note 5 Derivative and hedging instruments](#) for additional information about these instruments.

13. Supplemental cash flow information

	Nine months ended September 30,	
	2013	2012
Cash paid for:		
Interest	\$ 11,293	\$ 10,220
Income/withholding taxes (1)	27,254	33,625
Non-cash investing activities:		
Accrued capital costs	\$ 4,034	\$ 935

(1) We paid withholding taxes in Iceland of \$18,067 and \$22,633 in the nine months ended September 30, 2013 and 2012, respectively. Our tax payments in Iceland for withholding taxes, income taxes and associated refunds are denominated in Icelandic kronur ("ISK"). We expect to receive refunds of the withholding tax payments in the fourth quarters of 2013 and 2014. See Note 18 Subsequent events for additional information about withholding tax refunds.

14. Asset retirement obligations ("ARO")

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

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

	Nine months ended September		Year ended December 31,	
	30, 2013		2012	
Beginning balance, ARO liability	\$ 16,124	\$ 15,171		
Additional ARO liability incurred	1,648	1,166		
ARO liabilities settled	(1,493)	(1,380)		
Accretion expense	1,334	1,167		
Additional ARO liability from Sebree acquisition	10,106	—		
Ending balance, ARO liability	\$ 27,719	\$ 16,124		

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

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

15. Components of accumulated other comprehensive loss

	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ (139,426)	\$ (153,225)
Equity in investee other comprehensive income (1)	(12,712)	(12,712)
Unrealized loss on financial instruments	(1,017)	(878)
Other comprehensive loss before income tax effect	(153,155)	(166,815)
Income tax effect (2)	14,475	15,623
Accumulated other comprehensive loss	<u>\$ (138,680)</u>	<u>\$ (151,192)</u>

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

(2) The allocation of the income tax effect to the components of other comprehensive income is as follows:

	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ 14,663	\$ 15,784
Equity in investee other comprehensive income	436	488
Unrealized loss on financial instruments	(624)	(649)

16. Components of net periodic benefit cost

	Pension Benefits			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 1,686	\$ 701	\$ 3,292	\$ 2,102
Interest cost	2,903	1,717	6,293	5,153
Expected return on plan assets	(3,723)	(1,740)	(7,337)	(5,222)
Amortization of prior service cost	30	34	85	103
Amortization of net loss	723	910	2,428	2,731
Curtailment	—	—	(18)	—
Net periodic benefit cost	<u>\$ 1,619</u>	<u>\$ 1,622</u>	<u>\$ 4,743</u>	<u>\$ 4,867</u>
	Other Postretirement Benefits ("OPEB")			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 700	\$ 448	\$ 1,862	\$ 1,343
Interest cost	1,474	1,378	4,230	4,135
Amortization of prior service cost	(998)	(1,063)	(2,997)	(3,188)
Amortization of net loss	1,157	1,652	3,934	4,956
Curtailment	—	—	(20)	—
Net periodic benefit cost	<u>\$ 2,333</u>	<u>\$ 2,415</u>	<u>\$ 7,009</u>	<u>\$ 7,246</u>

Employer contributions

During the nine months ended September 30, 2013, we have made contributions of approximately \$8,582 to the qualified defined benefit plans we sponsor.

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

17. Condensed consolidating financial information

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

The following summarized condensed consolidating balance sheets as of September 30, 2013 and December 31, 2012, condensed consolidating statements of comprehensive income (loss) for the three and nine months ended September 30, 2013 and September 30, 2012 and the condensed consolidating statements of cash flows for the nine months ended September 30, 2013 and September 30, 2012 present separate results for Century, the Guarantor Subsidiaries, the Non-Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations, financial position or cash flows had the Company, the Guarantor Subsidiaries or the Non-Guarantor Subsidiaries operated as independent entities.

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

CONDENSED CONSOLIDATING BALANCE SHEET
As of September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	\$ —	\$ 64,366	\$ 76,435	\$ —	\$ 140,801
Restricted cash	790	2,483	—	—	3,273
Accounts receivable — net	50,157	1,090	—	—	51,247
Due from affiliates	610,588	39,991	2,339,683	(2,965,307)	24,955
Inventories	158,620	72,885	—	—	231,505
Prepaid and other current assets	4,199	31,456	5,053	—	40,708
Deferred taxes — current portion	—	19,726	—	(6)	19,720
Total current assets	824,354	231,997	2,421,171	(2,965,313)	512,209
Investment in subsidiaries	50,696	—	(959,581)	908,885	—
Property, plant and equipment — net	354,595	883,232	1,793	(419)	1,239,201
Due from affiliates — less current portion	—	30,479	—	(30,479)	—
Other assets	17,603	53,596	32,274	4,748	108,221
Total	\$ 1,247,248	\$ 1,199,304	\$ 1,495,657	\$ (2,082,578)	\$ 1,859,631
Liabilities:					
Accounts payable, trade	\$ 66,212	\$ 38,383	\$ 1,355	\$ —	\$ 105,950
Due to affiliates	2,161,803	135,587	202,075	(2,427,726)	71,739
Accrued and other current liabilities	39,678	13,678	17,638	1,927	72,921
Accrued employee benefits costs	13,495	—	3,565	—	17,060
Industrial revenue bonds	7,815	—	—	—	7,815
Current portion of long-term debt	—	—	2,603	—	2,603
Total current liabilities	2,289,003	187,648	227,236	(2,425,799)	278,088
Senior notes payable	—	—	246,442	—	246,442
Revolving credit facility	—	—	16,725	—	16,725
Accrued pension benefit costs — less current portion	29,188	—	30,536	—	59,724
Accrued postretirement benefit costs — less current portion	137,388	—	6,637	—	144,025
Other liabilities/intercompany loan	57,871	572,417	2,560	(595,664)	37,184
Deferred taxes	—	111,922	—	—	111,922
Total noncurrent liabilities	224,447	684,339	302,900	(595,664)	616,022
Shareholders' equity:					
Series A Preferred stock	—	—	1	—	1
Common stock	60	12	935	(72)	935
Additional paid-in capital	370,467	169,493	2,508,456	(539,960)	2,508,456
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(133,371)	(1,640)	(138,680)	135,011	(138,680)
Retained earnings (accumulated deficit)	(1,503,358)	159,452	(1,355,267)	1,343,906	(1,355,267)
Total shareholders' equity	(1,266,202)	327,317	965,521	938,885	965,521
Total	\$ 1,247,248	\$ 1,199,304	\$ 1,495,657	\$ (2,082,578)	\$ 1,859,631

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

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	\$ —	\$ 110,016	\$ 73,960	\$ —	\$ 183,976
Restricted cash	258	—	—	—	258
Accounts receivable — net	38,328	12,339	—	—	50,667
Due from affiliates	604,008	38,328	2,391,249	(2,995,715)	37,870
Inventories	97,847	62,078	—	—	159,925
Prepaid and other current assets	4,421	30,650	8,063	(8,159)	34,975
Deferred taxes — current portion	—	17,799	—	1,927	19,726
Total current assets	744,862	271,210	2,473,272	(3,001,947)	487,397
Investment in subsidiaries	40,335	—	(1,039,141)	998,806	—
Property, plant and equipment — net	313,090	874,559	916	(351)	1,188,214
Due from affiliates — less current portion	—	3,588	—	(3,588)	—
Other assets	17,616	45,474	37,027	598	100,715
Total	<u>\$ 1,115,903</u>	<u>\$ 1,194,831</u>	<u>\$ 1,472,074</u>	<u>\$ (2,006,482)</u>	<u>\$ 1,776,326</u>
Liabilities:					
Accounts payable, trade	\$ 37,301	\$ 37,627	\$ 442	\$ —	\$ 75,370
Due to affiliates	2,098,320	105,945	193,788	(2,358,316)	39,737
Accrued and other current liabilities	13,031	31,332	1,967	(6,231)	40,099
Accrued employee benefits costs	15,926	—	2,757	—	18,683
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,172,393	174,904	198,954	(2,364,547)	181,704
Senior notes payable	—	—	250,582	—	250,582
Accrued pension benefit costs — less current portion	36,087	—	31,791	—	67,878
Accrued postretirement benefit costs — less current portion	137,184	—	5,921	—	143,105
Other liabilities/intercompany loan	65,377	614,585	2,183	(641,983)	40,162
Deferred taxes	—	109,011	—	1,241	110,252
Total noncurrent liabilities	238,648	723,596	290,477	(640,742)	611,979
Shareholders' equity:					
Series A Preferred stock	—	—	1	—	1
Common stock	60	12	933	(72)	933
Additional paid-in capital	303,659	150,743	2,507,454	(454,402)	2,507,454
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(146,862)	(1,525)	(151,192)	148,387	(151,192)
Retained earnings (accumulated deficit)	(1,451,995)	147,101	(1,324,629)	1,304,894	(1,324,629)
Total shareholders' equity	(1,295,138)	296,331	982,643	998,807	982,643
Total	<u>\$ 1,115,903</u>	<u>\$ 1,194,831</u>	<u>\$ 1,472,074</u>	<u>\$ (2,006,482)</u>	<u>\$ 1,776,326</u>

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

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
For the three months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 224,571	\$ 46,445	\$ —	\$ —	\$ 271,016
Related parties	71,399	57,513	—	—	128,912
	295,970	103,958	—	—	399,928
Cost of goods sold	303,521	84,053	—	—	387,574
Gross profit (loss)	(7,551)	19,905	—	—	12,354
Other operating expenses – net	2,174	—	—	—	2,174
Selling, general and administrative expenses	10,585	3,837	—	—	14,422
Operating income (loss)	(20,310)	16,068	—	—	(4,242)
Interest expense – third party	(5,406)	—	—	—	(5,406)
Interest expense – affiliates	13,950	(13,950)	—	—	—
Interest income – third party	4	137	—	—	141
Net gain on forward and derivative contracts	440	—	—	—	440
Other income (expense) – net	(25)	238	—	—	213
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(11,347)	2,493	—	—	(8,854)
Income tax benefit (expense)	685	(2,069)	—	—	(1,384)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(10,662)	424	—	—	(10,238)
Equity in earnings (loss) of subsidiaries and joint ventures	(3,108)	731	(9,507)	12,615	731
Net income (loss)	\$ (13,770)	\$ 1,155	\$ (9,507)	\$ 12,615	\$ (9,507)
Other comprehensive income (loss) before income tax effect	\$ 2,093	\$ (46)	\$ 866	\$ (2,047)	\$ 866
Income tax effect	(375)	8	(383)	367	(383)
Other comprehensive income (loss)	1,718	(38)	483	(1,680)	483
Comprehensive income (loss)	\$ (12,052)	\$ 1,117	\$ (9,024)	\$ 10,935	\$ (9,024)

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

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
For the three months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 123,525	\$ 46,498	\$ —	\$ —	\$ 170,023
Related parties	75,590	59,022	—	—	134,612
	199,115	105,520	—	—	304,635
Cost of goods sold	210,417	90,968	—	—	301,385
Gross profit (loss)	(11,302)	14,552	—	—	3,250
Other operating expenses – net	7,388	—	—	—	7,388
Selling, general and administrative expenses	7,530	1,652	—	—	9,182
Operating income (loss)	(26,220)	12,900	—	—	(13,320)
Interest expense – third party	(6,041)	—	—	—	(6,041)
Interest expense – affiliates	15,860	(15,860)	—	—	—
Interest income – third party	4	68	—	—	72
Net gain on forward and derivative contracts	(340)	—	—	—	(340)
Other (income) expense – net	(48)	7,696	—	—	7,648
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(16,785)	4,804	—	—	(11,981)
Income tax benefit (expense)	964	(2,132)	—	—	(1,168)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(15,821)	2,672	—	—	(13,149)
Equity in earnings (loss) of subsidiaries and joint ventures	(638)	1,126	(12,023)	12,661	1,126
Net income (loss)	\$ (16,459)	\$ 3,798	\$ (12,023)	\$ 12,661	\$ (12,023)
Other comprehensive income (loss) before income tax effect	\$ 1,339	\$ (47)	\$ 1,556	\$ (1,292)	\$ 1,556
Income tax effect	(4)	9	(382)	(5)	(382)
Other comprehensive income (loss)	1,335	(38)	1,174	(1,297)	1,174
Comprehensive income (loss)	\$ (15,124)	\$ 3,760	\$ (10,849)	\$ 11,364	\$ (10,849)

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

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
For the nine months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 535,655	\$ 144,825	\$ —	\$ —	\$ 680,480
Related parties	189,679	182,980	—	—	372,659
	<u>725,334</u>	<u>327,805</u>	<u>—</u>	<u>—</u>	<u>1,053,139</u>
Cost of goods sold	765,101	263,800	—	—	1,028,901
Gross profit (loss)	(39,767)	64,005	—	—	24,238
Other operating expenses – net	6,288	—	—	—	6,288
Selling, general and administrative expenses	35,229	10,646	—	—	45,875
Operating income (loss)	(81,284)	53,359	—	—	(27,925)
Interest expense – third party	(17,706)	—	—	—	(17,706)
Interest expense – affiliates	42,967	(42,967)	—	—	—
Interest income – third party	35	423	—	—	458
Net gain on forward and derivative contracts	16,151	—	—	—	16,151
Gain on bargain purchase	5,253	—	—	—	5,253
Loss on early extinguishment of debt	(3,272)	—	—	—	(3,272)
Other expense – net	(34)	(967)	—	—	(1,001)
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(37,890)	9,848	—	—	(28,042)
Income tax benefit (expense)	(5,099)	385	—	—	(4,714)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(42,989)	10,233	—	—	(32,756)
Equity in earnings (loss) of subsidiaries and joint ventures	(8,374)	2,118	(30,638)	39,012	2,118
Net income (loss)	<u>\$ (51,363)</u>	<u>\$ 12,351</u>	<u>\$ (30,638)</u>	<u>\$ 39,012</u>	<u>\$ (30,638)</u>
Other comprehensive income (loss) before income tax effect	\$ 13,183	\$ (139)	\$ 13,660	\$ (13,044)	\$ 13,660
Income tax effect	(1,123)	25	(1,148)	1,098	(1,148)
Other comprehensive income (loss)	12,060	(114)	12,512	(11,946)	12,512
Comprehensive income (loss)	<u>\$ (39,303)</u>	<u>\$ 12,237</u>	<u>\$ (18,126)</u>	<u>\$ 27,066</u>	<u>\$ (18,126)</u>

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

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
For the nine months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 391,100	\$ 151,784	\$ —	\$ —	\$ 542,884
Related parties	226,589	184,971	—	—	411,560
	<u>617,689</u>	<u>336,755</u>	<u>—</u>	<u>—</u>	<u>954,444</u>
Cost of goods sold	640,650	283,995	—	—	924,645
Gross profit (loss)	(22,961)	52,760	—	—	29,799
Other operating expense – net	14,926	—	—	—	14,926
Selling, general and administrative expenses	23,747	1,045	—	—	24,792
Operating income (loss)	(61,634)	51,715	—	—	(9,919)
Interest expense – third party	(17,966)	—	—	—	(17,966)
Interest expense – affiliates	48,108	(48,108)	—	—	—
Interest income – third party	19	305	—	—	324
Interest income – related parties	—	62	—	—	62
Net gain on forward and derivative contracts	(4,049)	—	—	—	(4,049)
Other income – net	750	7,365	—	—	8,115
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(34,772)	11,339	—	—	(23,433)
Income tax benefit (expense)	279	(7,663)	—	—	(7,384)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(34,493)	3,676	—	—	(30,817)
Equity in earnings (loss) of subsidiaries and joint ventures	(482)	2,116	(28,701)	29,183	2,116
Net income (loss)	\$ (34,975)	\$ 5,792	\$ (28,701)	\$ 29,183	\$ (28,701)
Other comprehensive income (loss) before income tax effect	\$ 4,141	\$ (140)	\$ 4,842	\$ (4,001)	\$ 4,842
Income tax effect	(605)	26	(1,147)	579	(1,147)
Other comprehensive income (loss)	3,536	(114)	3,695	(3,422)	3,695
Comprehensive income (loss)	\$ (31,439)	\$ 5,678	\$ (25,006)	\$ 25,761	\$ (25,006)

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

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the nine months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 54,782	\$ (12,324)	\$ —	\$ 42,458
Investing activities:				
Purchase of property, plant and equipment	(10,400)	(20,408)	(1,186)	(31,994)
Nordural expansion — Helguvik	—	(2,855)	—	(2,855)
Purchase of carbon anode assets and improvements	—	(8,519)	—	(8,519)
Purchase of Sebree smelter	—	—	(48,058)	(48,058)
Proceeds from sale of property, plant and equipment	10	505	—	515
Restricted and other cash deposits	(532)	(2,483)	—	(3,015)
Net cash used in investing activities	(10,922)	(33,760)	(49,244)	(93,926)
Financing activities:				
Repayment of debt	—	—	(249,604)	(249,604)
Proceeds from issuance of debt	—	—	246,330	246,330
Borrowings under revolving credit facility	—	—	16,725	16,725
Debt issuance costs	—	—	(3,994)	(3,994)
Debt retirement costs	—	—	(1,208)	(1,208)
Intercompany transactions	(43,860)	434	43,426	—
Issuance of common stock — net	—	—	44	44
Net cash provided by (used in) financing activities	(43,860)	434	51,719	8,293
Change in cash and cash equivalents	—	(45,650)	2,475	(43,175)
Cash and cash equivalents, beginning of the period	—	110,016	73,960	183,976
Cash and cash equivalents, end of the period	\$ —	\$ 64,366	\$ 76,435	\$ 140,801

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

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the nine months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	\$ 11,824	\$ 9,261	\$ —	\$ 21,085
Investing activities:				
Purchase of property, plant and equipment	(4,102)	(6,219)	(78)	(10,399)
Nordural expansion — Helguvik	—	(5,474)	—	(5,474)
Purchase of carbon anode assets and improvements	(14,185)	—	—	(14,185)
Investments in and advances to joint ventures	—	—	(275)	(275)
Dividends and payments received on advances to joint ventures	—	—	3,166	3,166
Proceeds from sale of property, plant and equipment	—	89	—	89
Net cash provided by (used in) investing activities	(18,287)	(11,604)	2,813	(27,078)
Financing activities:				
Borrowings under revolving credit facility	—	—	18,076	18,076
Repayments under revolving credit facility	—	—	(18,076)	(18,076)
Intercompany transactions	6,463	(18,822)	12,359	—
Repurchase of common stock	—	—	(4,033)	(4,033)
Net cash provided by (used in) financing activities	6,463	(18,822)	8,326	(4,033)
Change in cash and cash equivalents	—	(21,165)	11,139	(10,026)
Cash and cash equivalents, beginning of the period	—	159,157	24,244	183,401
Cash and cash equivalents, end of the period	\$ —	\$ 137,992	\$ 35,383	\$ 173,375

18. Subsequent events

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

Conditional WARN Notice issued to Sebree

On November 1, 2013, Century Sebree issued a conditional notice to employees at the Sebree smelter of its intent to curtail all plant operations on January 31, 2014 if Century Sebree cannot secure a competitively priced power contract. Century Sebree is continuing to work with its power provider and regulatory agencies to obtain access to market-priced power prior to the termination of its current power contract on January 31, 2014. The conditional notice was made pursuant to the federal Worker Adjustment and Retraining Notification Act ("WARN"). The WARN notice specifies that the plant will be curtailed unless Century Sebree can gain access to competitively priced power.

FORWARD-LOOKING STATEMENTS

This quarterly report includes forward-looking statements, which are subject to the “safe harbor” created by section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended. We may make forward-looking statements in our Securities and Exchange Commission (“SEC”) filings, press releases, news articles, earnings presentations and when we are speaking on behalf of the Company. Forward-looking statements can be identified by the fact that they do not strictly relate to historical or current facts. Often, they include the words “believe,” “expect,” “target,” “anticipate,” “intend,” “plan,” “seek,” “estimate,” “potential,” “project,” “scheduled,” “forecast” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” or “may.”

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

- Our business objectives, strategies and initiatives, the growth of our business (including with respect to production and production capacity) and our competitive position and prospects;
- Our assessment of significant economic, financial, political and other factors and developments that may affect our results, including currency risks;
- Our assessment of the aluminum market, aluminum prices, aluminum financing, inventories and warehousing arrangements and other similar matters;
- Aluminum prices and their effect on our financial position and results of operations;
- Future construction investment and development of our facility in Helguvik, Iceland and with respect to the Century Vlissingen project and our expansion project at Grundartangi, including our discussions regarding securing sufficient amounts of power, future capital expenditures, the costs of completion or cancellation, production capacity and sources of funding;
- Our hedging and other strategies to mitigate risk and their potential effects;
- Our curtailed operations, including the potential restart of curtailed operations at Ravenswood, and potential curtailment of other domestic assets;
- Our procurement of electricity, alumina, carbon products and other raw materials and our assessment of pricing and other terms relating thereto including the potential benefits of the amended Santee Cooper Service Agreement and the potential benefits to be provided to Grundartangi and our planned Helguvik smelter from the purchase by Century Vlissingen of carbon anode production assets in the Netherlands;
- Our ability to access the wholesale power market for Sebree at economical prices;
- Estimates of our pension and other postemployment liabilities and future payments, deferred income tax assets and property plant and equipment impairment, environmental expenditures liabilities and other contingent liabilities and contractual commitments;
- Our settlement agreement with the Pension Benefit Guaranty Corporation regarding our Ravenswood facility and future contributions to our defined benefit plans;
- Our agreement for providing market priced power to the Hawesville facility;
- Critical accounting policies and estimates, the impact or anticipated impact of recent accounting pronouncements or changes in accounting principles;
- Our anticipated tax liabilities, benefits or refunds including the realization of U.S. and certain foreign deferred tax assets;
- Our assessment of the ultimate outcome of outstanding litigation, including litigation with our former Chief Executive Officer and related to environmental matters, and liabilities relating thereto;
- Compliance with laws and regulations and the effect of future laws and regulations;
- Our capital resources, projected financing sources and projected uses of capital; and
- Our debt levels and intentions to incur or repay debt in the future, including the E.ON contingent obligation.

We believe the expectations reflected in our forward-looking statements are reasonable, based on information available to us on the date of this quarterly report. However, all forward-looking statements are subject to risks and uncertainties, which could cause our actual results to differ materially from those reflected in the forward-looking statements, including those discussed in Item 1A, “Risk Factors” of Part I of our 2012 Annual Report on Form 10-K and in Item 1A, “Risk Factors” of Part II in our subsequently filed quarterly reports on Form 10-Q, and 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 revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You are advised to consult any additional disclosures we make in our quarterly reports on Form 10-Q, annual report on Form 10-K and current reports on Form 8-K filed with the SEC.

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

Recent Developments

Conditional WARN Notice issued to Sebree

On November 1, 2013, Century Sebree issued a conditional notice to employees at the Sebree smelter of its intent to curtail all plant operations on January 31, 2014 if Century Sebree cannot secure a competitively priced power contract. Century Sebree is continuing to work with its power provider and regulatory agencies to obtain access to market-priced power prior to the termination of its current power contract on January 31, 2014. The conditional notice was made pursuant to the federal Worker Adjustment and Retraining Notification Act. The WARN notice specifies that the plant will be curtailed unless Century Sebree can gain access to competitively priced power.

CAKY enters an agreement for market priced power for Hawesville

Effective August 20, 2013, CAKY began purchasing power for the Hawesville smelter under new agreements with Big Rivers and Kenergy Corp. Under the new arrangement, the power companies will purchase power on the open market and resell it to Hawesville at the market price plus transmission and other costs incurred by them. CAKY is also seeking approval from applicable regional transmission organizations and regulatory bodies regarding grid stability and energy import capability. The definitive contracts with Big Rivers and Kenergy were approved by the KPSC on August 14, 2013. On September 11, 2013, a group of industrial customers in Kentucky filed a complaint appealing the KPSC's order. We believe this appeal is without merit and that the points argued in the appeal were already rejected by the KPSC prior to the issuance of its order approving the new power supply arrangement at Hawesville. See Part II Item 1A – Risk Factors for a discussion of risks related to the Hawesville power agreement.

Withholding tax refund received

On November 1, 2013, we received a refund of approximately \$21.7 million for withholding taxes we paid Iceland in the third quarter of 2012 and in the first quarter of 2013 related to intercompany dividend payments.

Century acquires the Sebree aluminum smelter

On June 1, 2013, Century Sebree acquired the Sebree aluminum smelter from a subsidiary of Rio Tinto Alcan, Inc ("RTA"). Sebree, located in Robards, Kentucky has an annual hot metal production capacity of 205,000 metric tons of primary aluminum and employs approximately 500 people.

The purchase price for the acquisition was \$61 million (subject to customary working capital adjustments), of which we have paid approximately \$48 million as of September 30, 2013. The remaining portion of the purchase price will be paid following final determination of the applicable working capital adjustments, which will be determined based on the amount of working capital transferred to Century Sebree at closing versus a target working capital amount of \$71 million. As part of the transaction, RTA retained all historical environmental liabilities of the Sebree smelter and has funded the pension plan assumed by Century at Sebree in accordance with the purchase agreement. See Part II Item 1A – Risk Factors for a discussion of risks related to the Sebree acquisition.

Revolving Credit Facility Amended

We and certain of our direct and indirect domestic subsidiaries and Wells Fargo Capital Finance, LLC, as lender and agent, and Credit Suisse AG and BNP Paribas, as lenders, entered into the Credit Facility, dated May 24, 2013, as amended, modifying the credit facility signed July 1, 2010. The Credit Facility extended the term through May 24, 2018 and provides for borrowings of up to \$137.5 million in the aggregate, including up to \$80 million under a letter of credit sub-facility. Any letters of credit issued and outstanding under the Credit Facility reduce our borrowing availability on a dollar-for-dollar basis.

Century issues \$250 million of 7.5% senior secured notes

On June 4, 2013, we issued \$250 million 7.5% Notes. The notes have an interest rate of 7.5% per annum and were issued at a price equal to 98.532% of their face value. Century used the net proceeds from the sale of the notes and available cash on hand for the tender offer and redemption of our outstanding 8% Notes. See Note 10 Debt for additional information about the 8.0% Notes Tender Offer and Redemption.

Tender offer and redemption of 8.0% senior secured notes due 2014

On May 20, 2013, we commenced a cash tender offer for any and all of our 8.0% Notes. We received tenders and consents from holders of a majority of the principal amount of the 8.0% Notes in the tender offer.

On June 4, 2013, we elected to redeem the remaining outstanding 8.0% Notes at par, plus accrued and unpaid interest and transferred the necessary funds to our trustee to complete the redemption. See Note 10 Debt for additional information about the 8.0% Notes Tender Offer and Redemption.

Regulatory Approvals and Conditional WARN Notice at Hawesville

In connection with the new power agreements with Big Rivers, CAKY is seeking approval from applicable regional transmission organizations and regulatory bodies regarding grid stability and energy import capability. CAKY could curtail all smelter operations if these approvals are not ultimately received. In addition, CAKY has kept in place a conditional notice to the employees at the Hawesville smelter of its intent to curtail all plant operations if the remaining approvals are not received. The conditional notice was made on April 16, 2013 pursuant to a WARN notice and has been extended through December 20, 2013.

Century Aluminum of West Virginia reaches agreement with PBGC for future pension contributions

In April 2013, we entered into a settlement agreement with the PBGC regarding an alleged "cessation of operations" at our Ravenswood facility as a result of the curtailment of operations at the facility. While we do not believe that a "cessation of operations" has occurred, we have reached an agreement with the PBGC to resolve the matter. Pursuant to the terms of the agreement, we will make additional contributions (above any minimum required contributions) to our defined benefit pension plans totaling approximately \$17.4 million over the term of the agreement, which runs through 2016. In April 2013, we made the first scheduled contribution pursuant to this agreement of \$5.9 million. Under certain circumstances, in periods of low primary aluminum prices relative to our operations, we may defer one or more of these payments, but we would be required to provide the PBGC with acceptable security for any deferred payments.

Century signs lease for Chicago corporate headquarters

In February 2013, we signed a 10-year operating lease for office space for our corporate headquarters in Chicago, Illinois. We have completed our relocation to Chicago, but we expect to continue to incur relocation expenses through the end of the year.

Results of Operations

The following discussion reflects our historical results of operations.

Century's financial highlights include:

	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
	(In thousands, except per share data)			
Net sales:				
Third-party customers	\$ 271,016	\$ 170,023	\$ 680,480	\$ 542,884
Related parties	128,912	134,612	372,659	411,560
Total	\$ 399,928	\$ 304,635	\$ 1,053,139	\$ 954,444
Gross profit	\$ 12,354	\$ 3,250	\$ 24,238	\$ 29,799
Net loss	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
Loss per common share:				
Basic and Diluted	\$ (0.11)	\$ (0.14)	\$ (0.35)	\$ (0.32)
Shipments – primary aluminum (metric tons):				
Direct	140,120	95,747	339,876	283,665
Toll	72,677	67,684	207,967	200,561
Total	212,797	163,431	547,843	484,226
Net sales (in millions)				
Three months ended September 30,	2013	2012	\$ Difference	% Difference
Nine months ended September 30,	\$ 399.9	\$ 304.6	\$ 95.3	31.3%
	\$ 1,053.1	\$ 954.4	\$ 98.7	10.3%

Lower price realizations for our primary aluminum shipments in the three months ended September 30, 2013 were due to lower LME prices for primary aluminum, which were partially offset by increased premiums. The lower price realizations resulted in a \$7.6 million decrease in net sales. Higher shipment volumes had a \$102.9 million positive impact on net sales. Direct shipments from our four operating smelters increased 44,373 metric tons in the three months ended September 30, 2013 compared to the same period in 2012, primarily due to the acquisition of the Sebree smelter on June 1, 2013. Toll shipments increased 4,993 metric tons relative to the same period last year.

Lower price realizations for our primary aluminum shipments in the nine months ended September 30, 2013 were due to lower LME prices for primary aluminum, which were partially offset by increased premiums. The lower price realizations resulted in a \$38.7 million net sales decrease. Higher shipment volumes had a \$137.4 million positive impact on net sales. Direct shipments from our four operating smelters increased 56,211 metric tons in the nine months ended September 30, 2013 compared to the same period in 2012, primarily due to the acquisition of the Sebree smelter on June 1, 2013. Toll shipments increased 7,406 metric tons relative to the same period last year.

Gross profit (in millions)	2013		2012		\$ Difference	% Difference
Three months ended September 30,	\$	12.4	\$	3.3	\$ 9.1	275.8%
Nine months ended September 30,	\$	24.2	\$	29.8	\$ (5.6)	(18.8)%

During the three months ended September 30, 2013, lower price realizations, net of LME-based alumina cost and LME-based power cost, decreased gross profit by \$2.7 million, with mix and volume factors decreasing gross profit by \$12.4 million. In addition, we experienced \$14.9 million in net cost decreases at our historically owned smelters, relative to the same period in 2012, comprised of: lower costs for materials, supplies and maintenance, \$8.7 million; lower costs for power and natural gas costs at our U.S. smelters, \$5.6 million; other cost decreases, \$2.2 million; and increased depreciation, \$1.6 million.

During the nine months ended September 30, 2013, lower price realizations, net of LME-based alumina cost and LME-based power cost, decreased gross profit by \$17.1 million, with mix and volume factors decreasing gross profit by \$6.3 million. In addition, we experienced \$33.4 million in net cost decreases at our historically owned smelters, relative to the same period in 2012, comprised of: lower costs for materials, supplies and maintenance, \$29.2 million; lower power and natural gas costs at our U.S. smelters, \$7.2 million; offset by other cost increases, \$0.7 million; and increased depreciation, \$2.3 million.

As part of the valuation for the purchase of the Sebree facility, we recorded a \$36.6 million estimated liability, subject to adjustment, for the power contract we assumed. The estimated liability was based on the difference between the forecasted contract rate and market power rates through the contract termination date in January 2014. This liability will be amortized over the period from June 1, 2013 through January 31, 2014 resulting in a credit to our depreciation and amortization expense. During the three and nine months ended September 30, 2013, the credit for the amortization of the power contract was \$11.7 million and \$14.5 million, respectively.

As of September 30, 2013, the market value of our inventory was below its cost basis, resulting in the recording of a lower of cost or market ("LCM") inventory reserve of \$10.3 million, which was \$5.8 million lower than the reserve recorded at June 30, 2013. This resulted in a credit to cost of goods sold for the three months ended September 30, 2013 of \$5.8 million. As of September 30, 2012, the market value of our inventory exceeded its cost basis, resulting in the elimination of a LCM reserve, with a corresponding credit to cost of goods sold of \$8.2 million for the three months ended September 30, 2012. This resulted in a quarter to quarter decrease in gross profit of \$2.4 million.

As of September 30, 2013, the market value of our inventory was below its cost basis, resulting in the recording of a LCM reserve and a charge to cost of goods sold of \$10.3 million for the nine months ended September 30, 2013. As of September 30, 2012, the market value of our inventory exceeded its cost basis, resulting in the elimination of a LCM reserve and a corresponding credit to cost of goods sold of \$19.8 million for the nine months ended September 30, 2012. This resulted in a period to period decrease in gross profit of \$30.1 million.

Other operating expenses – net (in millions)	2013		2012		\$ Difference	% Difference
Three months ended September 30,	\$	2.2	\$	7.4	\$ (5.2)	(70.3)%
Nine months ended September 30,	\$	6.3	\$	14.9	\$ (8.6)	(57.7)%

Other operating expenses – net is primarily related to items associated with Ravenswood. Charges at the facility have been relatively stable during the three and nine months ended September 30, 2013 and 2012, except during the third quarter of 2012, when we accrued for a legal liability that was ultimately settled in the second quarter of 2013 for an amount lower than the original accrual.

Selling, general and administrative expenses (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ 14.4	\$ 9.2	\$ 5.2	56.5%
Nine months ended September 30,	\$ 45.9	\$ 24.8	\$ 21.1	85.1%

During the three months ended September 30, 2013, relocation and severance expenses related to moving our headquarters to Chicago increased selling, general and administrative expenses by \$1.8 million; litigation matters and accruals for our variable compensation program increased approximately \$1.1 million. In addition, we have incurred \$1.9 million in general and administrative expenses related to the integration of the Century Vlissingen anode facility into our business. We also incurred approximately \$0.4 million in additional selling, general and administrative expenses associated with the newly acquired Sebree facility.

During the nine months ended September 30, 2013, relocation and severance expenses related to moving our headquarters to Chicago increased selling, general and administrative expenses by \$6.1 million; litigation matters, accruals for our variable compensation program and other general expenses increased approximately \$6.9 million. We also incurred approximately \$0.7 million in additional selling, general and administrative expenses associated with the newly acquired Sebree facility. In addition, a \$7.4 million increase in general and administrative expenses in 2013 related to the integration of the Century Vlissingen anode facility into our business. Upon the restart of Century Vlissingen operations, these costs will be included in cost of goods sold and not recorded in selling, general and administrative expenses.

Net gain (loss) on forward and derivative contracts (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ 0.4	\$ (0.3)	\$ 0.7	(233.3)%
Nine months ended September 30,	\$ 16.2	\$ (4.0)	\$ 20.2	(505.0)%

The net gain (loss) on forward and derivative contracts for the three and nine months ended September 30, 2013 was primarily the result of an increase in the fair value of a derivative embedded in the E.ON contingent liability. This change in fair value resulted in unrealized gains of \$0.4 million and \$16.4 million for the three and nine months ended September 30, 2013, respectively. The net loss on forward contracts for the three and nine months ended September 30, 2012 related primarily to marking-to-market and recording settlements on option contracts that were put in place to provide partial downside price protection for our domestic facilities. As of June 30, 2012, all of these option contracts were settled.

Gain on bargain purchase (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ —	\$ —	\$ —	N/A
Nine months ended September 30,	\$ 5.3	\$ —	\$ 5.3	N/A

On June 1, 2013, we acquired the Sebree smelter. The allocation of the purchase price to the assets acquired and liabilities assumed is based on the estimated fair values at the acquisition date. The purchase price allocation is preliminary and subject to change based on the finalization of the valuation of assets and liabilities. Based on the preliminary purchase price allocation, we recorded a gain on bargain purchase of \$5.3 million. The gain on bargain purchase reflects the LME market and the market risk associated with the power agreement for the facility at June 1, 2013. See [Note 2 Acquisition of Sebree aluminum smelter](#) to the consolidated financial statements included herein for additional information.

Loss on early extinguishment of debt (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ —	\$ —	\$ —	N/A
Nine months ended September 30,	\$ (3.3)	\$ —	\$ (3.3)	N/A

As a result of the tender offer and redemption of the 8% Notes, we recorded charges of \$3.3 million for loss on early extinguishment of debt. We determined the tender and redemption of the 8.0% Notes should be treated as an extinguishment of the debt and accordingly, we recorded a loss on early extinguishment of debt in the second quarter of 2013. The loss on early extinguishment of debt consisted of the write-off of deferred financing costs and the debt discount associated with the 8.0% Notes, as well as the tender premium paid as part of the 8.0% Notes Tender Offer. See [Note 10 Debt](#) to the consolidated financial statements included herein for additional information.

Other income (expense) – net (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ 0.2	\$ 7.6	\$ (7.4)	(97.4)%
Nine months ended September 30,	\$ (1.0)	\$ 8.1	\$ (9.1)	(112.3)%

During the three and nine months ended September 30, 2012, Grundartangi received a \$7.9 million settlement payment for the costs to repair a transformer damaged in transit, a related business interruption claim, interest and other fees associated with the claim. A significant portion of the remainder of other income (expense) – net relates to exchange rate gains and losses, the majority of which are items denominated in ISK.

Income tax expense (in millions)	2013	2012	\$ Difference	% Difference
Three months ended September 30,	\$ (1.4)	\$ (1.2)	\$ (0.2)	16.7 %
Nine months ended September 30,	\$ (4.7)	\$ (7.4)	\$ 2.7	(36.5)%

Our 2013 and 2012 income tax expense was primarily driven by our earnings in Iceland, with some additional income tax expense due to U.S. state income taxes, partially offset by the release of a portion of our valuation allowance. In the nine months ended September 30, 2013, as a result of the recently completed audit by the Internal Revenue Service, we reduced our interest receivable by approximately \$1.0 million with a charge to income tax expense in the current period.

Liquidity and Capital Resources

Liquidity

Our principal sources of liquidity are available cash, cash flow from operations and available borrowings under our revolving credit facility. We have also raised capital in the past through the public equity and debt markets although we have no commitments in place for such transactions. We regularly explore various other financing alternatives. Our principal uses of cash are the funding of operating costs (including postretirement benefits), maintenance of curtailed production facilities, payments of principal and interest on our outstanding debt, the funding of capital expenditures, investments in our growth activities and in related businesses, repurchases of common stock, working capital and other general corporate requirements.

Our consolidated cash and cash equivalents balance at September 30, 2013 was approximately \$141 million compared to approximately \$184 million at December 31, 2012. In May 2013, we entered into the Amended and Restated Loan and Security Agreement which extended the term of our Credit Facility through May 24, 2018 and provides for borrowings of up to \$137.5 million in the aggregate, including up to \$80 million under a letter of credit sub-facility. As of September 30, 2013, our Credit Facility had approximately \$16.7 million outstanding borrowings and approximately \$44.3 million of net availability. We have approximately \$70.5 million of letters of credit outstanding under our Credit Facility. Future curtailments of domestic production capacity would reduce domestic accounts receivable and inventory, which comprise the borrowing base of our Credit Facility, and would result in a corresponding reduction in availability under the Credit Facility. The acquisition of the Sebree smelter increased domestic accounts receivable and inventory and resulted in a corresponding increase in availability under the Credit Facility.

In August 2014, our 7.5% senior unsecured notes payable will reach maturity and we will make a \$2.6 million repayment to retire these notes.

In December 2012, February 2013, March 2013 and April 2013, Nordural ehf participated in the 50/50 ISK Auctions (the "Auctions") sponsored by the Central Bank of Iceland ("CBI") and may participate in future auctions. The Auctions allow authorized investors to exchange foreign currency for ISK with 50% exchanged at the official rate set by the CBI and 50% exchanged at the auction rate. The ISK received in the Auctions must be invested in Iceland for a minimum of five years.

We may be required to make installment payments for the E.ON contingent obligation in the future. These payments are contingent based on the LME price of primary aluminum and the level of Hawesville's operations. Based on the LME forward market at September 30, 2013 and management's estimate of the LME forward market beyond the quoted market period, we reached a determination that we will not be required to make payments on the E.ON contingent obligation during the term of the agreement through 2028. See [Note 5 Derivative and hedging instruments](#) and [Note 10 Debt](#) to the consolidated financial statements included herein for additional information.

In August 2011, our Board of Directors approved a \$60 million stock repurchase program. Through September 30, 2013, we had expended approximately \$50 million under the program. At September 30, 2013, we had approximately \$10 million remaining under the repurchase program authorization. The repurchase program may be suspended or discontinued at any time.

In April 2013, we entered into a settlement agreement with the PBGC regarding an alleged "cessation of operations" at our Ravenswood facility as a result of the curtailment of operations at the facility. While we do not believe that a "cessation of operations" has occurred, we have reached an agreement with the PBGC to resolve the matter. Pursuant to the terms of the agreement, we will make additional contributions (above any minimum required contributions) to our defined benefit pension plans over the term of the agreement, which runs through 2016. Through October 2013, we made contributions pursuant to this agreement of \$5.9 million. We expect to make additional annual contributions through 2016 totaling approximately \$11.5 million. Under certain circumstances, in periods of low primary aluminum prices relative to our operations, we may defer one or more of these payments, but we would be required to provide the PBGC with acceptable security for any deferred payments.

Based on current actuarial and other assumptions, we have made the minimum required contributions to the qualified defined benefit plans we sponsor of approximately \$2.7 million during 2013 in addition to the contributions required pursuant to the PBGC settlement. In the nine months ended September 30, 2013, we have made contributions to these plans of \$8.6 million. We may choose to make additional contributions to these plans from time to time at our discretion.

Under an agreement with the Government of Iceland, Nordural Grundartangi ehf agreed to prepay taxes during 2012, 2011 and 2010 as an advance levy of income taxes and other governmental taxes for the period of 2013 through 2018. The amount of prepaid taxes paid through December 31, 2012 was approximately \$9.6 million. The prepaid taxes will offset taxes otherwise payable in equal installments over the period 2013 through 2018. In 2013, approximately \$1.6 million of the prepaid taxes will be used to offset income taxes due. Through September 30, 2013, we made estimated net income tax payments in Iceland of approximately \$8.6 million.

We paid approximately \$13.1 million in withholding taxes for intercompany dividend payments in Iceland in the third quarter of 2012 and approximately \$8.3 million in first quarter of 2013. On November 1, 2013, we received a refund of the withholding taxes of approximately \$21.7 million. In addition, we paid Iceland approximately \$9.8 million in withholding taxes in the third quarter of 2013, which we expect will be refunded in 2014. The withholding taxes and associated refunds are payable in ISK and we are subject to foreign currency risk associated with fluctuations in the value of the U.S. dollar as compared the ISK.

In May 2013, we received a US federal income tax refund of \$5.0 million upon the notification from the Internal Revenue Service that it had finalized the review of our federal income tax returns for the tax years 2008, 2009, and 2010 and refund years of 2004, 2005, 2006, and 2007.

In June 2012, Nordural Grundartangi entered into a new supplemental power contract with Landsvirkjun. The supplemental power contract, which will expire in October 2029 (or upon the occurrence of certain earlier events), will provide Nordural Grundartangi with supplemental power, as Nordural Grundartangi may request from time to time, at LME-based variable rates. Nordural Grundartangi has agreed to make certain prepayments to Landsvirkjun for power expected to be used at a later date in connection with the contract, which will reduce the price paid for power at the time of consumption. As of September 30, 2013, these power prepayments totaled approximately \$2.0 million. We expect the amount of the prepayment to continue to grow slowly and we do not expect to realize the benefits from the prepayments in the near term.

Capital Resources

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

Capital expenditures for the nine months ended September 30, 2013 were \$43.4 million, of which \$2.9 million was related to the Helguvik project and \$8.5 million was related to the Century Vlissingen restart. The balance principally related to an expansion project at Grundartangi that is expected to increase production capacity by approximately 40,000 mtpy over the next four years. The remaining amounts are related to upgrading production equipment, improving facilities and complying with environmental requirements. We believe capital spending in 2013, excluding the activity on the Century Vlissingen and Helguvik projects, will be approximately \$40 to \$45 million.

On June 1, 2013, we acquired the Sebree aluminum smelter from a subsidiary of RTA. The purchase price for the acquisition was \$61 million (subject to customary working capital adjustments), of which we have paid approximately \$48 million as of September 30, 2013. The remaining portion of the purchase price will be paid following final determination of the applicable working capital adjustments, which will be determined based on the amount of working capital transferred to Century Sebree at closing versus a target working capital amount of \$71 million. The transaction was funded with the available cash on hand. See [Note 2 Acquisition of Sebree aluminum smelter](#) in the consolidated financial statements contained herein for additional information.

In order to restart the first 75,000 metric tons of annual anode capacity at Century Vlissingen, we intend to make approximately \$30 to \$35 million in capital expenditures in 2013. Through September 30, 2013, we have spent approximately \$8.5 million on this project. We expect the first 75,000 metric tons of capacity will be restarted in late 2013 and will provide an anode supply to Grundartangi to replace third-party anode supply contracts terminated in 2013. Following the restart of the first 75,000 metric tons, we currently intend to make approximately \$13 million in additional expenditures at some point during the following three years in order to restart an additional 75,000 metric tons of capacity.

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

Historical

Our statements of cash flows for the nine months ended September 30, 2013 and 2012 are summarized below:

	Nine months ended September 30,	
	2013	2012
	(dollars in thousands)	
Net cash provided by operating activities	\$ 42,458	\$ 21,085
Net cash used in investing activities	(93,926)	(27,078)
Net cash provided by (used in) financing activities	8,293	(4,033)
Change in cash and cash equivalents	<u>\$ (43,175)</u>	<u>\$ (10,026)</u>

Net cash provided by operating activities in the nine months ended September 30, 2013 was \$42.5 million compared to net cash provided by operating activities of \$21.1 million in the first nine months of 2012. The increase in cash from operations in 2013 was due to improved conversion cost performance primarily due to lower power and carbon costs, approximately \$11 million less in income tax and withholding tax payments and an approximately \$20 million increase in cash from working capital in the nine months ended September 30, 2013 compared to 2012, which were partially offset by the impact of lower LME prices.

Our net cash used in investing activities for the first nine months of 2013 was \$93.9 million compared to \$27.1 million in the nine months ended September 30, 2012. The increase in cash used was primarily due to payments for the purchase of the Sebree smelter in 2013 of \$48.1 million and higher capital expenditures for the Grundartangi expansion project and Vlissingen restart project. We continue to make capital expenditures for the restart of our carbon anode assets and in the nine months ended September 30, 2013, we expended \$8.5 million on the Vlissingen project. In addition, restricted cash deposits increased \$3.0 million for the nine months ended September 30, 2013 primarily due to certain vendor payments associated with the Vlissingen project. We purchased carbon anode assets and made additional improvements totaling \$14.2 million in the nine months ended September 30, 2012.

Our net cash provided by financing activities for the nine months ended September 30, 2013 was \$8.3 million, which was primarily related to borrowings under the revolving credit facility of \$16.7 million, offset by the net costs associated with the extinguishment of our 8.0% Notes and the issuance of our 7.5% Notes. Our net cash used in financing activities for the nine months ended September 30, 2012 was \$4.0 million for the repurchase of our common stock.

Other Commitments and Contingencies

We are a defendant in several actions relating to various aspects of our business. While there are uncertainties relating to the ultimate disposition of any litigation, management, based on information currently available, does not believe that the resolution of any of these lawsuits, either individually or in the aggregate, will have a material adverse effect on our financial condition, results of operations or liquidity. See [Note 11 Commitments and contingencies](#) to the consolidated financial statements included herein for additional information.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Commodity price risk

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

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

Other forward delivery contracts

	September 30, 2013	December 31, 2012
	(in metric tons)	
Other forward delivery contracts – total	32,994	88,827
Other forward delivery contracts – Glencore	1,775	1,811

We had no outstanding primary aluminum forward financial sales contracts at September 30, 2013. We had no fixed price forward financial contracts to purchase aluminum at September 30, 2013.

Market based power purchases

The Kentucky Public Service Commission approved a new power supply agreement with Kenergy and Big Rivers for providing market priced power to the Hawesville smelter, effective August 20, 2013. Under the arrangement, the power companies purchase power on the open market and pass it through to Hawesville at the market price plus transmission and other costs incurred by them. We are exposed to market price risk due to fluctuations in price of power purchased from these companies. Power represents our single largest operating cost, so increases in the price and/or availability of market power could significantly impact the profitability of our Hawesville operations. In addition, indirect factors that lead to power cost increases, such as the increasing prices for natural gas or coal, fluctuations in or extremes in weather patterns, new or more stringent environmental regulations, or problems associated with power transmission, grid stability or energy import capability may severely impact our financial condition, results of operations and liquidity.

Based on the current usage, every \$1 per megawatt hour increase in market power prices will increase our costs at Hawesville approximately \$4.2 million annually.

While we currently have not entered into any forward contracts to mitigate the price risk associated with our open market power purchases, we may manage our exposure by entering into certain forward contracts or option contracts in future periods.

Foreign currency

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

We may manage our exposure by entering into foreign currency forward contracts or option contracts for forecasted transactions and projected cash flows for foreign currencies in future periods. As of September 30, 2013, we had no foreign currency forward contracts outstanding.

Natural Economic Hedges

The following estimate of our exposure to the commodity price of aluminum is necessarily limited, as it does not take into consideration our inventory or forward delivery contracts, or the offsetting impact on the sales price of primary aluminum products. Our alumina contracts are indexed to the LME price for primary aluminum and provide a natural hedge for approximately 16% of our production. As of September 30, 2013, approximately 34% of our production for 2013 was hedged by our LME-based alumina contracts and by Grundartangi's electrical power and tolling contracts.

Risk Management

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

Item 4. Controls and Procedures

a. Evaluation of Disclosure Controls and Procedures

As of September 30, 2013, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (our principal financial officer), of the effectiveness of our disclosure controls and procedures. Based upon that evaluation, our management, including the Chief Executive Officer (our principal financial officer), has concluded that our disclosure controls and procedures were effective as of September 30, 2013.

b. Changes in Internal Controls over Financial Reporting

During the three months ended September 30, 2013, there were no changes in our internal controls over financial reporting that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting. On June 1, 2013, we acquired the Sebree smelter and we are currently in the process of extending our internal controls over financial reporting to Sebree's operations.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

In addition to the matters discussed below, we may from time to time be involved in claims, proceedings and litigation arising from our business and property ownership. We believe, based on currently available information, that the results of such proceedings, in the aggregate, will not have a material adverse effect on our financial condition, results of operations or liquidity.

We have been named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20 million to Mr. Kruger under such agreements. In addition, the complaint seeks unspecified damages, including costs and attorneys' fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to defend ourselves against them. The arbitration hearing was held in the third quarter of 2013, and we expect a ruling in the arbitration in late 2013 or the first quarter of 2014.

In April 2013, our subsidiary Nordural Grundartangi received a ruling in an arbitration case involving two of its power suppliers, HS Orka and Orkuveita Reykjavíkur. Under the arbitration award, Nordural Grundartangi is restricted from reducing power under its existing power contracts with HS Orka and Orkuveita Reykjavíkur in order to take power under a separate power contract with Orkuveita Reykjavíkur originally intended to be used at Helgúvík. Nordural Grundartangi remains entitled to take power under the Orkuveita Reykjavíkur Helgúvík contract to the extent that its power needs exceed the amount of power provided under its existing power contracts. As part of the award, the tribunal awarded HS Orka damages and Nordural Grundartangi paid \$1.5 million to HS Orka in full satisfaction of such award. The tribunal ordered each party to pay its own legal fees and costs. While no damages were awarded to Orkuveita Reykjavíkur as part of the arbitration, Orkuveita Reykjavíkur has subsequently alleged damages against Nordural Grundartangi. We intend to defend ourselves against these claims. The matter is in a preliminary stage, and we cannot estimate a range of possible losses related to this matter at this time. Regardless of the final outcome, we do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity.

For further information regarding legal proceedings pending against us as of September 30, 2013, refer to [Note 11 Commitments and contingencies](#) to the consolidated financial statements included herein.

Item 1A. Risk Factors.

Other than below, there have been no material changes from the risk factors previously disclosed under the heading "Risk Factors" in our 2012 Annual Report on Form 10-K for the fiscal year ended December 31, 2012. You should carefully consider the risk factors set forth below and those contained in our Annual Report on Form 10-K and the other information set forth elsewhere in this Quarterly Report on Form 10-Q. You should be aware that these risk factors and other information may not describe every risk facing Century. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

New LME warehousing rules could cause metal premiums to decrease.

The LME has announced new rules that would require LME warehouses, under certain conditions, to deliver out more aluminum than they take in. These new rules could cause an increase in the supply of aluminum to enter the physical market and may cause local delivery premiums and LME aluminum prices to fall. Declines in aluminum prices and local delivery premiums reduce our earnings and cash flows. Future downturns in aluminum prices may significantly reduce the amount of cash available to meet our obligations and fund our long-term business strategies and could have a material adverse effect on our business, financial condition, results of operations and liquidity.

If we do not achieve the anticipated benefits of the Sebree acquisition, our business and the market price of our common stock may be adversely affected.

Consummation of the Sebree acquisition occurred in June 2013.

We are subject to numerous risks following the consummation of the Sebree acquisition, including that:

- our senior management's attention may be diverted from the management of our existing business as we integrate the acquired Sebree operations, which may disrupt our existing operations and relationships with our customers;
- we may incur costs and expenses associated with any unidentified or potential liabilities;
- the Sebree acquisition may not perform as well as we anticipate;
- unforeseen difficulties may arise in integrating the acquired Sebree operations into our existing operations; and
- Sebree has issued a 12-month notice to terminate its power contract with Kenergy (the same power provider as our Hawesville facility), effective January 31, 2014. If we are unable to make alternative favorable power arrangements for the facility, then the Sebree smelter will be curtailed.

Accordingly, the Sebree acquisition might not ultimately improve our competitive position and business prospects as anticipated and may subject us to additional liabilities that could have a material adverse effect on our business, financial condition, results of operations and liquidity. Furthermore, if we fail to realize the anticipated benefits of the Sebree acquisition, the market price of our common stock could decline to the extent that the market price reflects those anticipated benefits.

If we are unable to successfully finalize the new power arrangement at our Hawesville smelter or negotiate better power pricing at our Sebree smelter, we will curtail these facilities.

Pursuant to the termination notice issued in August 2012, the Hawesville Power Agreement terminated on August 20, 2013. Effective August 20, 2013, the KPSC approved a new power supply agreement with Kenergy and Big Rivers that allows the power companies to purchase power on the open market and pass it through to Hawesville at the market price plus additional costs incurred by them; however, there are still significant regulatory and transmission issues that remain unresolved with respect to this new power supply agreement. In addition, a group of Kentucky industrial customers subsequently filed an appeal to the KPSC order approving the new power supply arrangement at Hawesville. If we are unable to successfully resolve the appeal or the regulatory and transmission issues, then the Hawesville smelter will have to be curtailed.

In January 2013, Sebree issued a 12-month notice to terminate the Sebree Power Agreement with Kenergy. Pursuant to the termination notice, the Sebree Power Agreement will terminate on January 31, 2014. Under current economic conditions, we have determined that the Sebree smelter is not economically viable with its power rates and that we must obtain better power pricing to maintain its viability. Upon termination of the Sebree Power Agreement, Century is required to make alternative power arrangements or curtail activity at the plant. Our ability to enter into alternative power arrangements is limited by Kentucky state law.

We intend to seek a market-based power contract for Sebree similar to the agreement we reached for Hawesville, but no assurance can be given that we will be able to obtain one. If a new power arrangement for Sebree is not reached and approved prior to January 31, 2014, the Sebree plant will have to be curtailed. A curtailment of either the Hawesville or Sebree plants (or both of them) would impose various costs on us that could have a material adverse effect on our business, financial condition, results of operations and liquidity.

In addition, uncertainty regarding the future operation of these smelters may damage our relationships with our customers, suppliers, employees and other stakeholders, whether or not these smelters are ultimately curtailed. For example, on April 16, 2013 we issued a conditional WARN notice to our employees in Hawesville that has been extended through December 20, 2013 and we gave notice to terminate the supply contract with Hawesville's largest customer, in each case given the potential plant closure. We also issued a conditional WARN notice on November 1, 2013 to our employees at the Sebree plant. We may also need to take actions to terminate other customer and supply contracts or curtail individual potlines well in advance of any plant closure. Customers and suppliers may also become unwilling to renew existing contracts or enter into new contracts with us. It may also become more difficult to attract and retain employees. Such actions and events could have a material adverse effect on our business, financial condition, results of operations and liquidity.

Increases in electricity costs adversely affect our business.

Electricity represents our single largest operating cost. As a result, the availability of electricity at economic prices is critical to the profitability of our operations. Portions of the contracted cost of the electricity supplied to Mt. Holly and all of Sebree's electricity costs vary with the supplier's costs. An increase in these costs would increase the price these facilities pay for electricity. Costs under the Sebree electricity contract have substantially increased in recent years with rising fuel prices and other factors. As these contracts have take-or-pay type provisions, the financial position, results of operations and cash flows of Sebree and Mt. Holly may be adversely affected by the price for electric power even if we curtail unprofitable production capacity. Significant increases in electricity costs at any of our operations may have a material adverse effect on our business, financial condition, results of operations and liquidity. While natural gas based power facilities may provide lower priced alternatives to coal based power facilities, we may be unable to take advantage of such lower costs due to our existing power contracts. We have finalized a new market-based electricity contract for Hawesville subject to further approval from applicable regional transmission organizations and regulatory bodies regarding grid stability and energy import capability. We are seeking a similar market-based electricity contract for Sebree. The power contract at our Mt. Holly facility is primarily market-based. While we believe market-based electricity contracts currently yield prices lower than the prices we would otherwise pay, they expose us to market fluctuations. Electricity and energy prices have fluctuated significantly in recent years, without any direct relationship to the price of aluminum, and could adversely affect our results in future periods. Market fluctuations that lead to increased electricity and energy prices could have a material adverse effect on our business, financial conditions, results of operations and liquidity.

Item 5. Other Information.

Disclosure Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act

Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 (“ITRA”), effective August 10, 2012, added a new subsection (r) to Section 13 of the Exchange Act, which requires issuers that file periodic reports with the SEC to disclose in their annual and quarterly reports whether, during the reporting period, they or any of their “affiliates” (as defined in Rule 12b-2 under the Exchange Act) have knowingly engaged in specified activities or transactions relating to Iran, including activities not prohibited by U.S. law and conducted outside the U.S. by non-U.S. affiliates in compliance with applicable laws. Issuers must also file a notice with the SEC if any disclosable activities under ITRA have been included in an annual or quarterly report.

Because the SEC defines the term “affiliate” broadly, our largest stockholder may be considered an affiliate of the Company despite the fact that the Company has no control over its actions or the actions of its affiliates. As such, pursuant to Section 13(r)(1)(D)(iii) of the Exchange Act, the Company hereby discloses the following information provided by our largest stockholder regarding transactions or dealings with entities controlled by the Government of Iran (“GOI”):

During the third quarter of 2013, non-U.S. affiliates of the largest stockholder of the Company (“non-U.S. Stockholder Affiliates”) entered into sales transactions which involved metal purchased in previous years from Iranian entities wholly or majority owned by the GOI. All transactions were conducted in compliance with applicable sanction laws and, where required, with the necessary prior approvals by the relevant governmental authorities.

The gross revenue of the non-U.S. Stockholder Affiliates related to these transactions did not exceed the value of \$1.4 million for the third quarter of 2013 ending September 30, 2013. The non-U.S. Stockholder Affiliates do not allocate net profit on a country-by-country or activity-by-activity basis, but estimate that the net profit attributable to the transactions with the GOI would not exceed a small fraction of the gross revenue from such transactions. It is not possible to determine accurately the precise net profit attributable to these transactions.

These transactions disclosed above do not violate applicable sanctions laws administered by the U.S. Department of the Treasury, Office of Foreign Assets Control, and are not the subject of any enforcement action under Iran sanction laws.

In accordance with applicable U.S. and foreign sanctions laws, the non-U.S. Stockholder Affiliates expect to continue to engage in similar activities in the future.

Century and its global subsidiaries had no transactions or activities requiring disclosure under ITRA, nor were we involved in the transactions described in this section. As of the date of this report, the Company is not aware of any other activity, transaction or dealing by it or any of its affiliates during the third quarter of 2013 ending September 30, 2013 that requires disclosure in this report under Section 13(r) of the Exchange Act.

Item 6. Exhibits.

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

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

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

SIGNATURES

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

Century Aluminum Company

Date: November 8, 2013

By: /s/ MICHAEL A. BLESS

Michael A. Bless
President and Chief Executive Officer
(Principal Executive Officer and Principal Financial Officer)

Exhibit Index

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

EXHIBIT 31.1

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

I, Michael A. Bless, certify that:

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

Date: November 8, 2013

/s/ MICHAEL A. BLESS

Name: Michael A. Bless

Title: President and Chief Executive Officer

(Principal Executive Officer and Principal Financial Officer)

Exhibit 32.1

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

In connection with the quarterly report on Form 10–Q of Century Aluminum Company (the “Company”) for the quarter ended September 30, 2013, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Michael A. Bless, as President and Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted, pursuant to Section 906 of the Sarbanes–Oxley Act of 2002, that, to the best of his knowledge:

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

/s/ MICHAEL A. BLESS

By: Michael A. Bless
Title: President and Chief Executive Officer (Principal Executive Officer and Principal Financial Officer)
Date: November 8, 2013

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

Document And Entity Information

Document And Entity Information

9 Months Ended

Sep. 30, 2013

Oct. 31, 2013

Document and Entity Information

[Abstract]

Entity Registrant Name	CENTURY ALUMINUM CO	
Entity Central Index Key	0000949157	
Document Type	10-Q	
Document Period End Date	Sep. 30, 2013	
Amendment Flag	false	
Document Fiscal Year Focus	2013	
Document Fiscal Period Focus	Q3	
Current Fiscal Year End Date	--12-31	
Entity Filer Category	Accelerated Filer	
Entity Common Stock, Shares Outstanding		88,682,931

CONSOLIDATED BALANCE SHEETS (USD \$)**CONSOLIDATED BALANCE
SHEETS (USD \$)
In Thousands, unless otherwise
specified****Sep. 30, 2013****Dec. 31, 2012****ASSETS**

Cash and cash equivalents	\$ 140,801	\$ 183,976
Restricted cash	3,273	258
Accounts receivable â€” net	51,247	50,667
Due from affiliates	24,955	37,870
Inventories	231,505 ^[1]	159,925 ^[1]
Prepaid and other current assets	40,708	34,975
Deferred taxes – current portion	19,720	19,726
Total current assets	<u>512,209</u>	<u>487,397</u>
Property, plant and equipment â€” net	1,239,201	1,188,214
Other assets	108,221	100,715
TOTAL	<u>1,859,631</u>	<u>1,776,326</u>

LIABILITIES:

Accounts payable, trade	105,950	75,370
Due to affiliates	71,739	39,737
Accrued and other current liabilities	72,921	40,099
Accrued employee benefits costs	17,060	18,683
Industrial revenue bonds	7,815	7,815
Current portion of long-term debt	2,603	0
Total current liabilities	<u>278,088</u>	<u>181,704</u>
Senior notes payable	246,442	250,582
Revolving credit facility	16,725	0
Accrued pension benefits costs â€” less current portion	59,724	67,878
Accrued postretirement benefits costs â€” less current portion	144,025	143,105
Other liabilities	37,184	40,162
Deferred taxes	111,922	110,252
Total noncurrent liabilities	<u>616,022</u>	<u>611,979</u>

**COMMITMENTS AND
CONTINGENCIES (NOTE 11)****SHAREHOLDERS' EQUITY:**

Series A Preferred stock (one cent par value, 5,000,000 shares authorized; 79,734 and 80,283 issued and outstanding at September 30, 2013 and December 31, 2012, respectively)

1

1

Common stock (one cent par value,
195,000,000 shares authorized;
93,469,452 issued and 88,682,931
outstanding at September 30, 2013;
93,335,158 issued and 88,548,637
outstanding at December 31, 2012)

Additional paid-in capital	2,508,456	2,507,454
Treasury stock, at cost	(49,924)	(49,924)
Accumulated other comprehensive loss	(138,680)	(151,192)
Accumulated deficit	(1,355,267)	(1,324,629)
Total shareholders' equity	<u>965,521</u>	<u>982,643</u>
TOTAL	<u>\$ 1,859,631</u>	<u>\$ 1,776,326</u>

[1] The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See Note 2 Acquisition of Sebree aluminum smelter for additional information about the Sebree acquisition.

CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD \$)

<i>CONSOLIDATED BALANCE SHEETS (Parenthetical) (USD \$)</i>	Sep. 30, 2013	Dec. 31, 2012
Series A Preferred stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Series A Preferred stock, shares authorized (in shares)	5,000,000	5,000,000
Series A Preferred stock, shares issued (in shares)	79,734	80,283
Series A Preferred stock, shares outstanding (in shares)	79,734	80,283
Common stock, par value (in dollars per share)	\$ 0.01	\$ 0.01
Common stock, shares authorized (in shares)	195,000,000	195,000,000
Common stock, shares issued (in shares)	93,469,452	93,335,158
Common stock, shares outstanding (in shares)	88,682,931	88,548,637

CONSOLIDATED STATEMENTS OF OPERATIONS (USD \$)**CONSOLIDATED STATEMENTS
OF OPERATIONS (USD \$)***In Thousands, except Per Share
data, unless otherwise specified***3 Months Ended****9 Months Ended****Sep. 30, 2013****Sep. 30, 2012****Sep. 30, 2013****Sep. 30, 2012****NET SALES:**

Third-party customers	\$ 271,016	\$ 170,023	\$ 680,480	\$ 542,884
Related parties	128,912	134,612	372,659	411,560
Sales Revenue â€“ net	<u>399,928</u>	<u>304,635</u>	<u>1,053,139</u>	<u>954,444</u>
Cost of goods sold	387,574	301,385	1,028,901	924,645
Gross profit	<u>12,354</u>	<u>3,250</u>	<u>24,238</u>	<u>29,799</u>
Other operating expenses â€“ net	2,174	7,388	6,288	14,926
Selling, general and administrative expenses	14,422	9,182	45,875	24,792
Operating loss	<u>(4,242)</u>	<u>(13,320)</u>	<u>(27,925)</u>	<u>(9,919)</u>
Interest expense â€“ third party	(5,406)	(6,041)	(17,706)	(17,966)
Interest income â€“ third party	0	0	0	62
Interest income â€“ related parties	141	72	458	324
Net gain (loss) on forward and derivative contracts	440	(340)	16,151	(4,049)
Gain on bargain purchase	0	0	5,253	0
Loss on early extinguishment of debt	0	0	(3,272)	0
Other income (expense) â€“ net	213	7,648	(1,001)	8,115
Loss before income taxes and equity in earnings of joint ventures	<u>(8,854)</u>	<u>(11,981)</u>	<u>(28,042)</u>	<u>(23,433)</u>
Income tax expense	(1,384)	(1,168)	(4,714)	(7,384)
Loss before equity in earnings of joint ventures	<u>(10,238)</u>	<u>(13,149)</u>	<u>(32,756)</u>	<u>(30,817)</u>
Equity in earnings of joint ventures	731	1,126	2,118	2,116
Net loss	<u>(9,507)</u>	<u>(12,023)</u>	<u>(30,638)</u>	<u>(28,701)</u>
Net loss allocated to common shareholders	(9,507)	(12,023)	(30,638)	(28,701)

LOSS PER COMMON SHARE:

Basic and Diluted	\$ (0.11)	\$ (0.14)	\$ (0.35)	\$ (0.32)
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**WEIGHTED AVERAGE COMMON
SHARES OUTSTANDING:**

Basic	88,611	88,468	88,588	88,549
Diluted	88,611	88,468	88,588	88,549
Weighted Average Number of Shares Outstanding, Diluted	88,611	88,468	88,588	88,549
Net unrealized gain (loss) on financial instruments	0	2	0	(218)
Net loss reclassified to income on financial instruments	0	(68)	0	(549)

Net gain on foreign currency cash flow hedges reclassified as income	(46)	(47)	(139)	(140)
Net gain arising during the period	0	0	10,349	49
Amortization of prior service benefit during the period	968	1,029	2,912	3,085
Amortization of net loss during the period	(1,880)	(2,562)	(6,362)	(7,687)
Other comprehensive income before income tax effect	866	1,556	13,660	4,842
Income tax effect	383	382	1,148	1,147
Other comprehensive income	483	1,174	12,512	3,695
Total comprehensive income (loss)	\$ (9,024)	\$ (10,849)	\$ (18,126)	\$ (25,006)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (USD \$)**CONSOLIDATED STATEMENTS
OF COMPREHENSIVE INCOME
(LOSS) (USD \$)****3 Months Ended****9 Months Ended***In Thousands, unless otherwise
specified***Sep. 30, 2013****Sep. 30, 2012****Sep. 30, 2013****Sep. 30, 2012****Comprehensive loss:**

Net loss	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
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**Other comprehensive income before
income tax effect:**

Net unrealized gain (loss) on financial instruments	0	2	0	(218)
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Net loss reclassified to income on financial instruments	0	68	0	549
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Net gain on foreign currency cash flow hedges reclassified as income	(46)	(47)	(139)	(140)
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Net gain arising during the period	0	0	10,349	49
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Amortization of prior service benefit during the period	(968)	(1,029)	(2,912)	(3,085)
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Amortization of net loss during the period	1,880	2,562	6,362	7,687
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Other comprehensive income before income tax effect	866	1,556	13,660	4,842
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Income tax effect	(383)	(382)	(1,148)	(1,147)
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Other comprehensive income	483	1,174	12,512	3,695
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Total comprehensive loss	<u>\$ (9,024)</u>	<u>\$ (10,849)</u>	<u>\$ (18,126)</u>	<u>\$ (25,006)</u>
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CONSOLIDATED STATEMENTS OF CASH FLOWS (USD \$)**CONSOLIDATED STATEMENTS
OF CASH FLOWS (USD \$)****9 Months Ended***In Thousands, unless otherwise
specified***Sep. 30, 2013****Sep. 30, 2012****CASH FLOWS FROM
OPERATING ACTIVITIES:**

Net loss	\$ (30,638)	\$ (28,701)
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**Adjustments to reconcile net loss to
net cash provided by operating
activities:**

Unrealized net (gain) loss on forward contracts	(762)	3,196
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Gain on bargain purchase	(5,253)	0
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Unrealized gain on E.ON contingent obligation	(16,428)	0
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Accrued and other plant curtailment costs â€” net	3,380	4,025
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Lower of cost or market inventory adjustment	10,286	(19,818)
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Depreciation	49,082	46,925
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Sebree power contract amortization	(14,461)	0
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Debt discount amortization	586	791
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Pension and other postretirement benefits	(2,674)	673
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Stock-based compensation	961	412
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Loss on early extinguishment of debt	3,272	0
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Undistributed earnings of joint ventures	(2,118)	(2,116)
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**Change in operating assets and
liabilities:**

Accounts receivable â€” net	(1,063)	3,320
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Due from affiliates	12,915	317
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Inventories	(22,848)	31,810
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Prepaid and other current assets	(4,892)	(8,254)
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Accounts payable, trade	26,547	(8,823)
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Due to affiliates	32,002	761
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Accrued and other current liabilities	2,209	8,743
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Other â€” net	2,355	(12,176)
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Net cash provided by operating activities	42,458	21,085
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**CASH FLOWS FROM INVESTING
ACTIVITIES:**

Purchase of property, plant and equipment	(31,994)	(10,399)
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Nordural expansion â€” Helguvik	(2,855)	(5,474)
Purchase of carbon anode assets and improvements	(8,519)	(14,185)
Purchase of Sebree smelter	(48,058)	0
Investments in and advances to joint ventures	0	(275)
Dividends and payments received on advances from joint ventures	0	3,166
Proceeds from sale of property, plant and equipment	515	89
Restricted and other cash deposits	(3,015)	0
Net cash used in investing activities	(93,926)	(27,078)
<i>CASH FLOWS FROM FINANCING ACTIVITIES:</i>		
Repayment of debt	(249,604)	0
Proceeds from issuance of debt	246,330	0
Borrowings under revolving credit facility	16,725	18,076
Repayments under revolving credit facility	0	(18,076)
Debt issuance costs	(3,994)	0
Debt retirement costs	(1,208)	0
Repurchase of common stock	0	(4,033)
Issuance of common stock â€” net	44	0
Net cash provided by (used in) financing activities	8,293	(4,033)
CHANGE IN CASH AND CASH EQUIVALENTS	(43,175)	(10,026)
Cash and cash equivalents, beginning of the period	183,976	183,401
Cash and cash equivalents, end of the period	\$ 140,801	\$ 173,375

General

General

9 Months Ended

Sep. 30, 2013

General [Abstract]

General

General

The accompanying unaudited interim consolidated financial statements of Century Aluminum Company should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2012. 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 2013 are not necessarily indicative of the results that may be expected for the year ending December 31, 2013. 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.

Acquisition of Sebree aluminum smelter

Acquisition of Sebree aluminum smelter

9 Months Ended

Sep. 30, 2013

Business Combinations [Abstract]

Acquisition of Sebree aluminum smelter

Acquisition of Sebree aluminum smelter

On June 1, 2013, our wholly owned subsidiary, Century Aluminum Sebree LLC ("Century Sebree"), acquired the Sebree aluminum smelter ("Sebree") from a subsidiary of Rio Tinto Alcan, Inc ("RTA"). Sebree, located in Robards, Kentucky, has an annual hot metal production capacity of 205,000 metric tons of primary aluminum and employs approximately 500 people. The purchase price for the acquisition was \$61,000 (subject to customary working capital adjustments), of which we have paid approximately \$48,000 as of September 30, 2013. The remaining portion of the purchase price will be paid following final determination of the applicable working capital adjustments, which will be determined based on the amount of working capital transferred to Century Sebree at closing versus a target working capital amount of \$71,000. As part of the transaction, RTA retained all historical environmental liabilities of the Sebree smelter and funded the pension plan assumed by Century Sebree in accordance with the purchase agreement.

Purchase Price Allocation

Allocating the purchase price to the acquired assets and liabilities involves management judgment. We allocated the purchase price to the assets acquired, liabilities assumed, and the bargain gain in accordance with Accounting Standards Codification ("ASC") 805 "Business Combinations." Once it has been determined that recognition of an asset or liability in a business combination is appropriate, we measure the asset or liability at fair value in accordance with the principles of ASC 820 "Fair Value Measurements and Disclosures." Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The determination of the fair value of certain intangible assets and/or liabilities requires management judgment in each of the following areas:

- Identifying the acquired intangible assets or liabilities. In the case of the Sebree acquisition, we assumed a power contract liability as the contracted power price was in excess of current market prices.
- Estimating the fair value of the intangible assets and/or liabilities. We consider various approaches to value the acquired intangible assets and/or liabilities. These valuation approaches include the cost approach, which measures the value of an asset based on the cost to reproduce it or replace it with a like asset; the market approach, which values the asset through an analysis of sales and offerings of comparable assets; and the income approach, which measures the value of an asset (or liability) by measuring the present worth of the economic benefits (or costs) it is expected to produce.

The allocation of the purchase price to the assets acquired and liabilities assumed is based on the estimated fair values at the date of acquisition. The purchase price allocation is preliminary and subject to change based on the finalization of the valuation of certain assets and liabilities. Based on the preliminary purchase price allocation, we recorded a gain on bargain purchase of approximately \$5,253. In connection with the recognition of the bargain purchase gain and related net deferred tax liabilities, we partially released a valuation allowance associated with recorded deferred tax assets of \$2,090. The gain on bargain purchase reflects the London Metal Exchange (the "LME") market and the market risk associated with the power supply agreement for the facility at June 1, 2013. We revised our second quarter financial results for 2013 for certain measurement period adjustments, which are reflected in the year-to-date financial statements (and not in the financial statements for the quarter). The measurement period adjustments to date include adjustments to the valuation of the pension liability, asset retirement obligations, certain inventory balances and related tax effects. The following table summarizes the preliminary estimates of fair value of the assets acquired and the liabilities assumed as of the acquisition date:

	Acquisition Date Estimated Fair Value as of June 1, 2013	Measurement Period Adjustments	Acquisition Date Estimated Fair Value as of September 30, 2013
Consideration:			
Cash (1)	\$ 47,373	\$ 710	\$ 48,083
Assets Acquired:			
Inventories	58,496	522	59,018
Prepaid and other current assets	363	—	363
Property, plant and equipment – net	55,520	—	55,520
Total assets acquired	\$ 114,379	\$ 522	\$ 114,901
Liabilities Assumed:			
Accrued and other current liabilities	\$ 44,121	\$ (805)	\$ 43,316
Accrued pension benefit costs	5,039	(4,043)	996
Accrued post retirement benefit costs	6,544	—	6,544
Other liabilities	8,003	(527)	7,476
Deferred taxes	1,257	1,976	3,233
Total liabilities assumed	\$ 64,964	\$ (3,399)	\$ 61,565
Gain on bargain purchase:	\$ 2,042	\$ 3,211	\$ 5,253

(1) This amount represents our preliminary estimate of consideration based on our expectation of the working capital adjustments. The working capital adjustments have not yet been finalized.

Through September 30, 2013, the actual revenue and net loss of Sebree since the acquisition date of June 1, 2013 included in the consolidated statement of operations is as follows:

		Three months ended September 30, 2013	Nine months ended September 30, 2013
Sebree revenue	\$	101,531	\$ 140,284
Sebree net loss		(1,800)	(2,044)

The following unaudited pro forma financial information for the nine months ended September 30, 2013 and three and nine months ended September 30, 2012 reflects our results of continuing operations as if the acquisition of Sebree had been completed on January 1, 2012. This unaudited pro forma financial information is provided for informational purposes only and is not necessarily indicative of what the actual results of operations would have been had the transactions taken place on January 1, 2012, nor is it indicative of the future consolidated results of operations or financial position of the combined companies.

		Three months ended September 30, 2012	Nine months ended September 30, 2013	Nine months ended September 30, 2012
Pro forma revenues	\$	410,009	\$ 1,261,533	\$ 1,300,869
Pro forma loss from continuing operations		(12,620)	(57,853)	(16,951)
Loss per common share, basic		(0.14)	(0.65)	(0.19)
Loss per common share, diluted		(0.14)	(0.65)	(0.19)

Asset purchase

Asset purchase

9 Months Ended

Sep. 30, 2013

Acquisitions [Abstract]

Asset purchase

Asset purchase

In June 2012, our wholly owned subsidiary, Century Aluminum Vlissingen ("Century Vlissingen") purchased substantially all of the assets of the Zalco anode production facility located in Vlissingen, the Netherlands for approximately \$12,500. In connection with the purchase, we entered into a ground lease with respect to the facility that is renewable at our option. Century Vlissingen did not assume, and is indemnified by the seller against, historical liabilities of the facility.

Following the acquisition, we have undertaken a significant capital investment to modernize the facility, comply with environmental regulations and optimize anode production for our smelter in Grundartangi. We expect the first 75,000 metric tons of capacity will be restarted in late 2013 and will provide an anode supply to replace third-party anode supply contracts that terminated in 2013.

Fair value measurements

Fair value measurements

9 Months Ended

Sep. 30, 2013

Fair Value Disclosures [Abstract]

Fair value measurements

Fair value measurements

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value and are categorized based on the fair value hierarchy described in ASC 820 "Fair Value Measurements."

Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market, management's estimates of the LME forward market prices for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates
Midwest premium contracts	3	Management's estimates of future U.S. Midwest premium

- (1) Trust assets are currently invested in money market funds. These trust assets are held to fund the non-qualified supplemental executive pension benefit obligations for certain of our officers. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.

Fair value measurements

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

The following table sets forth our financial assets and liabilities that were accounted for at fair value on a recurring basis by the level of input within the ASC 820 fair value hierarchy. As required by GAAP for fair value measurements and disclosures, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels. There were no transfers between Level 1 and 2 during the periods presented. There were no transfers into or out of Level 3 during the periods presented below. It is our policy to recognize transfers into and transfers out of Level 3 as of the actual date of the event or change in circumstances that caused the transfer.

Recurring Fair Value Measurements	As of September 30, 2013			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 119,183	\$ —	\$ —	\$ 119,183
Trust assets (1)	11,588	—	—	11,588
Surety bonds	1,574	—	—	1,574
Midwest premium contracts	—	—	363	363
TOTAL	\$ 132,345	\$ —	\$ 363	\$ 132,708
LIABILITIES:				
E.ON contingent obligation – net (2)	\$ —	\$ —	\$ —	\$ —
Primary aluminum sales contract	—	—	771	771
TOTAL	\$ —	\$ —	\$ 771	\$ 771

- (1) Trust assets are currently invested in money market funds.
(2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

Recurring Fair Value Measurements	As of December 31, 2012			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 168,309	\$ —	\$ —	\$ 168,309
Trust assets (1)	14,254	—	—	14,254
Surety bonds	2,123	—	—	2,123
TOTAL	\$ 184,686	\$ —	\$ —	\$ 184,686
LIABILITIES:				
E.ON contingent obligation – net	\$ —	\$ —	\$ 15,369	\$ 15,369
Primary aluminum sales contract	—	—	1,170	1,170

TOTAL \$ — \$ — \$ 16,539 \$ 16,539

(1) Trust assets are currently invested in money market funds.

		Derivative liabilities – net	
		2013	2012
Change in Level 3 Fair Value Measurements during the three months ended September 30,			
Beginning balance, July 1,		\$ (773)	\$ (16,024)
Total gain (loss) included in earnings		365	(371)
Ending balance, September 30,		<u>\$ (408)</u>	<u>\$ (16,395)</u>
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,		\$ 365	\$ (371)
Change in Level 3 Fair Value Measurements during the nine months ended September 30,			
		2013	2012
Beginning balance, January 1,		\$ (16,539)	\$ (14,760)
Total gain (loss) included in earnings		16,131	(1,529)
Settlements		—	(106)
Ending balance, September 30,		<u>\$ (408)</u>	<u>\$ (16,395)</u>
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,		\$ 16,131	\$ (1,529)

The net gain (loss) on our derivative assets and liabilities is recorded in our consolidated statements of operations under net gain (loss) on forward and derivative contracts. See [Note 5 Derivative and hedging instruments](#) for the location of our Level 3 derivative assets and liabilities within our consolidated balance sheets.

Derivative and hedging instruments

Derivative and hedging instruments

9 Months Ended

Sep. 30, 2013

Derivative Instruments and Hedging Activities Disclosure [Abstract]

Derivative and hedging instruments Derivative and hedging instruments

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

Fair Value of Derivatives

	Balance sheet location	September 30, December 31,	
		2013	2012
DERIVATIVE ASSETS:			
Midwest premium contracts (1)	Prepaid and other current assets	\$ 363	\$ —
TOTAL		\$ 363	\$ —
DERIVATIVE LIABILITIES:			
Aluminum sales premium contracts	Accrued and other current liabilities	\$ 771	\$ 1,170
E.ON contingent obligation – net (2)	Other liabilities	—	15,369
TOTAL		\$ 771	\$ 16,539

- (1) We entered into a fixed-price forward contract that settles monthly from January 2014 to March 2014 based on the Midwest Premium price published in the Platts Metals Week for the applicable period.
- (2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

Primary aluminum put option contracts

In the past, we have entered into primary aluminum put option contracts that settled monthly based on LME prices. The option contract volumes accounted for a portion of our domestic production, with a strike price around our domestic facilities' average cash basis break-even price at the time.

Our counterparties included two non-related third parties and an affiliate of Glencore Xstrata plc (together with its subsidiaries, "Glencore"), a related party. We paid cash premiums to enter into the put option contracts and recorded an asset on the consolidated balance sheets. We determined the fair value of the put option contracts using a Black-Scholes model with market data provided by an independent vendor.

Aluminum sales premium contracts

The Glencore Metal Agreement is a physical delivery contract for primary aluminum through December 31, 2013 with variable, LME-based pricing. Under the Glencore Metal Agreement, pricing is based on market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium. We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Gains and losses on the derivative are based on the difference between the contracted U.S. Midwest premium and actual and forecasted U.S. Midwest premiums. Settlements are recorded in related party sales. Unrealized gains (losses) based on forecasted U.S. Midwest premiums are recorded in net gain (loss) on forward and derivative contracts on the consolidated statements of operations. Derivatives not designated as hedging instruments:

	Location	Gain (loss) recognized in income from derivatives			
		Three months ended September 30,		Nine months ended September 30,	
		2013	2012	2013	2012
E.ON contingent obligation – net	Net gain (loss) on forward and derivative contracts	\$ 353	\$ —	\$ 16,428	\$ —
Midwest premium contracts	Net gain (loss) on forward and derivative contracts	363	—	363	—
Primary aluminum put option contracts	Net gain (loss) on forward and derivative contracts	—	—	—	(2,725)
Aluminum sales premium contracts	Related party sales	278	386	1,039	917
Aluminum sales premium contracts	Net gain (loss) on forward and derivative contracts	(276)	(404)	(640)	(1,389)
E.ON contingent obligation – net	Interest expense – third party	(353)	(353)	(1,059)	(1,059)

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

September 30, December 31,
2013 2012

Primary aluminum sales contract premium (metric tons) (1)	5,993	20,400
Midwest premium contracts (metric tons)	6,000	—

(1) Represents the remaining physical deliveries under the Glencore Metal Agreement.

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

As of September 30, 2013, income of \$153 is expected to be reclassified out of accumulated other comprehensive loss into earnings over the next 12-month period for derivative instruments that have been designated and have qualified as cash flow hedging instruments and for the related hedged transactions.

Shareholders' equity

Shareholders' equity

9 Months Ended

Sep. 30, 2013

Stockholders' Equity Note [Abstract]

Shareholders' equity

Shareholders' equity

Common Stock

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

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

Stock Repurchase Program

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

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

From August 11, 2011 through September 30, 2013, we repurchased 4,786,521 shares of common stock for an aggregate purchase price of \$49,924. We had approximately \$10,076 remaining under the repurchase program authorization as of September 30, 2013.

Series A Convertible Preferred Stock conversions

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

Common and Preferred Stock Activity:

	Preferred stock	Common stock	
	Series A convertible	Treasury	Outstanding
Beginning balance as of December 31, 2012	80,283	4,786,521	88,548,637
Conversion of convertible preferred stock	(549)	—	54,825
Issuance for stock compensation plans	—	—	79,469
Ending balance as of September 30, 2013	<u>79,734</u>	<u>4,786,521</u>	<u>88,682,931</u>

Income taxes

Income taxes

9 Months Ended

Sep. 30, 2013

Income Tax Disclosure [Abstract]

Income taxes

Income taxes

We recorded income tax expense for the nine months ended September 30, 2013 of \$4,714 which primarily consisted of foreign and state income taxes, net of a release of a valuation allowance as disclosed in [Note 2 Acquisition of Sebree aluminum smelter](#). Our domestic deferred tax assets, net of deferred tax liabilities, are subject to a valuation allowance; therefore, the domestic losses were not benefited.

We recorded income tax expense for the nine months ended September 30, 2012 of \$7,384 which primarily consisted of foreign and state income taxes.

Income tax expense is based on an annual effective tax rate forecast, including estimates and assumptions that could change during the year.

As of September 30, 2013, all of Century's U.S. and certain foreign deferred tax assets, net of deferred tax liabilities, continue to be subject to a valuation allowance. The realization of these assets is dependent on substantial future taxable income which, at September 30, 2013, is not more likely than not to be achieved.

In April 2013, we received notice from the Internal Revenue Service ("IRS") that the Congressional Joint Committee on Taxation finalized their review of the US Federal examinations for the income tax years 2008, 2009, and 2010 and refund years of 2004, 2005, 2006, and 2007 without exception to the conclusions reached by the IRS. This Joint Committee is a special nonpartisan Congressional committee involved with the analysis and drafting of federal tax legislation and, as part of its mandate, reviews all federal tax refund claims over a certain amount. As a result of this determination, we have reduced the reserve for the unrecognized tax benefits related to prior years by \$14,341. The reduction did not result in an impact to the effective tax rate since the reduction was offset by an increase in our valuation allowance. During the second quarter of 2013, we received refunds from the IRS of \$5,009 following the Joint Committee review.

During the second quarter of 2013, we received notice from the Directorate of Internal Revenue of Iceland of their intent to conduct a periodic review regarding certain of our Icelandic subsidiaries for the years 2010–2012.

Inventories*Inventories***9 Months Ended****Sep. 30, 2013***Inventory, Net [Abstract]*

Inventories

Inventories	September 30, December 31,	
	2013	2012
Inventories consist of the following:		
Raw materials	\$ 68,091	\$ 40,725
Work-in-process	22,286	15,259
Finished goods	12,834	9,753
Operating and other supplies	128,294	94,188
Inventories (1)	<u>\$ 231,505</u>	<u>\$ 159,925</u>

- (1) The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See [Note 2 Acquisition of Sebree aluminum smelter](#) for additional information about the Sebree acquisition.

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

Debt

Debt

**9 Months Ended
Sep. 30, 2013**

Debt Disclosure [Abstract]

Debt	September 30, 2013	December 31, 2012
Debt classified as current liabilities:		
Hancock County industrial revenue bonds ("IRBs") due 2028, interest payable quarterly (variable interest rates (not to exceed 12%)) (1)	\$ 7,815	\$ 7,815
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	2,603	—
Debt classified as non-current liabilities:		
7.5% senior secured notes payable due June 1, 2021, net of debt discount of \$3,558, interest payable semiannually	246,442	—
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$1,625, interest payable semiannually	—	247,979
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually	—	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)	—	15,369
Revolving credit facility (3)	16,725	—
TOTAL	\$ 273,585	\$ 273,766

- (1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at September 30, 2013 was 0.27%.
- (2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below and [Note 4 Fair value measurements](#) for additional information.
- (3) Borrowings under the revolving line of credit bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter.

Amended Revolving Credit Facility

General. We and certain of our direct and indirect domestic subsidiaries (together with Century, the "Borrowers") and Wells Fargo Capital Finance, LLC, as lender and agent, and Credit Suisse AG and BNP Paribas, as lenders, entered into the Amended and Restated Loan and Security Agreement (the "Credit Facility"), dated May 24, 2013, as amended, modifying the credit facility signed July 1, 2010. The Credit Facility extended the term through May 24, 2018 and provides for borrowings of up to \$137,500 in the aggregate, including up to \$80,000 under a letter of credit sub-facility. Any letters of credit issued and outstanding under the Credit Facility reduce our borrowing availability on a dollar-for-dollar basis.

Status of our Credit Facility:

	September 30, 2013
Credit Facility maximum amount	\$ 137,500
Borrowing availability, net of outstanding letters of credit	44,255
Outstanding borrowings	16,725
Letter of credit sub-facility amount	80,000
Outstanding letters of credit issued	70,545

Borrowing Base. The availability of funds under the Credit Facility is limited by a specified borrowing base consisting of accounts receivable and inventory of the Borrowers which meet the eligibility criteria.

Guaranty. The Borrowers' obligations under the Credit Facility are guaranteed by certain of our domestic subsidiaries and secured by a continuing lien upon and a security interest in all of the Borrowers' accounts receivable, inventory and certain bank accounts. Each Borrower is liable for any and all obligations under the Credit Facility on a joint and several basis.

Interest Rates and Fees. Any amounts outstanding under the Credit Facility will bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter. In addition, we pay an unused line fee on undrawn amounts, less the amount of our letters of credit exposure.

For standby letters of credit, we are required to pay a fee on the face amount of such letters of credit that varies depending on whether the letter of credit exposure is cash collateralized.

Maturity. The Credit Facility will mature on May 24, 2018.

Prepayments. We can make prepayments of amounts outstanding under the Credit Facility, in whole or in part, without premium or penalty, subject to standard LIBOR breakage costs, if applicable. We may be required to apply the proceeds from sales of collateral accounts, other than sales of inventory in the ordinary course of business, to repay amounts outstanding under the revolving credit facility and correspondingly reduce the commitments there under.

Covenants. The Credit Facility contains customary covenants, including restrictions on mergers and acquisitions, indebtedness, affiliate transactions, liens, dividends and distributions, dispositions of

collateral, investments and prepayments of indebtedness, as well as a covenant that requires the Borrowers to maintain certain minimum liquidity or availability requirements.

Events of Default. The Credit Facility also includes customary events of default, including nonpayment, misrepresentation, breach of covenant, bankruptcy, change of ownership, certain judgments and certain cross defaults. Upon the occurrence of an event of default, commitments under the Credit Facility may be terminated and amounts outstanding may be accelerated and declared immediately due and payable.

8% Notes Tender Offer, Consent Solicitation and Redemption

In May 2013, we commenced a tender offer and consent solicitation (the “8.0% Notes Tender Offer”) to the holders of the outstanding 8% Senior Secured Notes due 2014 (the “8.0% Notes”). Investors electing to participate in the 8.0% Notes Tender Offer consented to certain amendments and modifications to the indenture governing the 8.0% Notes to remove, among other things, most of the restrictive covenants, in exchange for which we paid these investors consent fees.

We received tenders and consents from holders of a majority of the outstanding principal amount of the 8.0% Notes. The remaining 8.0% Notes outstanding that had not participated in the 8.0% Notes Tender Offer were redeemed at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest (the “Redemption”). Together the 8.0% Notes Tender Offer and Redemption satisfied and discharged our obligations under the 8.0% Notes and the related indenture. We used the net proceeds from the issuance of the 7.5% Senior Secured Notes due 2021 (the “7.5% Notes”) and available cash on hand to fund the 8.0% Notes Tender Offer and the Redemption.

In accordance with ASC 470, based on an evaluation of the characteristics of the 8.0% Notes and the 7.5% Notes that were issued, we determined the tender and redemption of the 8.0% Notes should be treated as an extinguishment of the debt and accordingly, we recorded a loss on early extinguishment of debt in the second quarter of 2013. The loss on early extinguishment of debt consisted of the write-off of deferred financing costs and the debt discount associated with the 8.0% Notes, as well as the tender premium paid as part of the 8.0% Notes Tender Offer.

7.5% Notes

General. On June 4, 2013, we issued \$250,000 of our 7.5% Notes in a private offering exempt from the registration requirements of the Securities Act. The 7.5% Notes were issued at a discount and we received proceeds of \$246,330, prior to payment of financing fees and related expenses.

Interest rate. The 7.5% Notes bear interest at 7.5% per annum on the principal amount, payable semi-annually in arrears in cash on June 1st and December 1st of each year.

Maturity. The 7.5% Notes mature on June 1, 2021.

Seniority. The 7.5% Notes are senior secured obligations of Century, ranking equally in right of payment with all existing and future senior indebtedness of Century, but effectively senior to unsecured debt to the extent of the value of the collateral.

Guaranty. Our obligations under the 7.5% Notes are guaranteed by all of our existing and future domestic restricted subsidiaries (the “Guarantor Subsidiaries”), except for foreign owned holding companies and any domestic restricted subsidiary that owns no assets other than equity interests or other investments in foreign subsidiaries, which guaranty shall in each case be a senior secured obligation of such Guarantor Subsidiaries, ranking equally in right of payment with all existing and future senior indebtedness of such Guarantor Subsidiaries but effectively senior to unsecured debt.

Collateral. Our obligations under the 7.5% Notes and the Guarantor Subsidiaries' obligations under the guarantees are secured by a pledge of and lien on (subject to certain exceptions):

- (i) all of our and the Guarantor Subsidiaries' property, plant and equipment (other than certain excluded property, such as the assets of Berkeley Aluminum, Inc., the owner of our interest in our Mt. Holly facility);
- (i) all equity interests in domestic subsidiaries directly owned by us and the Guarantor Subsidiaries and 65% of equity interests in foreign subsidiaries or foreign holding companies directly owned by us and the Guarantor Subsidiaries;
- (ii) intercompany notes owed by any non-guarantor to us or any Guarantor Subsidiary to us; and
- (iii) proceeds of the foregoing.

Under certain circumstances, we may incur additional debt that also may be secured by liens on the collateral that are equal to or have priority over the liens securing the 7.5% Notes.

Redemption Rights. Prior to June 1, 2016, we may redeem the 7.5% Notes, in whole or in part, at a redemption price equal to 100% of the principal amount plus a make-whole premium, and if redeemed during the twelve-month period beginning on June 1 of the years indicated below, at the following redemption prices plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
-------------	-------------------

2016	105.625%
2017	103.750%
2018	101.875%
2019 and thereafter	100.000%

Upon a change of control (as defined in the indenture governing the 7.5% Notes), we will be required to make an offer to purchase the 7.5% Notes at a purchase price equal to 101% of the outstanding principal amount of the 7.5% Notes on the date of the purchase, plus accrued interest to the date of purchase.

Covenants. The indenture governing the 7.5% Notes contains customary covenants which may limit our ability, and the ability of certain of our subsidiaries, to: (i) incur additional debt; (ii) create liens; (iii) pay dividends or make distributions in respect of capital stock; (iv) purchase or redeem capital stock; (v) make investments or certain other restricted payments; (vi) sell assets; (vii) issue or sell stock of certain subsidiaries; (viii) enter into transactions with shareholders or affiliates; and (ix) effect a consolidation or merger.

E.ON contingent obligation

The E.ON contingent obligation consists of the aggregate E.ON payments made to Big Rivers Electric Corporation ("Big Rivers") on CAKY's behalf in excess of the agreed upon base amount under an agreement to "unwind" a former contractual arrangement and enter into an agreement to provide power for Hawesville's production requirements with pricing based on the provider's cost of production (the "Big Rivers Agreement"). Our obligation to make repayments is contingent upon certain operating criteria for our Hawesville, Kentucky facility and the LME price of primary aluminum. When the conditions for repayment are met, and for so long as those conditions continue to be met, we will be obligated to make principal and interest payments, in up to 72 monthly payments.

Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we recognized a derivative asset which offsets our contingent obligation. As a result, our net liability decreased and we recorded a gain of \$16,428 in net gain (loss) on forward and derivative contracts for the nine months ended September 30, 2013. Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement, which expires in 2028. However, future increases in the LME forward market may result in a partial or full derecognition of the derivative asset and a corresponding recognition of a loss. The following table provides information about the balance sheet location and gross amounts offset:

	Balance sheet location	September 30, 2013	December 31, 2012
E.ON contingent obligation – principal	Other liabilities	\$ (12,902)	\$ (12,902)
E.ON contingent obligation – accrued interest	Other liabilities	(3,526)	(2,467)
E.ON contingent obligation – derivative asset	Other liabilities	16,428	—
		<u>\$ —</u>	<u>\$ (15,369)</u>

Commitments and contingencies

Commitments and contingencies

9 Months Ended

Sep. 30, 2013

Commitments and Contingencies Disclosure [Abstract]

Commitments and contingencies

Commitments and contingencies

Environmental Contingencies

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

It is our policy to accrue for costs associated with environmental assessments and remedial efforts when it becomes probable that a liability has been incurred and the costs can be reasonably estimated. The aggregate environmental-related accrued liabilities were \$1,322 and \$906 at September 30, 2013 and December 31, 2012, respectively. All accrued amounts have been recorded without giving effect to any possible future recoveries. With respect to costs for ongoing environmental compliance, including maintenance and monitoring, such costs are expensed as incurred.

Century Aluminum of West Virginia ("CAWV") continues to perform monitoring activities at our Ravenswood, West Virginia facility pursuant to an order issued by the United States Environmental Protection Agency (the "EPA") in 1994 (the "3008(h) Order"). CAWV also conducted a RCRA facility investigation ("RFI") under the 3008(h) Order evaluating other areas at Ravenswood that may have contamination requiring remediation. The RFI has been approved by appropriate agencies. CAWV has completed interim remediation measures at two sites identified in the RFI, and we believe no further remediation will be required. A Corrective Measures Study, which formally documents the conclusion of these activities, has been submitted to the EPA and a final order has been completed and was signed by the EPA in April 2013. Under the order, CAWV's responsibilities going forward include monitoring specific wells as well as restricting access to certain parts of the site.

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

In July 2006, we were named as a defendant, together with certain affiliates of Alcoa Inc., in a lawsuit brought by Alcoa Inc. seeking to determine responsibility for certain environmental indemnity obligations related to the sale of a cast aluminum plate manufacturing facility located in Vernon, California, which we purchased from Alcoa Inc. in December 1998, and sold to Alcan Rolled Products-Ravenswood LLC in July 1999. The complaint also seeks costs and attorney fees. The matter is in a preliminary stage, and we cannot predict the ultimate outcome of this action or estimate a range of possible losses related to this matter at this time. We do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the final outcome.

Matters relating to the St. Croix Alumina Refining Facility

We are a party to an EPA Administrative Order on Consent (the "Order") pursuant to which other past and present owners of an alumina refining facility at St. Croix, Virgin Islands (the "St. Croix Alumina Refinery") have agreed to carry out a Hydrocarbon Recovery Plan to remove and manage hydrocarbons floating on groundwater underlying the facility. Pursuant to the Hydrocarbon Recovery Plan, recovered hydrocarbons and groundwater are delivered to the adjacent petroleum refinery where they are received and managed. In connection with the sale of the facility by Lockheed Martin Corporation ("Lockheed") to one of our affiliates, Virgin Islands Alumina Corporation ("Vialco"), in 1989, Lockheed, Vialco and Century entered into the Lockheed-Vialco Asset Purchase Agreement. The indemnity provisions contained in the Lockheed-Vialco Asset Purchase Agreement allocate responsibility for certain environmental matters. Lockheed has tendered indemnity and defense of the above matter to Vialco. We have likewise tendered indemnity to Lockheed. Through September 30, 2013, we have expended approximately \$985 on the Hydrocarbon Recovery Plan. At this time, we are not able to estimate the amount of any future potential payments under this indemnification to comply with the Order, but we do not anticipate that any such amounts will have a material adverse effect on our financial condition, results of operations or liquidity, regardless of the final outcome.

In May 2005, we and Vialco were among several defendants listed in a lawsuit filed by the Commissioner of the Department of Planning and Natural Resources ("DPNR"), in his capacity as Trustee for Natural Resources of the United States Virgin Islands. The complaint alleges damages to natural resources caused by alleged releases from the St. Croix Alumina Refinery and the adjacent petroleum refinery. The primary cause of action is pursuant to the natural resource damage provisions of CERCLA, but various ancillary Territorial law causes of action were included as well. We and Lockheed have each tendered indemnity and defense of the case to the other pursuant to the terms of the Lockheed-Vialco

Asset Purchase Agreement. The complaint seeks unspecified monetary damages, costs and attorney fees. In November 2011, the court granted a motion by Century, dismissing Century from the case. Vialco, however, remains a defendant in this case and has asserted factual and affirmative defenses. The discovery process has closed. As of September 30, 2013, no trial date has been set for the remaining claims.

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

In May 2009, St. Croix Renaissance Group, L.L.L.P. ("SCRG") filed a third-party complaint for contribution and other relief against several third-party defendants, including Century and Vialco, relating to a lawsuit filed against SCRG seeking recovery of response costs relating to the aforementioned DPNR CERCLA matter. In February 2011, the court granted a motion by Century, dismissing Century from the case. In March 2011, the court granted the remaining defendants', including Vialco's, motion for summary judgment, dismissing the case. The plaintiff filed a notice of appeal with the Third Circuit Court of Appeals in May 2011. On June 5, 2013, the Third Circuit Court of Appeals reversed the lower court's ruling to hold that plaintiff's expenditures of funds may be found as recoverable response costs incurred by the government entitling plaintiffs to recover future response costs. Vialco remains the only Century entity in the litigation.

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

Legal Contingencies

In addition to the foregoing matters, we have pending against us or may be subject to various lawsuits, claims and proceedings related primarily to employment, commercial, environmental, shareholder, safety and health matters.

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

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

We have been named as a defendant in a lawsuit filed by our former Chief Executive Officer, Logan Kruger, alleging breach of contract. The lawsuit alleges that Century anticipatorily breached the employment and severance protection agreements between Century and Mr. Kruger and that Century is obligated to make various severance payments in excess of \$20,000 to Mr. Kruger under such agreements.

In addition, the complaint seeks unspecified damages, including costs and attorneys' fees. The trial court has transferred the matter to an arbitration panel for resolution. We believe these claims are without merit and intend to defend ourselves against them. The arbitration hearing was held in the third quarter of 2013, and we currently expect a ruling in the arbitration in late 2013 or in the first quarter of 2014.

In April 2013, our subsidiary Nordural Grundartangi received a ruling in an arbitration case involving two of its power suppliers, HS Orka and Orkuveita Reykjavíkur. Under the arbitration award, Nordural Grundartangi is restricted from reducing power under its existing power contracts with HS Orka and Orkuveita Reykjavíkur in order to take power under a separate power contract with Orkuveita Reykjavíkur originally intended to be used at Helgúvík. Nordural Grundartangi remains entitled to take power under the Orkuveita Reykjavíkur Helgúvík contract to the extent that its power needs exceed the amount of power provided under its existing power contracts. As part of the award, the tribunal awarded HS Orka damages and Nordural Grundartangi paid \$1,470 to HS Orka in full satisfaction of such award. The tribunal ordered each party to pay its own legal fees and costs. While no damages were awarded to Orkuveita Reykjavíkur as part of the arbitration, Orkuveita Reykjavíkur has subsequently alleged damages against Nordural Grundartangi. We intend to defend ourselves against these claims. The matter is in a preliminary stage, and we cannot estimate a range of possible losses related to this matter at this time. Regardless of the final outcome, we do not expect that the ultimate costs to resolve this action will have a material adverse effect on our financial condition, results of operations or liquidity.

Ravenswood Retiree Medical Benefits changes

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

In January 2010, the USWA filed a motion for preliminary injunction to prevent us from implementing the foregoing changes while these lawsuits are pending, which was dismissed by the trial court. In August 2011, the Fourth Circuit Court of Appeals upheld the District Court’s dismissal of the USWA’s motion for preliminary injunction. The discovery process is closed.

PBGC Settlement

In June 2011, the Pension Benefit Guaranty Corporation (the “PBGC”) informed us that it believed a “cessation of operations” under ERISA had occurred at our Ravenswood facility as a result of the curtailment of operations at the facility. Although we disagree that a “cessation of operations” occurred, we entered into a settlement agreement with the PBGC in April 2013 to resolve the matter. Pursuant to the terms of the agreement, we will make additional contributions (above any minimum required contributions) to our defined benefit pension plans totaling approximately \$17,400 over the term of the agreement, which runs through 2016. In April 2013, we made the first scheduled contribution pursuant to this agreement of \$5,900. Under certain circumstances, in periods of lower primary aluminum prices relative to our operations, we may defer one or more of these payments, but we would be required to provide the PBGC with acceptable security for any deferred payments.

Power Commitments

Hawesville

In August 2012, CAKY issued a 12–month notice to terminate its long–term power supply agreement (the “Hawesville Power Agreement”) with Kenergy, a member cooperative of Big Rivers. Pursuant to the termination notice, the Hawesville Power Agreement terminated on August 20, 2013.

The Kentucky Public Service Commission (“KPSC”) approved a new power supply agreement with Kenergy and Big Rivers for providing market priced power to the Hawesville smelter, effective August 20, 2013. Under the arrangement, the power companies purchase power on the open market and pass it through to Hawesville at the market price plus transmission and other costs incurred by them. In connection with the new power agreements, CAKY is also seeking approval from applicable regional transmission organizations and regulatory bodies regarding grid stability and energy import capability. A group of industrial customers in Kentucky subsequently filed an appeal to the KPSC order approving the new power supply arrangement at Hawesville, which appeal is currently pending. We believe this appeal is without merit and that the points argued in the appeal were already rejected by the KPSC prior to the issuance of its order approving the new power supply arrangement at Hawesville.

Sebree

In January 2013, Sebree issued a 12–month notice to terminate its long–term power supply agreement (the “Sebree Power Agreement”) with Kenergy. The Sebree Power Agreement is take–or–pay for Sebree’s energy requirements at full production. During the 12–month notice period, Century is required to pay a demand charge for power, but is not obligated to continue operating the plant. The Sebree Power Agreement currently provides sufficient power at cost–based rates for Sebree’s full production capacity requirements, but, pursuant to the termination notice, the Sebree Power Agreement will terminate on January 31, 2014. We are seeking a market–based power contract for Sebree similar to the agreement we have reached for Hawesville, but no assurance can be given that we will be able to obtain one. If a new power arrangement is not reached and approved prior to January 31, 2014, the Sebree plant will be curtailed.

Mt. Holly

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

In 2012, Mt. Holly and Santee Cooper amended the terms of the Santee Cooper agreement in order to allow Mt. Holly to receive all or a portion of Mt. Holly’s supplemental power requirements from an off–system natural gas–fired power generation facility (the “off–system facility”). The energy charge for supplemental power from the off–system facility is based, among other factors, on the cost of natural gas rather than Santee Cooper’s system average fuel costs, which are primarily coal–based. The amendments to the power agreement may provide a benefit to Mt. Holly provided that natural gas costs remain below Santee Cooper’s system average fuel costs. The amended power agreement provides that Mt. Holly may continue to receive its supplemental power requirements from the off–system facility through December 31, 2015. We are currently in discussions with Santee Cooper regarding power arrangements for Mt. Holly following December 31, 2015.

Ravenswood

CAWV has a power purchase agreement (the “ApCo Agreement”) with the Appalachian Power Company (“ApCo”). CAWV currently purchases a limited amount of power under the ApCo Agreement as necessary to maintain its Ravenswood smelter, which is presently curtailed. Power is supplied under the ApCo Agreement at prices set forth in published tariffs (which are subject to change), with certain adjustments.

Grundartangi

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

In the fourth quarter of 2011, an additional 47.5 MW of power became available under a power purchase agreement with OR. This power can be used at either Grundartangi or Helgúvík and a significant portion is currently being utilized at Grundartangi.

In June 2012, Nordural Grundartangi entered into a new supplemental power contract with Landsvirkjun. The supplemental power contract, which will expire in October 2029 (or upon the occurrence of certain earlier events), will provide Nordural Grundartangi with supplemental power, as Nordural Grundartangi may request from time to time, at LME-based variable rates. Nordural Grundartangi has agreed to make certain prepayments to Landsvirkjun for power expected to be used at a later date in connection with the contract, which will reduce the price paid for power at the time of consumption. As of September 30, 2013, these power prepayments totaled approximately \$2,000. We expect the amount of the prepayment to continue to grow slowly and we do not expect to realize the benefits from the prepayments in the near term.

Helgúvík

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

Other Commitments and Contingencies

Labor Commitments

Approximately 75% of our U.S. based work force is represented by the USWA. CAKY’s Hawesville employees represented by the USWA are under a collective bargaining agreement which expires on March 31, 2015. The Sebree employees represented by the USWA are under a collective bargaining agreement that expires on September 30, 2014.

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

The labor agreement for CAWV’s Ravenswood plant employees represented by the USWA expired on August 31, 2010.

Other Commitments

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

Forward delivery contracts and financial instruments

Forward delivery contracts and financial instruments

9 Months Ended

Sep. 30, 2013

Forward delivery contracts [Abstract]

Forward delivery contracts and financial instruments

Forward delivery contracts and financial instruments

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

Forward Physical Delivery Agreements

Primary Aluminum Sales Contracts

Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 metric tons per year ("mtpy")	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 19,000 metric tons	Through December 31, 2013	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	220 to 240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market
RTA Metal Agreement	Rio Tinto Alcan	Approximately 111,000 metric tons	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2013, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility. Despite reaching power agreements, certain regulatory approvals have not yet been received and CAKY could curtail all smelter operations if these approvals are not ultimately received.

Tolling Contracts

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

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

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

Other forward delivery contracts

	September 30, 2013	December 31, 2012
	(in metric tons)	
Other forward delivery contracts – total	32,994	88,827
Other forward delivery contracts – Glencore	1,775	1,811

We had no outstanding primary aluminum forward financial sales contracts at September 30, 2013. We had no fixed price forward financial contracts to purchase aluminum at September 30, 2013.

Forward Financial Instruments

We are party to various forward financial and physical delivery contracts, which are accounted for as derivative instruments. See [Note 5 Derivative and hedging instruments](#) for additional information about these instruments.

Supplemental cash flow information*Supplemental cash flow information***9 Months Ended****Sep. 30, 2013***Supplemental Cash Flow
Information [Abstract]*

Supplemental cash flow information	Supplemental cash flow information	Nine months ended September 30,	
		2013	2012
	Cash paid for:		
	Interest	\$ 11,293	\$ 10,220
	Income/withholding taxes (1)	27,254	33,625
	Non-cash investing activities:		
	Accrued capital costs	\$ 4,034	\$ 935

(1) We paid withholding taxes in Iceland of \$18,067 and \$22,633 in the nine months ended September 30, 2013 and 2012, respectively. Our tax payments in Iceland for withholding taxes, income taxes and associated refunds are denominated in Icelandic kronur ("ISK"). We expect to receive refunds of the withholding tax payments in the fourth quarters of 2013 and 2014. See Note 18 Subsequent events for additional information about withholding tax refunds.

Asset retirement obligations (â€œAROâ€)

*Asset retirement obligations
(â€œAROâ€)*

**9 Months Ended
Sep. 30, 2013**

**Asset Retirement Obligation
Disclosure [Abstract]**

Asset retirement obligations
(â€œAROâ€)

Asset retirement obligations (“ARO”)

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

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

	Nine months ended September 30, 2013	Year ended December 31, 2012
Beginning balance, ARO liability	\$ 16,124	\$ 15,171
Additional ARO liability incurred	1,648	1,166
ARO liabilities settled	(1,493)	(1,380)
Accretion expense	1,334	1,167
Additional ARO liability from Sebree acquisition	10,106	—
Ending balance, ARO liability	<u>\$ 27,719</u>	<u>\$ 16,124</u>

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

Components of Accumulated other comprehensive loss*Components of Accumulated other comprehensive loss***9 Months Ended****Sep. 30, 2013****Accumulated Other Comprehensive Income (Loss), Net of Tax [Abstract]**

Components of accumulated other comprehensive loss	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ (139,426)	\$ (153,225)
Equity in investee other comprehensive income (1)	(12,712)	(12,712)
Unrealized loss on financial instruments	(1,017)	(878)
Other comprehensive loss before income tax effect	(153,155)	(166,815)
Income tax effect (2)	14,475	15,623
Accumulated other comprehensive loss	<u>\$ (138,680)</u>	<u>\$ (151,192)</u>

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

(2)The allocation of the income tax effect to the components of other comprehensive income is as follows:

	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ 14,663	\$ 15,784
Equity in investee other comprehensive income	436	488
Unrealized loss on financial instruments	(624)	(649)

Components of net periodic benefit cost

Components of net periodic benefit cost

9 Months Ended

Sep. 30, 2013

Components of net periodic benefit cost [Abstract]

Components of net periodic benefit cost

Components of net periodic benefit cost

	Pension Benefits			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 1,686	\$ 701	\$ 3,292	\$ 2,102
Interest cost	2,903	1,717	6,293	5,153
Expected return on plan assets	(3,723)	(1,740)	(7,337)	(5,222)
Amortization of prior service cost	30	34	85	103
Amortization of net loss	723	910	2,428	2,731
Curtailement	—	—	(18)	—
Net periodic benefit cost	<u>\$ 1,619</u>	<u>\$ 1,622</u>	<u>\$ 4,743</u>	<u>\$ 4,867</u>
	Other Postretirement Benefits ("OPEB")			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 700	\$ 448	\$ 1,862	\$ 1,343
Interest cost	1,474	1,378	4,230	4,135
Amortization of prior service cost	(998)	(1,063)	(2,997)	(3,188)
Amortization of net loss	1,157	1,652	3,934	4,956
Curtailement	—	—	(20)	—
Net periodic benefit cost	<u>\$ 2,333</u>	<u>\$ 2,415</u>	<u>\$ 7,009</u>	<u>\$ 7,246</u>

Employer contributions

During the nine months ended September 30, 2013, we have made contributions of approximately \$8,582 to the qualified defined benefit plans we sponsor.

Condensed consolidating financial information

Condensed consolidating financial information

9 Months Ended

Sep. 30, 2013

Condensed Consolidating Financial Information [Abstract]

Condensed consolidating financial information

Condensed consolidating financial information

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

The following summarized condensed consolidating balance sheets as of September 30, 2013 and December 31, 2012, condensed consolidating statements of comprehensive income (loss) for the three and nine months ended September 30, 2013 and September 30, 2012 and the condensed consolidating statements of cash flows for the nine months ended September 30, 2013 and September 30, 2012 present separate results for Century, the Guarantor Subsidiaries, the Non-Guarantor Subsidiaries, consolidating adjustments and total consolidated amounts.

This summarized condensed consolidating financial information may not necessarily be indicative of the results of operations, financial position or cash flows had the Company, the Guarantor Subsidiaries or the Non-Guarantor Subsidiaries operated as independent entities.

CONDENSED CONSOLIDATING BALANCE SHEET

	As of September 30, 2013				
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	\$ —	\$ 64,366	\$ 76,435	\$ —	\$ 140,801
Restricted cash	790	2,483	—	—	3,273
Accounts receivable — net	50,157	1,090	—	—	51,247
Due from affiliates	610,588	39,991	2,339,683	(2,965,307)	24,955
Inventories	158,620	72,885	—	—	231,505
Prepaid and other current assets	4,199	31,456	5,053	—	40,708
Deferred taxes — current portion	—	19,726	—	(6)	19,720
Total current assets	824,354	231,997	2,421,171	(2,965,313)	512,209
Investment in subsidiaries	50,696	—	(959,581)	908,885	—
Property, plant and equipment — net	354,595	883,232	1,793	(419)	1,239,201
Due from affiliates — less current portion	—	30,479	—	(30,479)	—
Other assets	17,603	53,596	32,274	4,748	108,221
Total	\$ 1,247,248	\$ 1,199,304	\$ 1,495,657	\$ (2,082,578)	\$ 1,859,631
Liabilities:					
Accounts payable, trade	\$ 66,212	\$ 38,383	\$ 1,355	\$ —	\$ 105,950
Due to affiliates	2,161,803	135,587	202,075	(2,427,726)	71,739
Accrued and other current liabilities	39,678	13,678	17,638	1,927	72,921
Accrued employee benefits costs	13,495	—	3,565	—	17,060
Industrial revenue bonds	7,815	—	—	—	7,815
Current portion of long-term debt	—	—	2,603	—	2,603
Total current liabilities	2,289,003	187,648	227,236	(2,425,799)	278,088
Senior notes payable	—	—	246,442	—	246,442
Revolving credit facility	—	—	16,725	—	16,725
Accrued pension benefit costs — less current portion	29,188	—	30,536	—	59,724
Accrued postretirement benefit costs — less current portion	137,388	—	6,637	—	144,025
Other liabilities/intercompany loan	57,871	572,417	2,560	(595,664)	37,184
Deferred taxes	—	111,922	—	—	111,922
Total noncurrent liabilities	224,447	684,339	302,900	(595,664)	616,022
Shareholders' equity:					
Series A Preferred stock	—	—	1	—	1
Common stock	60	12	935	(72)	935
Additional paid-in capital	370,467	169,493	2,508,456	(539,960)	2,508,456
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(133,371)	(1,640)	(138,680)	135,011	(138,680)
Retained earnings (accumulated deficit)	(1,503,358)	159,452	(1,355,267)	1,343,906	(1,355,267)
Total shareholders' equity	(1,266,202)	327,317	965,521	938,885	965,521
Total	\$ 1,247,248	\$ 1,199,304	\$ 1,495,657	\$ (2,082,578)	\$ 1,859,631

CONDENSED CONSOLIDATING BALANCE SHEET As of December 31, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
Assets:					
Cash and cash equivalents	\$ —	\$ 110,016	\$ 73,960	\$ —	\$ 183,976
Restricted cash	258	—	—	—	258
Accounts receivable — net	38,328	12,339	—	—	50,667
Due from affiliates	604,008	38,328	2,391,249	(2,995,715)	37,870
Inventories	97,847	62,078	—	—	159,925
Prepaid and other current assets	4,421	30,650	8,063	(8,159)	34,975
Deferred taxes — current portion	—	17,799	—	1,927	19,726
Total current assets	744,862	271,210	2,473,272	(3,001,947)	487,397
Investment in subsidiaries	40,335	—	(1,039,141)	998,806	—
Property, plant and equipment — net	313,090	874,559	916	(351)	1,188,214
Due from affiliates — less current portion	—	3,588	—	(3,588)	—
Other assets	17,616	45,474	37,027	598	100,715
Total	<u>\$ 1,115,903</u>	<u>\$ 1,194,831</u>	<u>\$ 1,472,074</u>	<u>\$ (2,006,482)</u>	<u>\$ 1,776,326</u>
Liabilities:					
Accounts payable, trade	\$ 37,301	\$ 37,627	\$ 442	\$ —	\$ 75,370
Due to affiliates	2,098,320	105,945	193,788	(2,358,316)	39,737
Accrued and other current liabilities	13,031	31,332	1,967	(6,231)	40,099
Accrued employee benefits costs	15,926	—	2,757	—	18,683
Industrial revenue bonds	7,815	—	—	—	7,815
Total current liabilities	2,172,393	174,904	198,954	(2,364,547)	181,704
Senior notes payable	—	—	250,582	—	250,582
Accrued pension benefit costs — less current portion	36,087	—	31,791	—	67,878
Accrued postretirement benefit costs — less current portion	137,184	—	5,921	—	143,105
Other liabilities/intercompany loan	65,377	614,585	2,183	(641,983)	40,162
Deferred taxes	—	109,011	—	1,241	110,252
Total noncurrent liabilities	238,648	723,596	290,477	(640,742)	611,979
Shareholders' equity:					
Series A Preferred stock	—	—	1	—	1
Common stock	60	12	933	(72)	933
Additional paid-in capital	303,659	150,743	2,507,454	(454,402)	2,507,454
Treasury stock, at cost	—	—	(49,924)	—	(49,924)
Accumulated other comprehensive loss	(146,862)	(1,525)	(151,192)	148,387	(151,192)
Retained earnings (accumulated deficit)	(1,451,995)	147,101	(1,324,629)	1,304,894	(1,324,629)
Total shareholders' equity	(1,295,138)	296,331	982,643	998,807	982,643
Total	<u>\$ 1,115,903</u>	<u>\$ 1,194,831</u>	<u>\$ 1,472,074</u>	<u>\$ (2,006,482)</u>	<u>\$ 1,776,326</u>

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the three months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 224,571	\$ 46,445	\$ —	\$ —	\$ 271,016
Related parties	71,399	57,513	—	—	128,912
	295,970	103,958	—	—	399,928
Cost of goods sold	303,521	84,053	—	—	387,574
Gross profit (loss)	(7,551)	19,905	—	—	12,354
Other operating expenses — net	2,174	—	—	—	2,174
Selling, general and administrative expenses	10,585	3,837	—	—	14,422
Operating income (loss)	(20,310)	16,068	—	—	(4,242)
Interest expense — third party	(5,406)	—	—	—	(5,406)
Interest expense — affiliates	13,950	(13,950)	—	—	—
Interest income — third party	4	137	—	—	141
Net gain on forward and derivative contracts	440	—	—	—	440
Other income (expense) — net	(25)	238	—	—	213
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(11,347)	2,493	—	—	(8,854)
Income tax benefit (expense)	685	(2,069)	—	—	(1,384)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(10,662)	424	—	—	(10,238)
Equity in earnings (loss) of subsidiaries and joint ventures	(3,108)	731	(9,507)	12,615	731
Net income (loss)	<u>\$ (13,770)</u>	<u>\$ 1,155</u>	<u>\$ (9,507)</u>	<u>\$ 12,615</u>	<u>\$ (9,507)</u>
Other comprehensive income (loss) before income tax effect	\$ 2,093	\$ (46)	\$ 866	\$ (2,047)	\$ 866
Income tax effect	(375)	8	(383)	367	(383)
Other comprehensive income (loss)	1,718	(38)	483	(1,680)	483
Comprehensive income (loss)	<u>\$ (12,052)</u>	<u>\$ 1,117</u>	<u>\$ (9,024)</u>	<u>\$ 10,935</u>	<u>\$ (9,024)</u>

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the three months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 123,525	\$ 46,498	\$ —	\$ —	\$ 170,023
Related parties	75,590	59,022	—	—	134,612
	199,115	105,520	—	—	304,635
Cost of goods sold	210,417	90,968	—	—	301,385
Gross profit (loss)	(11,302)	14,552	—	—	3,250
Other operating expenses – net	7,388	—	—	—	7,388
Selling, general and administrative expenses	7,530	1,652	—	—	9,182
Operating income (loss)	(26,220)	12,900	—	—	(13,320)
Interest expense – third party	(6,041)	—	—	—	(6,041)
Interest expense – affiliates	15,860	(15,860)	—	—	—
Interest income – third party	4	68	—	—	72
Net gain on forward and derivative contracts	(340)	—	—	—	(340)
Other (income) expense – net	(48)	7,696	—	—	7,648
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(16,785)	4,804	—	—	(11,981)
Income tax benefit (expense)	964	(2,132)	—	—	(1,168)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(15,821)	2,672	—	—	(13,149)
Equity in earnings (loss) of subsidiaries and joint ventures	(638)	1,126	(12,023)	12,661	1,126
Net income (loss)	\$ (16,459)	\$ 3,798	\$ (12,023)	\$ 12,661	\$ (12,023)
Other comprehensive income (loss) before income tax effect	\$ 1,339	\$ (47)	\$ 1,556	\$ (1,292)	\$ 1,556
Income tax effect	(4)	9	(382)	(5)	(382)
Other comprehensive income (loss)	1,335	(38)	1,174	(1,297)	1,174
Comprehensive income (loss)	\$ (15,124)	\$ 3,760	\$ (10,849)	\$ 11,364	\$ (10,849)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the nine months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
NET SALES:					
Third-party customers	\$ 535,655	\$ 144,825	\$ —	\$ —	\$ 680,480
Related parties	189,679	182,980	—	—	372,659
	725,334	327,805	—	—	1,053,139
Cost of goods sold	765,101	263,800	—	—	1,028,901
Gross profit (loss)	(39,767)	64,005	—	—	24,238
Other operating expenses – net	6,288	—	—	—	6,288
Selling, general and administrative expenses	35,229	10,646	—	—	45,875
Operating income (loss)	(81,284)	53,359	—	—	(27,925)
Interest expense – third party	(17,706)	—	—	—	(17,706)
Interest expense – affiliates	42,967	(42,967)	—	—	—
Interest income – third party	35	423	—	—	458
Net gain on forward and derivative contracts	16,151	—	—	—	16,151
Gain on bargain purchase	5,253	—	—	—	5,253
Loss on early extinguishment of debt	(3,272)	—	—	—	(3,272)
Other expense – net	(34)	(967)	—	—	(1,001)
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(37,890)	9,848	—	—	(28,042)
Income tax benefit (expense)	(5,099)	385	—	—	(4,714)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(42,989)	10,233	—	—	(32,756)
Equity in earnings (loss) of subsidiaries and joint ventures	(8,374)	2,118	(30,638)	39,012	2,118
Net income (loss)	\$ (51,363)	\$ 12,351	\$ (30,638)	\$ 39,012	\$ (30,638)
Other comprehensive income (loss) before income tax effect	\$ 13,183	\$ (139)	\$ 13,660	\$ (13,044)	\$ 13,660
Income tax effect	(1,123)	25	(1,148)	1,098	(1,148)
Other comprehensive income (loss)	12,060	(114)	12,512	(11,946)	12,512
Comprehensive income (loss)	\$ (39,303)	\$ 12,237	\$ (18,126)	\$ 27,066	\$ (18,126)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the nine months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Reclassifications and Eliminations	Consolidated
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NET SALES:					
Third-party customers	\$ 391,100	\$ 151,784	\$ —	\$ —	\$ 542,884
Related parties	226,589	184,971	—	—	411,560
	617,689	336,755	—	—	954,444
Cost of goods sold	640,650	283,995	—	—	924,645
Gross profit (loss)	(22,961)	52,760	—	—	29,799
Other operating expense – net	14,926	—	—	—	14,926
Selling, general and administrative expenses	23,747	1,045	—	—	24,792
Operating income (loss)	(61,634)	51,715	—	—	(9,919)
Interest expense – third party	(17,966)	—	—	—	(17,966)
Interest expense – affiliates	48,108	(48,108)	—	—	—
Interest income – third party	19	305	—	—	324
Interest income – related parties	—	62	—	—	62
Net gain on forward and derivative contracts	(4,049)	—	—	—	(4,049)
Other income – net	750	7,365	—	—	8,115
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(34,772)	11,339	—	—	(23,433)
Income tax benefit (expense)	279	(7,663)	—	—	(7,384)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(34,493)	3,676	—	—	(30,817)
Equity in earnings (loss) of subsidiaries and joint ventures	(482)	2,116	(28,701)	29,183	2,116
Net income (loss)	\$ (34,975)	\$ 5,792	\$ (28,701)	\$ 29,183	\$ (28,701)
Other comprehensive income (loss) before income tax effect	\$ 4,141	\$ (140)	\$ 4,842	\$ (4,001)	\$ 4,842
Income tax effect	(605)	26	(1,147)	579	(1,147)
Other comprehensive income (loss)	3,536	(114)	3,695	(3,422)	3,695
Comprehensive income (loss)	\$ (31,439)	\$ 5,678	\$ (25,006)	\$ 25,761	\$ (25,006)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2013

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by (used in) operating activities	\$ 54,782	\$ (12,324)	\$ —	\$ 42,458
Investing activities:				
Purchase of property, plant and equipment	(10,400)	(20,408)	(1,186)	(31,994)
Nordural expansion — Helgøvik	—	(2,855)	—	(2,855)
Purchase of carbon anode assets and improvements	—	(8,519)	—	(8,519)
Purchase of Sebree smelter	—	—	(48,058)	(48,058)
Proceeds from sale of property, plant and equipment	10	505	—	515
Restricted and other cash deposits	(532)	(2,483)	—	(3,015)
Net cash used in investing activities	(10,922)	(33,760)	(49,244)	(93,926)
Financing activities:				
Repayment of debt	—	—	(249,604)	(249,604)
Proceeds from issuance of debt	—	—	246,330	246,330
Borrowings under revolving credit facility	—	—	16,725	16,725
Debt issuance costs	—	—	(3,994)	(3,994)
Debt retirement costs	—	—	(1,208)	(1,208)
Intercompany transactions	(43,860)	434	43,426	—
Issuance of common stock — net	—	—	44	44
Net cash provided by (used in) financing activities	(43,860)	434	51,719	8,293
Change in cash and cash equivalents	—	(45,650)	2,475	(43,175)
Cash and cash equivalents, beginning of the period	—	110,016	73,960	183,976
Cash and cash equivalents, end of the period	\$ —	\$ 64,366	\$ 76,435	\$ 140,801

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2012

	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company	Consolidated
Net cash provided by operating activities	\$ 11,824	\$ 9,261	\$ —	\$ 21,085
Investing activities:				
Purchase of property, plant and equipment	(4,102)	(6,219)	(78)	(10,399)
Nordural expansion — Helgøvik	—	(5,474)	—	(5,474)
Purchase of carbon anode assets and improvements	(14,185)	—	—	(14,185)
Investments in and advances to joint ventures	—	—	(275)	(275)
Dividends and payments received on advances to joint ventures	—	—	3,166	3,166
Proceeds from sale of property, plant and equipment	—	89	—	89
Net cash provided by (used in) investing activities	(18,287)	(11,604)	2,813	(27,078)
Financing activities:				
Borrowings under revolving credit facility	—	—	18,076	18,076
Repayments under revolving credit facility	—	—	(18,076)	(18,076)

Intercompany transactions	6,463	(18,822)	12,359	—
Repurchase of common stock	—	—	(4,033)	(4,033)
Net cash provided by (used in) financing activities	<u>6,463</u>	<u>(18,822)</u>	<u>8,326</u>	<u>(4,033)</u>
Change in cash and cash equivalents	—	(21,165)	11,139	(10,026)
Cash and cash equivalents, beginning of the period	—	159,157	24,244	183,401
Cash and cash equivalents, end of the period	<u>\$ —</u>	<u>\$ 137,992</u>	<u>\$ 35,383</u>	<u>\$ 173,375</u>

Subsequent events

Subsequent events

9 Months Ended

Sep. 30, 2013

Subsequent Events [Abstract]

Subsequent events

Subsequent events

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

Conditional WARN Notice issued to Sebree

On November 1, 2013, Century Sebree issued a conditional notice to employees at the Sebree smelter of its intent to curtail all plant operations on January 31, 2014 if Century Sebree cannot secure a competitively priced power contract. Century Sebree is continuing to work with its power provider and regulatory agencies to obtain access to market-priced power prior to the termination of its current power contract on January 31, 2014. The conditional notice was made pursuant to the federal Worker Adjustment and Retraining Notification Act ("WARN"). The WARN notice specifies that the plant will be curtailed unless Century Sebree can gain access to competitively priced power.

Acquisition of Sebree aluminum smelter (Policies)

*Acquisition of Sebree aluminum
smelter (Policies)*

9 Months Ended

Sep. 30, 2013

Business Combinations [Abstract]

Purchase Price Allocation

Purchase Price Allocation

Allocating the purchase price to the acquired assets and liabilities involves management judgment. We allocated the purchase price to the assets acquired, liabilities assumed, and the bargain gain in accordance with Accounting Standards Codification ("ASC") 805 "Business Combinations." Once it has been determined that recognition of an asset or liability in a business combination is appropriate, we measure the asset or liability at fair value in accordance with the principles of ASC 820 "Fair Value Measurements and Disclosures." Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The determination of the fair value of certain intangible assets and/or liabilities requires management judgment in each of the following areas:

- Identifying the acquired intangible assets or liabilities. In the case of the Sebree acquisition, we assumed a power contract liability as the contracted power price was in excess of current market prices.
- Estimating the fair value of the intangible assets and/or liabilities. We consider various approaches to value the acquired intangible assets and/or liabilities. These valuation approaches include the cost approach, which measures the value of an asset based on the cost to reproduce it or replace it with a like asset; the market approach, which values the asset through an analysis of sales and offerings of comparable assets; and the income approach, which measures the value of an asset (or liability) by measuring the present worth of the economic benefits (or costs) it is expected to produce.

Fair value measurements Level 3 Transfers (Policies)

*Fair value measurements Level 3
Transfers (Policies)*

9 Months Ended

Sep. 30, 2013

*Fair Value Level 3 Transfer
Disclosure [Abstract]*

Fair Value Transfer, Policy [Policy
Text Block]

It is our policy to recognize transfers into and transfers out of Level 3 as of the actual date of the event or change in circumstances that caused the transfer.

Acquisition of Sebree aluminum smelter (Tables)

Acquisition of Sebree aluminum smelter (Tables)

9 Months Ended

Sep. 30, 2013

Business Combinations [Abstract]

Schedule of Purchase Price Allocation

The following table summarizes the preliminary estimates of fair value of the assets acquired and the liabilities assumed as of the acquisition date:

	Acquisition Date Estimated Fair Value as of June 1, 2013	Measurement Period Adjustments	Acquisition Date Estimated Fair Value as of September 30, 2013
Consideration:			
Cash (1)	\$ 47,373	\$ 710	\$ 48,083
Assets Acquired:			
Inventories	58,496	522	59,018
Prepaid and other current assets	363	—	363
Property, plant and equipment – net	55,520	—	55,520
Total assets acquired	\$ 114,379	\$ 522	\$ 114,901
Liabilities Assumed:			
Accrued and other current liabilities	\$ 44,121	\$ (805)	\$ 43,316
Accrued pension benefit costs	5,039	(4,043)	996
Accrued post retirement benefit costs	6,544	—	6,544
Other liabilities	8,003	(527)	7,476
Deferred taxes	1,257	1,976	3,233
Total liabilities assumed	\$ 64,964	\$ (3,399)	\$ 61,565
Gain on bargain purchase:	\$ 2,042	\$ 3,211	\$ 5,253

- (1) This amount represents our preliminary estimate of consideration based on our expectation of the working capital adjustments. The working capital adjustments have not yet been finalized.

Sebree Revenue and Net loss since Acquisition Date

Through September 30, 2013, the actual revenue and net loss of Sebree since the acquisition date of June 1, 2013 included in the consolidated statement of operations is as follows:

	Three months ended September 30, 2013	Nine months ended September 30, 2013
Sebree revenue	\$ 101,531	\$ 140,284
Sebree net loss	(1,800)	(2,044)

Business Acquisition, Pro Forma Information

The following unaudited pro forma financial information for the nine months ended September 30, 2013 and three and nine months ended September 30, 2012 reflects our results of continuing operations as if the acquisition of Sebree had been completed on January 1, 2012. This unaudited pro forma financial information is provided for informational purposes only and is not necessarily indicative of what the actual results of operations would have been had the transactions taken place on January 1, 2012, nor is it indicative of the future consolidated results of operations or financial position of the combined companies.

	Three months ended September 30, 2012	Nine months ended September 30, 2012
Pro forma revenues	\$ 410,009	\$ 1,300,869
Pro forma loss from continuing operations	(12,620)	(16,951)
Loss per common share, basic	(0.14)	(0.19)
Loss per common share, diluted	(0.14)	(0.19)

Fair value measurements (Tables)

Fair value measurements (Tables)

9 Months Ended

Sep. 30, 2013

Fair Value Disclosures [Abstract]

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

The following section describes the valuation methodology used to measure our financial assets and liabilities that were accounted for at fair value and are categorized based on the fair value hierarchy described in ASC 820 "Fair Value Measurements."

Overview of Century's valuation methodology

	Level	Significant inputs
Cash equivalents	1	Quoted market prices
Trust assets (1)	1	Quoted market prices
Surety bonds	1	Quoted market prices
E.ON U.S. ("E.ON") contingent obligation	3	Quoted LME forward market, management's estimates of the LME forward market prices for periods beyond the quoted periods and management's estimate of future level of operations at Century Aluminum of Kentucky, our wholly owned subsidiary ("CAKY")
Primary aluminum sales premium contracts	3	Management's estimates of future U.S. Midwest premium and risk-adjusted discount rates
Midwest premium contracts	3	Management's estimates of future U.S. Midwest premium

- (1) Trust assets are currently invested in money market funds. These trust assets are held to fund the non-qualified supplemental executive pension benefit obligations for certain of our officers. The trust has sole authority to invest the funds in secure interest producing investments consisting of short-term securities issued or guaranteed by the United States government or cash and cash equivalents.

Financial assets and liabilities at fair value on a recurring basis

The following table sets forth our financial assets and liabilities that were accounted for at fair value on a recurring basis by the level of input within the ASC 820 fair value hierarchy. As required by GAAP for fair value measurements and disclosures, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and the placement within the fair value hierarchy levels. There were no transfers between Level 1 and 2 during the periods presented. There were no transfers into or out of Level 3 during the periods presented below. It is our policy to recognize transfers into and transfers out of Level 3 as of the actual date of the event or change in circumstances that caused the transfer.

Recurring Fair Value Measurements	As of September 30, 2013			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 119,183	\$ —	\$ —	\$ 119,183
Trust assets (1)	11,588	—	—	11,588
Surety bonds	1,574	—	—	1,574
Midwest premium contracts	—	—	363	363
TOTAL	\$ 132,345	\$ —	\$ 363	\$ 132,708
LIABILITIES:				
E.ON contingent obligation – net (2)	\$ —	\$ —	\$ —	\$ —
Primary aluminum sales contract	—	—	771	771
TOTAL	\$ —	\$ —	\$ 771	\$ 771

- (1) Trust assets are currently invested in money market funds.
 (2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

Recurring Fair Value Measurements	As of December 31, 2012			
	Level 1	Level 2	Level 3	Total
ASSETS:				
Cash equivalents	\$ 168,309	\$ —	\$ —	\$ 168,309
Trust assets (1)	14,254	—	—	14,254
Surety bonds	2,123	—	—	2,123
TOTAL	\$ 184,686	\$ —	\$ —	\$ 184,686
LIABILITIES:				
E.ON contingent obligation – net	\$ —	\$ —	\$ 15,369	\$ 15,369
Primary aluminum sales contract	—	—	1,170	1,170
TOTAL	\$ —	\$ —	\$ 16,539	\$ 16,539

- (1) Trust assets are currently invested in money market funds.

Change in level 3 fair value measurements

		Derivative liabilities – net	
		2013	2012
Change in Level 3 Fair Value Measurements during the three months ended September 30,			
Beginning balance, July 1,		\$ (773)	\$ (16,024)
Total gain (loss) included in earnings		365	(371)
Ending balance, September 30,		<u>\$ (408)</u>	<u>\$ (16,395)</u>
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,		\$ 365	\$ (371)
Change in Level 3 Fair Value Measurements during the nine months ended September 30,			
		Derivative liabilities – net	
		2013	2012
Beginning balance, January 1,		\$ (16,539)	\$ (14,760)
Total gain (loss) included in earnings		16,131	(1,529)
Settlements		—	(106)
Ending balance, September 30,		<u>\$ (408)</u>	<u>\$ (16,395)</u>
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,		\$ 16,131	\$ (1,529)

Derivative and hedging instruments (Tables)

Derivative and hedging instruments (Tables)

9 Months Ended

Sep. 30, 2013

Derivative Instruments and Hedging Activities Disclosure [Abstract]

Fair value of derivative assets and liabilities by balance sheet location

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

Fair Value of Derivatives

	Balance sheet location	September 30, December 31,	
		2013	2012
DERIVATIVE ASSETS:			
Midwest premium contracts (1)	Prepaid and other current assets	\$ 363	\$ —
TOTAL		\$ 363	\$ —
DERIVATIVE LIABILITIES:			
Aluminum sales premium contracts	Accrued and other current liabilities	\$ 771	\$ 1,170
E.ON contingent obligation – net (2)	Other liabilities	—	15,369
TOTAL		\$ 771	\$ 16,539

- (1) We entered into a fixed-price forward contract that settles monthly from January 2014 to March 2014 based on the Midwest Premium price published in the Platts Metals Week for the applicable period.
- (2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See [Note 10 Debt](#) for additional information about the E.ON contingent obligation fair value.

Derivatives not designated as hedging instruments

Derivatives not designated as hedging instruments:

		Gain (loss) recognized in income from derivatives			
		Three months ended September 30,		Nine months ended September 30,	
	Location	2013	2012	2013	2012
E.ON contingent obligation – net	Net gain (loss) on forward and derivative contracts	\$ 353	\$ —	\$ 16,428	\$ —
Midwest premium contracts	Net gain (loss) on forward and derivative contracts	363	—	363	—
Primary aluminum put option contracts	Net gain (loss) on forward and derivative contracts	—	—	—	(2,725)
Aluminum sales premium contracts	Related party sales	278	386	1,039	917
Aluminum sales premium contracts	Net gain (loss) on forward and derivative contracts	(276)	(404)	(640)	(1,389)
E.ON contingent obligation – net	Interest expense – third party	(353)	(353)	(1,059)	(1,059)

Outstanding forward contracts not designated as hedging instruments

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

	September 30, 2013	December 31, 2012
Primary aluminum sales contract premium (metric tons) (1)	5,993	20,400
Midwest premium contracts (metric tons)	6,000	—

- (1) Represents the remaining physical deliveries under the Glencore Metal Agreement.

Earnings per share (Tables)

Earnings per share (Tables)

9 Months Ended

Sep. 30, 2013

Earnings Per Share [Abstract]

Basic and diluted earnings (loss) per share

The following table shows the basic and diluted earnings (loss) per share for the three and nine months ended September 30, 2013 and September 30, 2012:

	For the three months ended September 30,					
	2013			2012		
	Loss	Shares (000)	Per-Share	Loss	Shares (000)	Per-Share
Net loss	\$ (9,507)			\$ (12,023)		
Amount allocated to common shareholders (1)	<u>100%</u>			<u>100%</u>		
Basic EPS:						
Loss allocable to common shareholders	(9,507)	88,611	\$ (0.11)	(12,023)	88,468	\$ (0.14)
Diluted EPS:						
Loss applicable to common shareholders with assumed conversion	<u>\$ (9,507)</u>	<u>88,611</u>	<u>\$ (0.11)</u>	<u>\$ (12,023)</u>	<u>88,468</u>	<u>\$ (0.14)</u>
	For the nine months ended September 30,					
	2013			2012		
	Loss	Shares (000)	Per-Share	Loss	Shares (000)	Per-Share
Net loss	\$ (30,638)			\$ (28,701)		
Amount allocated to common shareholders (1)	<u>100%</u>			<u>100%</u>		
Basic EPS:						
Loss allocable to common shareholders	(30,638)	88,588	\$ (0.35)	(28,701)	88,549	\$ (0.32)
Diluted EPS:						
Loss applicable to common shareholders with assumed conversion	<u>\$ (30,638)</u>	<u>88,588</u>	<u>\$ (0.35)</u>	<u>\$ (28,701)</u>	<u>88,549</u>	<u>\$ (0.32)</u>

(1) We have not allocated net losses between common and preferred shareholders, as the holders of our preferred shares do not have a contractual obligation to share in the loss.

Schedule of Antidilutive Securities Excluded from Computation of Earnings per Share

Antidilutive securities excluded from the calculation of diluted EPS:	Three months ended		Nine months ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
Stock options (1)	620,334	626,334	620,334	626,334
Service-based share awards (1)	573,628	406,070	522,032	382,462

(1) In periods when we report a net loss, all share awards are excluded from the calculation of diluted weighted average stock outstanding because of their antidilutive effect on earnings (loss) per share.

Shareholders' equity (Tables)

Shareholders' equity (Tables)

9 Months Ended

Sep. 30, 2013

Stockholders' Equity Note [Abstract]

Schedule of Stockholders Equity

See Common and Preferred Stock Activity table below for additional information about preferred stock conversions during the period.

Common and Preferred Stock Activity:

	Preferred stock	Common stock	
	Series A convertible	Treasury	Outstanding
Beginning balance as of December 31, 2012	80,283	4,786,521	88,548,637
Conversion of convertible preferred stock	(549)	—	54,825
Issuance for stock compensation plans	—	—	79,469
Ending balance as of September 30, 2013	<u>79,734</u>	<u>4,786,521</u>	<u>88,682,931</u>

Inventories (Tables)

Inventories (Tables)

9 Months Ended

Sep. 30, 2013

Inventory, Net [Abstract]

Schedule of Inventories

Inventories consist of the following:

	September 30, 2013	December 31, 2012
Raw materials	\$ 68,091	\$ 40,725
Work-in-process	22,286	15,259
Finished goods	12,834	9,753
Operating and other supplies	128,294	94,188
Inventories (1)	<u>\$ 231,505</u>	<u>\$ 159,925</u>

- (1) The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See [Note 2 Acquisition of Sebree aluminum smelter](#) for additional information about the Sebree acquisition.

Debt (Tables)*Debt (Tables)***9 Months Ended****Sep. 30, 2013****Debt Disclosure [Abstract]**

Schedule of Debt

The following table provides information about the balance sheet location and gross amounts offset:
Offsetting of financial instruments and derivatives

	Balance sheet location	September 30, 2013	December 31, 2012
E.ON contingent obligation – principal	Other liabilities	\$ (12,902)	\$ (12,902)
E.ON contingent obligation – accrued interest	Other liabilities	(3,526)	(2,467)
E.ON contingent obligation – derivative asset	Other liabilities	16,428	—
		<u>\$ —</u>	<u>\$ (15,369)</u>
		September 30, 2013	December 31, 2012
Debt classified as current liabilities:			
Hancock County industrial revenue bonds ("IRBs") due 2028, interest payable quarterly (variable interest rates (not to exceed 12%)) (1)		\$ 7,815	\$ 7,815
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually		2,603	—
Debt classified as non-current liabilities:			
7.5% senior secured notes payable due June 1, 2021, net of debt discount of \$3,558, interest payable semiannually		246,442	—
8.0% senior secured notes payable due May 15, 2014, net of debt discount of \$1,625, interest payable semiannually		—	247,979
7.5% senior unsecured notes payable due August 15, 2014, interest payable semiannually		—	2,603
E.ON contingent obligation, principal and accrued interest, contingently payable monthly, annual interest rate of 10.94% (2)		—	15,369
Revolving credit facility (3)		16,725	—
TOTAL		<u>\$ 273,585</u>	<u>\$ 273,766</u>

(1) The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at September 30, 2013 was 0.27%.

(2) E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below and [Note 4 Fair value measurements](#) for additional information.

(3) Borrowings under the revolving line of credit bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter.

Schedule of Line of Credit Facilities

Status of our Credit Facility:

	September 30, 2013
Credit Facility maximum amount	\$ 137,500
Borrowing availability, net of outstanding letters of credit	44,255
Outstanding borrowings	16,725
Letter of credit sub-facility amount	80,000
Outstanding letters of credit issued	70,545

Debt Instrument Redemption Rights

Redemption Rights. Prior to June 1, 2016, we may redeem the 7.5% Notes, in whole or in part, at a redemption price equal to 100% of the principal amount plus a make-whole premium, and if redeemed during the twelve-month period beginning on June 1 of the years indicated below, at the following redemption prices plus accrued and unpaid interest:

Year	Percentage
2016	105.625%
2017	103.750%
2018	101.875%
2019 and thereafter	100.000%

Forward delivery contracts and financial instruments (Tables)

Forward delivery contracts and financial instruments (Tables)

9 Months Ended

Sep. 30, 2013

Forward Delivery Contracts and Financial Instruments [Abstract]

Schedule of Forward Physical Delivery Agreements

Forward Physical Delivery Agreements				
Primary Aluminum Sales Contracts				
Contract	Customer	Volume	Term	Pricing
Glencore Metal Agreement (1)	Glencore	20,400 metric tons per year ("mtpy")	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Sweep Agreement (2)	Glencore	Surplus primary aluminum produced in the United States	Through December 31, 2013	Variable, based on U.S. Midwest market
Glencore Nordural Metal Agreement	Glencore	Approximately 19,000 metric tons	Through December 31, 2013	Variable, based on LME
Southwire Metal Agreement (3)	Southwire	220 to 240 million pounds per year (high conductivity molten aluminum)	Through December 31, 2013	Variable, based on U.S. Midwest market
RTA Metal Agreement	Rio Tinto Alcan	Approximately 111,000 metric tons	Through December 31, 2013	Variable, based on U.S. Midwest market

- (1) We account for the Glencore Metal Agreement as a derivative instrument under ASC 815. Under the Glencore Metal Agreement, pricing is based on then-current Midwest market prices, adjusted by a negotiated U.S. Midwest premium with a cap and a floor as applied to the current U.S. Midwest premium.
- (2) The Glencore Sweep Agreement is for all metal produced in the U.S. in 2013, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.
- (3) The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility. Despite reaching power agreements, certain regulatory approvals have not yet been received and CAKY could curtail all smelter operations if these approvals are not ultimately received.

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

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

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

Other forward delivery contracts

	September 30,	
	2013	December 31, 2012
	(in metric tons)	
Other forward delivery contracts – total	32,994	88,827
Other forward delivery contracts – Glencore	1,775	1,811

Supplemental cash flow information (Tables)*Supplemental cash flow information
(Tables)***9 Months Ended****Sep. 30, 2013***Supplemental Cash Flow
Information [Abstract]*

Supplemental Cash Flow Information

	Nine months ended September 30,	
	2013	2012
Cash paid for:		
Interest	\$ 11,293	\$ 10,220
Income/withholding taxes (1)	27,254	33,625
Non-cash investing activities:		
Accrued capital costs	\$ 4,034	\$ 935

- (1) We paid withholding taxes in Iceland of \$18,067 and \$22,633 in the nine months ended September 30, 2013 and 2012, respectively. Our tax payments in Iceland for withholding taxes, income taxes and associated refunds are denominated in Icelandic kronur ("ISK"). We expect to receive refunds of the withholding tax payments in the fourth quarters of 2013 and 2014. See Note 18 Subsequent events for additional information about withholding tax refunds.

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

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

**9 Months Ended
Sep. 30, 2013**

**Asset Retirement Obligation
Disclosure [Abstract]**

**Schedule of Change in Asset
Retirement Obligations**

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

	Nine months ended		Year ended	
	September 30, 2013		December 31, 2012	
Beginning balance, ARO liability	\$	16,124	\$	15,171
Additional ARO liability incurred		1,648		1,166
ARO liabilities settled		(1,493)		(1,380)
Accretion expense		1,334		1,167
Additional ARO liability from Sebree acquisition		10,106		—
Ending balance, ARO liability	\$	<u>27,719</u>	\$	<u>16,124</u>

Components of Accumulated other comprehensive loss (Tables)

Components of Accumulated other comprehensive loss (Tables)

**9 Months Ended
Sep. 30, 2013**

Accumulated Other Comprehensive Income (Loss), Net of Tax [Abstract]

Components of Accumulated Other Comprehensive Loss	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ (139,426)	\$ (153,225)
Equity in investee other comprehensive income (1)	(12,712)	(12,712)
Unrealized loss on financial instruments	(1,017)	(878)
Other comprehensive loss before income tax effect	(153,155)	(166,815)
Income tax effect (2)	14,475	15,623
Accumulated other comprehensive loss	<u>\$ (138,680)</u>	<u>\$ (151,192)</u>

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

(2) The allocation of the income tax effect to the components of other comprehensive income is as follows:

	September 30, 2013	December 31, 2012
Defined benefit plan liabilities	\$ 14,663	\$ 15,784
Equity in investee other comprehensive income	436	488
Unrealized loss on financial instruments	(624)	(649)

Components of net periodic benefit cost (Tables)

Components of net periodic benefit cost (Tables)

9 Months Ended

Sep. 30, 2013

Components of net periodic benefit cost [Abstract]

Schedule of Net Benefit Costs

	Pension Benefits			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 1,686	\$ 701	\$ 3,292	\$ 2,102
Interest cost	2,903	1,717	6,293	5,153
Expected return on plan assets	(3,723)	(1,740)	(7,337)	(5,222)
Amortization of prior service cost	30	34	85	103
Amortization of net loss	723	910	2,428	2,731
Curtailment	—	—	(18)	—
Net periodic benefit cost	<u>\$ 1,619</u>	<u>\$ 1,622</u>	<u>\$ 4,743</u>	<u>\$ 4,867</u>
	Other Postretirement Benefits ("OPEB")			
	Three months ended September 30,		Nine months ended September 30,	
	2013	2012	2013	2012
Service cost	\$ 700	\$ 448	\$ 1,862	\$ 1,343
Interest cost	1,474	1,378	4,230	4,135
Amortization of prior service cost	(998)	(1,063)	(2,997)	(3,188)
Amortization of net loss	1,157	1,652	3,934	4,956
Curtailment	—	—	(20)	—
Net periodic benefit cost	<u>\$ 2,333</u>	<u>\$ 2,415</u>	<u>\$ 7,009</u>	<u>\$ 7,246</u>

Condensed consolidating financial information (Tables)

Condensed consolidating financial information (Tables)

Condensed Financial Information of Parent Company Only Disclosure [Abstract]

Condensed Consolidating Balance Sheet

3 Months Ended

9 Months Ended

12 Months Ended

Sep. 30, 2013

Sep. 30, 2012

Sep. 30, 2013

Sep. 30, 2012

Dec. 31, 2012

CONDENSED CONSOLIDATING BALANCE SHEET

	As of September 30, 2013			
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated
Assets:				
Cash and cash equivalents	\$ —	\$ 64,366	\$ 76,435	\$ —
Restricted cash	790	2,483	—	3,273
Accounts receivable — net	50,157	1,090	—	51,247
Due from affiliates	610,588	39,991	2,339,683	(2,965,307)
Inventories	158,620	72,885	—	231,505
Prepaid and other current assets	4,199	31,456	5,053	40,708
Deferred taxes — current portion	—	19,726	—	(6)
Total current assets	824,354	231,997	2,421,171	(2,965,313)
Investment in subsidiaries	50,696	—	(959,581)	908,885
Property, plant and equipment — net	354,595	883,232	1,793	(419)
Due from affiliates — less current portion	—	30,479	—	(30,479)
Other assets	17,603	53,596	32,274	4,748
Total	\$1,247,248	\$ 1,199,304	\$1,405,657	(2,082,578)
Liabilities:				
Accounts payable, trade	66,212	38,383	1,355	—
Due to affiliates	2,161,803	135,587	202,075	(2,427,726)
Accrued and other current liabilities	39,678	13,678	17,638	1,927
Accrued employee benefits costs	13,495	—	3,565	—
Industrial revenue bonds	7,815	—	—	7,815
Current portion of long-term debt	—	—	2,603	—
Total current liabilities	2,289,003	187,648	227,236	(2,425,799)
Senior notes payable	—	—	246,442	—
Revolving credit facility	—	—	16,725	—
Accrued pension benefit costs — less current portion	29,188	—	30,536	—
Accrued postretirement benefit costs — less current portion	137,388	—	6,637	—
Other liabilities/intercompany loan	57,871	572,417	2,560	(595,664)
Deferred taxes	—	111,922	—	—
Total noncurrent liabilities	224,447	684,339	302,900	(595,664)
Shareholders' equity:				
Series A Preferred stock	—	—	1	—
Common stock	60	12	935	(72)
Additional paid-in capital	370,467	169,493	2,508,456	(539,960)
Treasury stock, at cost	—	—	(49,924)	—
Accumulated other comprehensive loss	(133,371)	(1,640)	(138,680)	135,011
Retained earnings (accumulated deficit)	(1,503,358)	159,452	(1,355,267)	1,343,906
Total shareholders' equity	(1,266,202)	327,317	965,521	938,885
Total	\$1,247,248	\$ 1,199,304	\$1,405,657	(2,082,578)

CONDENSED CONSOLIDATING BALANCE SHEET

	As of December 31, 2012			
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated
Assets:				
Cash and cash equivalents	\$ —	\$ 110,016	\$ 73,960	\$ —
Restricted cash	258	—	—	—
Accounts receivable — net	38,328	12,339	—	—
Due from affiliates	604,008	38,328	2,391,249	(2,965,307)
Inventories	97,847	62,078	—	—
Prepaid and other current assets	4,421	30,650	8,063	—
Deferred taxes — current portion	—	17,799	—	—
Total current assets	744,862	271,210	2,473,272	(3,025,317)
Investment in subsidiaries	40,335	—	(1,039,141)	998,806
Property, plant and equipment — net	313,090	874,559	916	—
Due from affiliates — less current portion	—	3,588	—	—
Other assets	17,616	45,474	37,027	—
Total	\$1,115,903	\$ 1,194,831	\$1,472,074	(2,026,511)
Liabilities:				
Accounts payable, trade	\$ 37,301	\$ 37,627	\$ 442	\$ —
Due to affiliates	2,098,320	105,945	193,788	(2,391,249)
Accrued and other current liabilities	13,031	31,332	1,967	—
Accrued employee benefits costs	15,926	—	2,757	—
Industrial revenue bonds	7,815	—	—	7,815
Total current liabilities	2,172,393	174,904	198,954	(2,391,249)
Senior notes payable	—	—	250,582	—
Accrued pension benefit costs — less current portion	36,087	—	31,791	—
Accrued postretirement benefit costs — less current portion	137,184	—	5,921	—
Other liabilities/intercompany loan	65,377	614,585	2,183	(682,145)
Deferred taxes	—	109,011	—	—
Total noncurrent liabilities	238,648	723,596	290,477	(682,145)
Shareholders' equity:				
Series A Preferred stock	—	—	1	—
Common stock	60	12	933	(72)
Additional paid-in capital	303,659	150,743	2,507,454	(499,960)
Treasury stock, at cost	—	—	(49,924)	—
Accumulated other comprehensive loss	(146,862)	(1,525)	(151,192)	135,011
Retained earnings (accumulated deficit)	(1,451,995)	147,101	(1,324,629)	1,343,906
Total shareholders' equity	(1,295,138)	296,331	982,643	998,806
Total	\$1,115,903	\$ 1,194,831	\$1,472,074	(2,026,511)

Condensed Consolidating Statement of Comprehensive Income (Loss)

	For the three months ended September 30, 2013				For the three months ended September 30, 2012				For the nine months ended September 30, 2013				For the nine months ended September 30, 2012			
	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated	Combined Guarantor Subsidiaries	Combined Non-Guarantor Subsidiaries	The Company and Eliminations	Reclassifications Consolidated
NET SALES:																
Third-party customer Related parties	224,571	46,445	—	—	211,036	46,498	—	—	170,635	655	144,825	—	—	—	—	680,480
Cost of goods sold	295,970	103,958	—	—	399,998	105,520	—	—	304,825	334	327,805	—	—	—	—	1,053,139
Gross profit (loss)	(7,551)	19,905	—	—	(12,435)	40,522	—	—	(3,259)	767	64,005	—	—	—	—	24,238
Other operating expenses — net	2,174	—	—	—	2,174	—	—	—	7,386	288	—	—	—	—	—	6,288
Selling, general and administrative expenses	10,585	3,837	—	—	14,422	1,652	—	—	9,183	229	10,646	—	—	—	—	45,875
Operating income (loss)	(20,310)	16,068	—	—	(4,422)	12,900	—	—	(13,320)	284	53,359	—	—	—	—	(27,925)
Interest expense	(5,406)	—	—	—	(5,406)	—	—	—	(6,447)	706	—	—	—	—	—	(17,706)

						related parties
						Net gain on forward and derivative contracts
						(4,049) — — — (4,049)
						Other income - net
						750 7,365 — — 8,115
						Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures
						(34,772) 11,339 — — (23,433)
						Income tax benefit (expense)
						279 (7,663) — — (7,384)
						Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures
						(34,493) 3,676 — — (30,817)
						Equity in earnings (loss) of subsidiaries and joint ventures
						(482) 2,116 (28,701) 29,183 2,116
						Net income (loss)
						\$ (34,975) \$ 5,792 \$ (28,701) \$ 29,183 \$ (28,701)
						Other comprehensive income (loss) before income tax effect
						\$ 4,141 \$ (140) \$ 4,842 \$ (4,001) \$ 4,842
						Income tax effect
						(605) 26 (1,147) 579 (1,147)
						Other comprehensive income (loss)
						3,536 (114) 3,695 (3,422) 3,695
						Comprehensive income (loss)
						\$ (31,439) \$ 5,678 \$ (25,006) \$ 25,761 \$ (25,006)

Condensed Consolidating Statement of Cash Flows

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2013

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

For the nine months ended September 30, 2012

	Guarantor	Non-Guarantor	Subsidiaries	Combined	Guarantor	Non-Guarantor	Subsidiaries	Combined
Net cash provided by (used in) operating activities	\$ 54,782	(12,328)	—	\$ 42,454	\$ 11,828	9,266	—	\$ 21,094
Investing activities:								
Purchase of property, plant and equipment	(10,400)	(20,408)	1,186	(29,622)	(1,021)	(6,219)	(78)	(10,399)
Nordural expansion	—	—	—	—	—	—	—	—
Helgukvirk purchase of carbon anode assets and improvements	—	(2,855)	(2,855)	(5,710)	—	(5,474)	—	(10,184)
Purchase of assets and improvements	(8,519)	—	(8,519)	(17,038)	(1,185)	—	—	(18,223)
Purchase of Sebree smelter	—	(48,058)	(48,058)	(96,116)	—	(275)	(275)	(96,666)
Proceeds from sale of property, plant and equipment	10	505	515	1,130	—	3,166	3,166	7,461
Restricted and other cash deposits	(532)	(2,483)	(3,015)	(6,030)	—	—	—	(6,030)
Net cash used in investing activities	(10,922)	(33,760)	9,249	(35,433)	(18,287)	(11,602)	813	(29,076)
Financing activities:								
Repayment of debt	—	(249,603)	(249,603)	(499,206)	—	—	—	(499,206)
Proceeds from issuance of debt	—	246,330	246,330	(3,876)	—	(18,076)	(18,076)	(22,952)
Borrowings under revolving credit facility	—	—	—	—	6,463	(18,822)	2,359	(12,000)
Intercompany transactions	—	—	—	—	—	—	—	—
Repurchase of common stock	—	(16,725)	(16,725)	(33,450)	—	(4,033)	(4,033)	(41,483)
Net cash provided by financing activities	—	(3,994)	3,994	—	6,463	(18,822)	2,359	(10,000)

Debt issuance costs			(used in) financing activities	
Debt retirement costs	—	(1,208)	Change in cash and cash equivalents	— (21,165)
Intercompany transactions	(43,860)	43,426	Cash and cash equivalents, beginning of the period	159,152
Issuance of common stock	—	—	Cash and cash equivalents, end of the period	137,993
net	—	44		383,375
Net cash provided by (used in) financing activities	(43,860)	434		51,719
Change in cash and cash equivalents	(45,650)	2,475		(43,175)
Cash and cash equivalents, beginning of the period	—	110,016		3,960
Cash and cash equivalents, end of the period	\$	64,368		76,433

Acquisition of Sebree aluminum smelter (Details) (USD \$)

<i>Acquisition of Sebree aluminum smelter (Details) (USD \$) In Thousands, except Per Share data, unless otherwise specified</i>	1 Months Ended		3 Months Ended		4 Months Ended	9 Months Ended		Jun. 01, 2013
	Jun. 30, 2013	Sep. 30, 2013	Sep. 30, 2012	Sep. 30, 2013	Sep. 30, 2013	Sep. 30, 2012	t	
<i>Business Acquisition [Line Items]</i>								
Purchase price cash paid						\$ 48,058	\$ 0	
Valuation allowance release related to deferred tax assets						2,090		
Gain on bargain purchase		0	0			5,253	0	
Sebree Smelter [Member]								
<i>Business Acquisition [Line Items]</i>								
Sebree Primary Aluminum Capacity								205,000
Purchase price for acquisition								61,000
Purchase price cash paid						48,000		
Target working capital amount								71,000
Gain on bargain purchase	2,042				5,253			
Gain on bargain purchase, Measurement Period Adjustments		3,211						
Cash (1)	47,373 ^[1]				48,083 ^[1]			
Cash, Measurement Period Adjustments		710 ^[1]						
Inventories		59,018			59,018	59,018		58,496
Inventories, Measurement Period Adjustments		522						
Prepaid and other current assets		363			363	363		363
Prepaid and other assets, Measurement Period Adjustments		0						
Property, plant and equipment “ net		55,520			55,520	55,520		55,520
Property, plant, and equipment – net, Measurement Period Adjustments		0						
Total assets acquired		114,901			114,901	114,901		114,379
Total assets acquired, Measurement Period Adjustments		522						
Accrued and other current liabilities		43,316			43,316	43,316		44,121
Accrued and other current liabilities, Measurement Period Adjustments		(805)						
Accrued pension benefit costs		996			996	996		5,039
Accrued pension benefit costs, Measurement Period Adjustments		(4,043)						
Accrued post retirement benefit costs		6,544			6,544	6,544		6,544
Accrued post retirement benefit costs, Measurement Period Adjustments		0						

Other liabilities	7,476	7,476	7,476	8,003
Other liabilities, Measurement Period Adjustments	(527)			
Deferred taxes	3,233	3,233	3,233	1,257
Deferred taxes, Measurement Period Adjustments	1,976			
Total liabilities assumed	61,565	61,565	61,565	64,964
Total liabilities, Measurement Period Adjustments	(3,399)			
Sebree revenue	101,531		140,284	
Sebree net loss	(1,800)		(2,044)	
Pro forma revenues		410,009	1,261,533	1,300,869
Pro forma loss from continuing operations		\$ (12,620)	\$ (57,853)	\$ (16,951)
Loss per common share, basic		\$ (0.14)	\$ (0.65)	\$ (0.19)
Loss per common share, diluted		\$ (0.14)	\$ (0.65)	\$ (0.19)

[1] This amount represents our preliminary estimate of consideration based on our expectation of the working capital adjustments. The working capital adjustments have not yet been finalized.

Acquisition of Sebree aluminum smelter (Employee Headcount) (Details) (Sebree Smelter [Member])

*Acquisition of Sebree aluminum
smelter (Employee Headcount)
(Details) (Sebree Smelter [Member])*

Jun. 01, 2013

Sebree Smelter [Member]

Business Acquisition [Line Items]

Entity Number of Employees

500

Asset purchase (Details) (Carbon Anode Production Facility [Member], USD \$)

*Asset purchase (Details) (Carbon
Anode Production Facility
[Member], USD \$)*

Sep. 30, 2013
t

Jun. 11, 2012

*In Thousands, unless otherwise
specified*

Carbon Anode Production Facility
[Member]

Business Acquisition [Line Items]

Assets Acquired

\$ 12,500

Century Vlissingen Anode capacity

75,000

Fair value measurements (Details) (USD \$)

Fair value measurements (Details) (USD \$) In Thousands, unless otherwise specified	3 Months Ended		9 Months Ended		Sep. 30, 2013 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 1 [Member]	Dec. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 1 [Member]	Sep. 30, 2013 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 2 [Member]	Dec. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 2 [Member]	Sep. 30, 2013 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 3 [Member]	Dec. 31, 2012 Fair Value, Measurements, Recurring [Member] Fair Value, Inputs, Level 3 [Member]		
	Sep. 30, 2013 Derivative Liabilities – Net [Member]	Sep. 30, 2012 Derivative Liabilities – Net [Member]	Sep. 30, 2013 Derivative Liabilities – Net [Member]	Sep. 30, 2012 Derivative Liabilities – Net [Member]								
ASSETS:												
Cash equivalents					\$ 119,183	\$ 168,309	\$ 119,183	\$ 168,309	\$ 0	\$ 0	\$ 0	\$ 0
Trust assets (1)					11,588 ⁽¹⁾	14,254 ⁽¹⁾	11,588 ⁽¹⁾	14,254 ⁽¹⁾	0 ⁽¹⁾	0 ⁽¹⁾	0 ⁽¹⁾	0 ⁽¹⁾
Surety bonds					1,574	2,123	1,574	2,123	0	0	0	0
Midwest premium contracts					363		0		0		363	
TOTAL					<u>132,708</u>	<u>184,686</u>	<u>132,345</u>	<u>184,686</u>	<u>0</u>	<u>0</u>	<u>363</u>	<u>0</u>
LIABILITIES:												
E.ON contingent obligation â€“ net (2)					0 ⁽²⁾	15,369	0 ⁽²⁾	0	0 ⁽²⁾	0	0 ⁽²⁾	15,369
Primary aluminum sales contract					771	1,170	0	0	0	0	771	1,170
TOTAL					<u>771</u>	<u>16,539</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>771</u>	<u>16,539</u>
Level 3 fair value measurements [Roll Forward]												
Beginning balance, January 1,	(773)	(16,024)	(16,539)	(14,760)								
Total gain (loss) included in earnings	365	(371)	16,131	(1,529)								
Settlements	0	0	0	(106)								
Ending balance, September 30,	(408)	(16,395)	(408)	(16,395)								
Amount of gain (loss) included in earnings attributable to the change in unrealized losses relating to assets and liabilities held at September 30,	\$ 365	\$ (371)	\$ 16,131	\$ (1,529)								

(1) Trust assets are currently invested in money market funds.

(2) Based on the LME forward market prices for primary aluminum at September 30, 2013 and management's estimate of the LME forward market for periods beyond the quoted periods, we believe that we will not have any payment obligations for the E.ON contingent obligation through the term of the agreement which expires in 2028. See Note 10 Debt for additional information about the E.ON contingent obligation fair value.

Derivative and hedging instruments (Details) (USD \$)

9
Months
Ended

Derivative and hedging instruments (Details) (USD \$) In Thousands, unless otherwise specified	Sep. 30, 2013	Sep. 30, 2013 Not Designated as Hedging Instrument [Member]	Dec. 31, 2012 Not Designated as Hedging Instrument [Member]	Sep. 30, 2013 Midwest Premium Contracts [Member]	Dec. 31, 2012 Midwest Premium Contracts [Member]	Sep. 30, 2013 Midwest Premium Contracts [Member]	Dec. 31, 2012 Midwest Premium Contracts [Member]	Sep. 30, 2013 Aluminum Sales Premium Contract [Member]	Dec. 31, 2012 Aluminum Sales Premium Contract [Member]	Sep. 30, 2013 E.ON Contingent Obligation [Member]	Dec. 31, 2012 E.ON Contingent Obligation [Member]	Sep. 30, 2013 Primary Aluminum Sales Contract Premium [Member]	Dec. 31, 2012 Primary Aluminum Sales Contract Premium [Member]
<i>Fair value of derivative assets and liabilities by balance sheet location [Abstract]</i>													
DERIVATIVE ASSETS		\$ 363	\$ 0			\$ 363 ^[1]	\$ 0 ^[1]						
DERIVATIVE LIABILITIES		771	16,539					771	1,170	0 ^[2]	15,369 ^[2]		
<i>Outstanding forward contracts not designated as hedging instruments [Abstract]</i>													
Aluminum forward contract outstanding (in metric tons)												5,993 ^[2]	20,400 ^[2]
Midwest premium contracts (in metric tons)				6,000	0								
Accumulated other comprehensive loss to be reclassified to earnings over the next 12-month period	\$ 153												

[1] We entered into a fixed-price forward contract that settles monthly from January 2014 to March 2014 based on the Midwest Premium price published in the Platts Metals Week for the applicable period.
[2] Represents the remaining physical deliveries under the Glencore Metal Agreement.

Derivative and hedging instruments Part 2 (Details) (Not Designated as Hedging Instrument [Member], USD \$)				
<i>Derivative and hedging instruments Part 2 (Details) (Not Designated as Hedging Instrument [Member], USD \$)</i>	3 Months Ended		9 Months Ended	
<i>In Thousands, unless otherwise specified</i>	Sep. 30, 2013	Sep. 30, 2012	Sep. 30, 2013	Sep. 30, 2012
E.ON Contingent Obligation [Member] Net Gain (Loss) on Forward Contracts [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	\$ 353	\$ 0	\$ 16,428	\$ 0
E.ON Contingent Obligation [Member] Interest Expense – Third Party [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	(353)	(353)	(1,059)	(1,059)
Midwest Premium Contracts [Member] Net Gain (Loss) on Forward Contracts [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	363	0	363	0
Primary Aluminum Put Option Contracts [Member] Net Gain (Loss) on Forward Contracts [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	0	0	0	(2,725)
Aluminum Sales Premium Contracts [Member] Net Gain (Loss) on Forward Contracts [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	(276)	(404)	(640)	(1,389)
Aluminum Sales Premium Contracts [Member] Related Party Sales [Member]				
<i>Derivative Instruments, Gain (Loss) [Line Items]</i>				
Gain (loss) recognized in income from derivatives	\$ 278	\$ 386	\$ 1,039	\$ 917

Earnings per share (Details) (USD \$)**Earnings per share (Details) (USD \$)****3 Months Ended****9 Months Ended***In Thousands, except Share data, unless otherwise specified***Sep. 30, 2013****Sep. 30, 2012****Sep. 30, 2013****Sep. 30, 2012****Earnings Per Share [Abstract]**

Net loss	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
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Amount allocated to common shareholders (in hundredths)	100.00% ^[1]	100.00% ^[1]	100.00%	100.00%
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Basic EPS:

Net loss allocated to common shareholders	(9,507)	(12,023)	(30,638)	(28,701)
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Net loss allocable to common shareholders – (in Shares)	88,611,000	88,468,000	88,588,000	88,549,000
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Earnings Per Share, Basic	\$ (0.11)	\$ (0.14)	\$ (0.35)	\$ (0.32)
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Diluted EPS:

Net loss applicable to common shareholders with assumed conversion	\$ (9,507)	\$ (12,023)	\$ (30,638)	\$ (28,701)
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Net loss applicable to common shareholders with assumed conversion – (in Shares)	88,611,000	88,468,000	88,588,000	88,549,000
--	------------	------------	------------	------------

Earnings Per Share, Diluted	\$ (0.11)	\$ (0.14)	\$ (0.35)	\$ (0.32)
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Stock Options [Member]

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

Antidilutive securities excluded from calculation of diluted EPS (in shares)	620,334 ^[2]	626,334 ^[2]	620,334 ^[2]	626,334 ^[2]
--	------------------------	------------------------	------------------------	------------------------

Restricted Stock Units (RSUs)
[Member]**Antidilutive Securities Excluded from Computation of Earnings Per Share [Line Items]**

Antidilutive securities excluded from calculation of diluted EPS (in shares)	573,628 ^[2]	406,070 ^[2]	522,032 ^[2]	382,462 ^[2]
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[1] We have not allocated net losses between common and preferred shareholders, as the holders of our preferred shares do not have a contractual obligation to share in the loss.

[2] In periods when we report a net loss, all share awards are excluded from the calculation of diluted weighted average stock outstanding because of their antidilutive effect on earnings (loss) per share.

Shareholders' equity (Details) (USD \$)

<i>Shareholders' equity (Details) (USD \$)</i>	1 Months Ended	9 Months Ended	26 Months Ended	
<i>In Thousands, except Share data, unless otherwise specified</i>	Aug. 31, 2011	Sep. 30, 2013	Sep. 30, 2013	Dec. 31, 2012
<i>Class of Stock [Line Items]</i>				
Common stock, shares authorized (in shares)		195,000,000	195,000,000	195,000,000
Stock repurchase program, Authorized Amount	\$ 60,000			
Number of shares Treasury stock acquired (in shares)			4,786,521	
Treasury stock acquired, Aggregate purchase price			49,924	
Stock repurchase program, Remaining authorized repurchase amount		\$ 10,076		
Series A Convertible Preferred Stock [Member]				
<i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i>				
Shares, Beginning balance		80,283		
Conversion of convertible preferred stock (in shares)		(549)		
Issuance for stock compensation plans (in shares)		0		
Shares, Ending balance		79,734	79,734	
Treasury Stock [Member]				
<i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i>				
Shares, Beginning balance		4,786,521		
Conversion of convertible preferred stock (in shares)		0		
Issuance for stock compensation plans (in shares)		0		
Shares, Ending balance		4,786,521	4,786,521	
Common Stock [Member]				
<i>Increase (Decrease) in Stockholders' Equity [Roll Forward]</i>				
Shares, Beginning balance		88,548,637		
Conversion of convertible preferred stock (in shares)		54,825		
Issuance for stock compensation plans (in shares)		79,469		
Shares, Ending balance		88,682,931	88,682,931	

Income taxes (Details) (USD \$)

<i>Income taxes (Details) (USD \$)</i>	3 Months Ended		9 Months Ended	
	Sep. 30, 2013	Sep. 30, 2012	Sep. 30, 2013	Sep. 30, 2012
<i>Income Tax Disclosure [Abstract]</i>				
Income tax expense	\$ 1,384,000	\$ 1,168,000	\$ 4,714,000	\$ 7,384,000
Unrecognized Tax Benefits	14,341,000		14,341,000	
Proceeds from Income Tax Refunds			\$ 5,009,000	

Inventories (Details) (USD \$)

*Inventories (Details) (USD \$)
In Thousands, unless otherwise
specified*

Sep. 30, 2013**Dec. 31, 2012*****Inventory, Net [Abstract]***

Raw materials	\$ 68,091	\$ 40,725
Work-in-process	22,286	15,259
Finished goods	12,834	9,753
Operating and other supplies	128,294	94,188
Inventories (1)	<u>\$ 231,505</u> ^[1]	<u>\$ 159,925</u> ^[1]

[1] The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See Note 2 Acquisition of Sebree aluminum smelter for additional information about the Sebree acquisition.

Debt Debt (Details) (USD \$)*Debt Debt (Details) (USD \$)
In Thousands, unless otherwise
specified***9 Months Ended****12 Months Ended****Sep. 30, 2013****Dec. 31, 2012*****Schedule of Debt Instruments [Line
Items]***

Industrial revenue bonds	\$ 7,815	\$ 7,815
Current portion of long-term debt	2,603	0
Revolving credit facility	16,725	0
TOTAL	273,585	273,766

Industrial revenue bonds due 2028
[Member] | Short-term Debt
[Member]

***Schedule of Debt Instruments [Line
Items]***

Debt Instrument, Unamortized Discount	0 [1]	0 [1]
Debt Instrument, Maturity Date	Apr. 01, 2028 [1]	Apr. 01, 2028 [1]
Debt Instrument, Interest Rate, Effective Percentage Rate Range, Maximum	12.00% [1]	12.00% [1]
Industrial revenue bonds	7,815 [1]	7,815 [1]
Debt Instrument, Interest Rate, Stated Percentage	0.27%	
Senior secured notes due June 01, 2021 [Member] Long-term Debt [Member]		

***Schedule of Debt Instruments [Line
Items]***

Debt Instrument, Unamortized Discount	3,558	0
Debt Instrument, Maturity Date	Jun. 01, 2021	
Secured Long-term Debt, Noncurrent	246,442	0
Debt Instrument, Interest Rate, Stated Percentage	7.50%	0.00%
Senior secured notes due May 15, 2014 [Member] Long-term Debt [Member]		

***Schedule of Debt Instruments [Line
Items]***

Debt Instrument, Unamortized Discount	0	1,625
Debt Instrument, Maturity Date		May 15, 2014
Secured Long-term Debt, Noncurrent	0	247,979
Debt Instrument, Interest Rate, Stated Percentage	0.00%	8.00%
Senior unsecured notes due August 15, 2014 [Member]		

Schedule of Debt Instruments [Line Items]

Debt Instrument, Interest Rate, Stated Percentage 7.50%

Senior unsecured notes due August 15, 2014 [Member] | Long-term Debt [Member]

Schedule of Debt Instruments [Line Items]

Debt Instrument, Unamortized Discount 0 0

Debt Instrument, Maturity Date Aug. 15, 2014

Unsecured Long-term Debt, Noncurrent 0 2,603

Debt Instrument, Interest Rate, Stated Percentage 0.00% 7.50%

Senior unsecured notes due August 15, 2014 [Member] | Short-term Debt [Member]

Schedule of Debt Instruments [Line Items]

Debt Instrument, Unamortized Discount 0 0

Debt Instrument, Maturity Date Aug. 15, 2014

Current portion of long-term debt 2,603 0

Debt Instrument, Interest Rate, Stated Percentage 7.50% 0.00%

Contingent obligation [Member]

Schedule of Debt Instruments [Line Items]

E.ON Contingent Obligation 0 (15,369)

Contingent obligation [Member] | Long-term Debt [Member]

Schedule of Debt Instruments [Line Items]

Debt Instrument, Unamortized Discount 0 [2] 0 [2]

Debt Instrument, Maturity Date Dec. 31, 2028 [2] Dec. 31, 2028 [2]

E.ON Contingent Obligation 0 [2] 15,369 [2]

Debt Instrument, Interest Rate, Stated Percentage 10.94% [2] 10.94% [2]

Revolving Credit Facility [Member] | Long-term Debt [Member]

Schedule of Debt Instruments [Line Items]

Debt Instrument, Term 5 years

Revolving credit facility \$ 16,725 [3] \$ 0 [3]

- [1] The IRBs are classified as current liabilities because they are remarketed weekly and could be required to be repaid upon demand if there is a failed remarketing. The IRB interest rate at September 30, 2013 was 0.27%.
- [2] E.ON contingent obligation principal and interest payments are payable based on CAKY's operating level and the LME price for primary aluminum. See E.ON contingent obligation below and Note 4 Fair value measurements for additional information.
- [3] Borrowings under the revolving line of credit bear interest, at our option, at LIBOR or a base rate, plus, in each case, an applicable interest margin. The applicable interest margin is determined based on the average daily availability for the immediately preceding quarter.

Debt Credit Facility (Details) (USD \$)

<i>Debt Credit Facility (Details) (USD \$)</i> <i>In Thousands, unless otherwise specified</i>	Sep. 30, 2013	Dec. 31, 2012	Sep. 30, 2013 Revolving Credit Facility [Member] Long-term Debt [Member]	9 Months Ended Sep. 30, 2013 Letter of Credit [Member] Long-term Debt [Member]
<i>Line of Credit Facility [Line Items]</i>				
Line of Credit Facility, Maximum Borrowing Capacity			\$ 137,500	
Line of Credit Facility, Remaining Borrowing Capacity			44,255	
Line of Credit Facility, Amount Outstanding	16,725	0	16,725	
Line Of Credit Facility Additional Borrowings Under Letter Of Credit Sub Facility				80,000
Letters of Credit Outstanding, Amount				\$ 70,545

Debt 7.5% Notes (Details) (Long-term Debt [Member], Senior secured notes due June 01, 2021 [Member], USD \$)

*Debt 7.5% Notes (Details)
(Long-term Debt [Member], Senior
secured notes due June 01, 2021
[Member], USD \$)
In Thousands, unless otherwise
specified*

9 Months Ended

Sep. 30, 2013

Jun. 04, 2013

Dec. 31, 2012

Long-term Debt [Member] | Senior
secured notes due June 01, 2021
[Member]

Debt Instrument [Line Items]

Debt Instrument, Face Amount

\$ 250,000

Proceeds from Issuance of Debt

\$ 246,330

Debt Instrument, Interest Rate, Stated
Percentage

7.50%

0.00%

Debt Instrument, Collateral, Equity
Interests in Foreign Subsidiaries

65.00%

Debt 7.5% Notes Redemption (Details) (Long-term Debt [Member], Senior secured notes due June 01, 2021 [Member])

*Debt 7.5% Notes Redemption
(Details) (Long-term Debt*

9 Months Ended

*[Member], Senior secured notes due
June 01, 2021 [Member])*

Sep. 30, 2013

***Debt Instrument, Redemption [Line
Items]***

Debt Redemptions Rights After
Change Of Control 101.00%

Debt Instrument, Redemption, Period
One [Member]

***Debt Instrument, Redemption [Line
Items]***

Debt Instrument, Redemption Price,
Percentage 100.00%

Debt Instrument, Redemption, Period
Two [Member]

***Debt Instrument, Redemption [Line
Items]***

Debt Instrument, Redemption Price,
Percentage 105.625%

Debt Instrument, Redemption, Period
Three [Member]

***Debt Instrument, Redemption [Line
Items]***

Debt Instrument, Redemption Price,
Percentage 103.75%

Debt Instrument, Redemption, Period
Four [Member]

***Debt Instrument, Redemption [Line
Items]***

Debt Instrument, Redemption Price,
Percentage 101.875%

Debt Instrument, Redemption, Period
Five [Member]

***Debt Instrument, Redemption [Line
Items]***

Debt Instrument, Redemption Price,
Percentage 100.00%

Debt E.ON Contingent Obligation (Details) (USD \$)

<i>Debt E.ON Contingent Obligation (Details) (USD \$) In Thousands, unless otherwise specified</i>	9 Months Ended		Sep. 30, 2013 Contingent obligation [Member]	Dec. 31, 2012 Contingent obligation [Member]
	Sep. 30, 2013	Sep. 30, 2012		
<i>Debt Instrument [Line Items]</i>				
Unrealized gain (loss) on E.ON obligation	\$ 16,428	\$ 0		
E.ON Contingent Obligation, Principal			(12,902)	(12,902)
E.ON Contingent Obligation, Accrued Interest			(3,526)	(2,467)
E.ON Contingent Obligation, Derivative Asset			16,428	0
E.ON Contingent Obligation			\$ 0	\$ (15,369)

Commitments and contingencies (Details) (USD \$)

	9 Months Ended	147 Months Ended				9 Months Ended	1 Months Ended	45 Months Ended	
<i>Commitments and contingencies (Details) (USD \$)</i>	Sep. 30, 2013	Sep. 30, 2013	Dec. 31, 2012	Dec. 31, 2011 MW	Apr. 30, 2010	Sep. 30, 2013 Logan Kruger [Member]	Sep. 30, 2013 Grundartangi Power Agreement [Member]	Apr. 30, 2013 CAWV Total Pension Contribution over Agreement [Member]	Dec. 31, 2016 CAWV Total Pension Contribution over Agreement [Member]
<i>Environmental Contingencies [Abstract]</i>									
Aggregate environmental-related accrued liabilities	\$ 1,322,000	\$ 1,322,000	\$ 906,000						
Environmental Remediation Expense Minimum Amount Entitling Reimbursement by Third Party	400,000								
Amount expended on hydrocarbon recovery plan under EPA Administrative Order		985,000							
<i>Legal Contingencies [Abstract]</i>									
Damages sought for breach of contract and wrongful termination						20,000,000			
Legal settlement award payment							1,470,000		
<i>PBCG Settlement [Abstract]</i>									
Pension Contributions									17,400,000
Pension Expense							5,900,000		
<i>OR Power Agreement [Abstract]</i>									
Power currently available under the power purchase agreement (in megawatts)				47.5					
Power prepayments	\$ 2,000,000	\$ 2,000,000							
<i>Labor Commitments [Abstract]</i>									
Percentage of U.S. based work force represented by a union (in hundredths)	75.00%	75.00%							
Number of labor unions foreign subsidiary entered into a new labor agreement with					5				
Percentage of foreign work force represented by the labor unions (in hundredths)					84.00%				

Forward delivery contracts and financial instruments (Details)

9 Months Ended

	Sep. 30, 2013 Primary Aluminum Sales Contracts [Member] Glencore Metal Agreement [Member] t	Sep. 30, 2013 Primary Aluminum Sales Contracts [Member] Glencore Sweep Agreement [Member] t	Sep. 30, 2013 Primary Aluminum Sales Contracts [Member] Glencore Nordural Metal Agreement [Member] t	Sep. 30, 2013 Primary Aluminum Sales Contracts [Member] Southwire Metal Agreement [Member] lb	Sep. 30, 2013 Primary Aluminum Sales Contracts [Member] RTA Metal Agreement [Member] t	Sep. 30, 2013 Long-Term Tolling Contracts [Member] Billiton Tolling Agreement [Member] t	Sep. 30, 2013 Long-Term Tolling Contracts [Member] Glencore Toll Agreement 1 [Member] t	Sep. 30, 2013 Long-Term Tolling Contracts [Member] Glencore Toll Agreement 2 [Member] t	Sep. 30, 2013 Other Forward Contracts [Member] t	Dec. 31, 2012 Other Forward Contracts [Member] t	Sep. 30, 2013 Glencore [Member] Other Forward Delivery Contracts [Member] t	Dec. 31, 2012 Glencore [Member] Other Forward Delivery Contracts [Member] t
<i>Supply Commitment [Line Items]</i>												
Customer	Glencore (1)	Glencore (2)	Glencore	Southwire (3)	Rio Tinto Alcan	BHP Billiton (4)	Glencore (4)	Glencore (4)				
Sales Volume Description	20,400 metric tons per year ("mtpy")	Surplus primary aluminum produced in the United States	Approximately 19,000 metric tons	220 to 240 million pounds per year (high conductivity molten aluminum)	Approximately 111,000 metric tons	130,000 mtpy	90,000 mtpy	40,000 mtpy				
Volume maximum (in mtpy, metric tons, and pounds per year)	20,400 (1)		19,000	240,000 (3)	111,000	130,000 (4)	90,000 (4)	40,000 (4)				
Volume minimum (in mtpy, metric tons, and pounds per year)				220,000 (3)								
Term	Through December 31, 2013	Through December 31, 2013	Through December 31, 2013	Through December 31, 2013	Through December 31, 2013	Through December 31, 2013	Through July 31, 2016	Through December 31, 2014				
Pricing	Variable, based on U.S. Midwest market	Variable, based on U.S. Midwest market	Variable, based on LME	Variable, based on U.S. Midwest market	Variable, based on U.S. Midwest market	LME-based	LME-based	LME-based				
Other forward delivery contracts to sell primary aluminum (in metric tons)									32,994	88,827	1,775	1,811

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

[2] The Glencore Sweep Agreement is for all metal produced in the U.S. in 2013, less existing sales agreements and high-purity metal sales. The term of the contract may be extended for one year upon mutual agreement.

[3] The Southwire Metal Agreement contains termination rights in the event of a partial or full curtailment of the Hawesville facility. Despite reaching power agreements, certain regulatory approvals have not yet been received and CAKY could curtail all smelter operations if these approvals are not ultimately received.

[4] Grundartantoll revenues include a premium based on the European Union (EU) import duty for primary aluminum.

Supplemental cash flow information (Details) (USD \$)**Supplemental cash flow information
(Details) (USD \$)****9 Months Ended**

<i>In Thousands, unless otherwise specified</i>	Sep. 30, 2013	Sep. 30, 2012
Interest	\$ 11,293	\$ 10,220
Income/withholding taxes (1)	27,254 ^[1]	33,625 ^[1]
Accrued capital costs	4,034	935
Iceland [Member]		
Income/withholding taxes (1)	\$ 18,067	\$ 22,633

[1] We paid withholding taxes in Iceland of \$18,067 and \$22,633 in the nine months ended September 30, 2013 and 2012, respectively. Our tax payments in Iceland for withholding taxes, income taxes and associated refunds are denominated in Icelandic kronur ("ISK"). We expect to receive refunds of the withholding tax payments in the fourth quarters of 2013 and 2014. See Note 18 Subsequent events for additional information about withholding tax refunds.

Asset retirement obligations (â€œAROâ€) (Details) (USD \$)		
<i>Asset retirement obligations (â€œAROâ€) (Details) (USD \$) In Thousands, unless otherwise specified</i>	9 Months Ended	12 Months Ended
	Sep. 30, 2013	Dec. 31, 2012
<i>Asset Retirement Obligation [Roll Forward]</i>		
Beginning balance, ARO liability	\$ 16,124	\$ 15,171
Additional ARO liability incurred	1,648	1,166
ARO liabilities settled	(1,493)	(1,380)
Accretion expense	1,334	1,167
Additional ARO liability from Sebree acquisition	10,106	0
Ending balance, ARO liability	\$ 27,719	\$ 16,124

Components of Accumulated other comprehensive loss (Details) (USD \$)

Components of Accumulated other comprehensive loss (Details) (USD \$)

In Thousands, unless otherwise specified

Sep. 30, 2013

Dec. 31, 2012

Accumulated Other Comprehensive Income (Loss) [Line Items]

Accumulated Other Comprehensive Income (Loss), before Tax	\$ (153,155)	\$ (166,815)
Income tax effect	14,475 ^[1]	15,623 ^[1]
Accumulated other comprehensive loss	<u>(138,680)</u>	<u>(151,192)</u>

Defined benefit plans liabilities [Member]

Accumulated Other Comprehensive Income (Loss) [Line Items]

Accumulated Other Comprehensive Income (Loss), before Tax	(139,426)	(153,225)
Income tax effect	14,663	15,784

Equity in investee other comprehensive income [Member]

Accumulated Other Comprehensive Income (Loss) [Line Items]

Accumulated Other Comprehensive Income (Loss), before Tax	(12,712) ^[2]	(12,712) ^[2]
Income tax effect	436	488

Unrealized loss on financial instruments [Member]

Accumulated Other Comprehensive Income (Loss) [Line Items]

Accumulated Other Comprehensive Income (Loss), before Tax	(1,017)	(878)
Income tax effect	\$ (624)	\$ (649)

[1] The allocation of the income tax effect to the components of other comprehensive income is as follows: September 30, 2013December 31, 2012Defined benefit plan liabilities\$14,663\$15,784Equity in investee other comprehensive income436488Unrealized loss on financial instruments(624)(649)

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

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

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

3 Months Ended

9 Months Ended

In Thousands, unless otherwise specified

Sep. 30, 2013

Sep. 30, 2012

Sep. 30, 2013

Sep. 30, 2012

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

Employer contributions

\$ 8,582

Other Postretirement Benefit Plans, Defined Benefit [Member]

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

Service cost

700

448

1,862

1,343

Interest cost

1,474

1,378

4,230

4,135

Amortization of prior service costs

(998)

(1,063)

(2,997)

(3,188)

Amortization of net loss

1,157

1,652

3,934

4,956

Curtailement

0

0

(20)

0

Total net periodic benefit cost

2,333

2,415

7,009

7,246

Pension Plans

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

Service cost

1,686

701

3,292

2,102

Interest cost

2,903

1,717

6,293

5,153

Expected return on plan assets

(3,723)

(1,740)

(7,337)

(5,222)

Amortization of prior service costs

30

34

85

103

Amortization of net loss

723

910

2,428

2,731

Curtailement

0

0

(18)

0

Total net periodic benefit cost

\$ 1,619

\$ 1,622

\$ 4,743

\$ 4,867

Condensed consolidating financial information (Details) (USD \$)

*Condensed consolidating financial information (Details) (USD \$)
In Thousands, unless otherwise specified*

3 Months Ended

9 Months Ended

Sep. 30, 2013

Sep. 30, 2012

Sep. 30, 2013

Sep. 30, 2012

Dec. 31, 2012

Guarantor Obligations [Line Items]

Percentage of subsidiary guarantor owned by company (in hundredths)

100.00%

Assets:

Cash and cash equivalents	\$ 140,801	\$ 173,375	\$ 140,801	\$ 173,375	
Restricted cash	3,273		3,273		258
Accounts receivable â€” net	51,247		51,247		50,667
Due from affiliates	24,955		24,955		37,870
Inventories	231,505 ^[1]		231,505 ^[1]		159,925 ^[1]
Prepaid and other current assets	40,708		40,708		34,975
Deferred taxes – current portion	19,720		19,720		19,726
Total current assets	512,209		512,209		487,397
Investment in subsidiaries	0		0		0
Property, plant and equipment â€” net	1,239,201		1,239,201		1,188,214
Due from affiliates â€” less current portion	0		0		0
Other assets	108,221		108,221		100,715
TOTAL	1,859,631		1,859,631		1,776,326

Liabilities and shareholders' equity:

Accounts payable, trade	105,950		105,950		75,370
Due to affiliates	71,739		71,739		39,737
Accrued and other current liabilities	72,921		72,921		40,099
Accrued employee benefits costs	17,060		17,060		18,683
Industrial revenue bonds	7,815		7,815		7,815
Current portion of long-term debt	2,603		2,603		0
Total current liabilities	278,088		278,088		181,704
Senior notes payable	246,442		246,442		250,582
Revolving credit facility	16,725		16,725		0
Accrued pension benefit costs â€” less current portion	59,724		59,724		67,878
Accrued postretirement benefits costs â€” less current portion	144,025		144,025		143,105
Other liabilities/intercompany loan	37,184		37,184		40,162
Deferred taxes	111,922		111,922		110,252
Total noncurrent liabilities	616,022		616,022		611,979

Shareholders' equity:

Series A Preferred stock	1	1	1
Common stock	935	935	933
Additional paid-in capital	2,508,456	2,508,456	2,507,454
Treasury stock, at cost	(49,924)	(49,924)	(49,924)
Accumulated other comprehensive loss	(138,680)	(138,680)	(151,192)
Retained earnings (accumulated deficit)	(1,355,267)	(1,355,267)	(1,324,629)
Total shareholders' equity	965,521	965,521	982,643
Total	1,859,631	1,859,631	1,776,326

Net sales:

Third-party customers	271,016	170,023	680,480	542,884
Related parties	128,912	134,612	372,659	411,560
Sales Revenue " net	399,928	304,635	1,053,139	954,444
Cost of goods sold	387,574	301,385	1,028,901	924,645
Gross profit	12,354	3,250	24,238	29,799
Other operating expenses " net	2,174	7,388	6,288	14,926
Selling, general and administrative expenses	14,422	9,182	45,875	24,792
Operating income (loss)	(4,242)	(13,320)	(27,925)	(9,919)
Interest expense " third party	(5,406)	(6,041)	(17,706)	(17,966)
Interest expense " affiliates	0	0	0	0
Interest income " third party	141	72	458	324
Interest income " affiliates	0	0	0	62
Net gain on forward and derivative contracts	440	(340)	16,151	(4,049)
Gain on bargain purchase	0	0	5,253	0
Loss on early extinguishment of debt	0	0	(3,272)	0
Other income (expense) " net	213	7,648	(1,001)	8,115
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(8,854)	(11,981)	(28,042)	(23,433)
Income tax expense	(1,384)	(1,168)	(4,714)	(7,384)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(10,238)	(13,149)	(32,756)	(30,817)
Equity in earnings (loss) of subsidiaries and joint ventures	731	1,126	2,118	2,116
Net loss	(9,507)	(12,023)	(30,638)	(28,701)
Other comprehensive income before income tax effect	866	1,556	13,660	4,842
Income tax effect	(383)	(382)	(1,148)	(1,147)
Other comprehensive income (loss)	483	1,174	12,512	3,695
Comprehensive income (loss)	(9,024)	(10,849)	(18,126)	(25,006)

**CONDENSED CONSOLIDATING
STATEMENT OF CASH FLOWS**

Net cash provided by (used in) operating activities			42,458	21,085
Purchase of property, plant and equipment			(31,994)	(10,399)
Nordural expansion â€” Helguvik			(2,855)	(5,474)
Purchase of carbon anode assets and improvements			(8,519)	(14,185)
Purchase of Sebree smelter			(48,058)	0
Investments in and advances to joint ventures			0	(275)
Dividends and payments received on advances to joint ventures			0	3,166
Proceeds from sale of property, plant and equipment			515	89
Restricted and other cash deposits			(3,015)	0
Net cash used in investing activities			(93,926)	(27,078)
Financing activities:				
Repayment of debt			(249,604)	0
Proceeds from issuance of debt			246,330	0
Borrowings under revolving credit facility			16,725	18,076
Repayments under revolving credit facility			0	(18,076)
Debt issuance costs			(3,994)	0
Debt retirement costs			1,208	0
Intercompany transactions			0	0
Repurchase of common stock			0	(4,033)
Issuance of common stock â€” net			44	0
Net cash provided by (used in) financing activities			8,293	(4,033)
Change in cash and cash equivalents			(43,175)	(10,026)
Cash and cash equivalents, beginning of the period			183,976	183,401
Cash and cash equivalents, end of the period	140,801	173,375	140,801	173,375
Senior unsecured notes due August 15, 2014 [Member]				
Guarantor Obligations [Line Items]				
Interest rate (in hundredths)	7.50%		7.50%	
Combined Guarantor Subsidiaries [Member]				
Assets:				
Cash and cash equivalents	0	0	0	0
Restricted cash	790		790	

Accounts receivable â€” net	50,157	50,157	38,328
Due from affiliates	610,588	610,588	604,008
Inventories	158,620	158,620	97,847
Prepaid and other current assets	4,199	4,199	4,421
Deferred taxes – current portion	0	0	0
Total current assets	824,354	824,354	744,862
Investment in subsidiaries	50,696	50,696	40,335
Property, plant and equipment â€” net	354,595	354,595	313,090
Due from affiliates â€” less current portion	0	0	0
Other assets	17,603	17,603	17,616
TOTAL	1,247,248	1,247,248	1,115,903
<i>Liabilities and shareholders' equity:</i>			
Accounts payable, trade	66,212	66,212	37,301
Due to affiliates	2,161,803	2,161,803	2,098,320
Accrued and other current liabilities	39,678	39,678	13,031
Accrued employee benefits costs	13,495	13,495	15,926
Industrial revenue bonds	7,815	7,815	7,815
Current portion of long–term debt	0	0	
Total current liabilities	2,289,003	2,289,003	2,172,393
Senior notes payable	0	0	0
Revolving credit facility	0	0	
Accrued pension benefit costs â€” less current portion	29,188	29,188	36,087
Accrued postretirement benefits costs â€” less current portion	137,388	137,388	137,184
Other liabilities/intercompany loan	57,871	57,871	65,377
Deferred taxes	0	0	0
Total noncurrent liabilities	224,447	224,447	238,648
<i>Shareholders' equity:</i>			
Series A Preferred stock	0	0	0
Common stock	60	60	60
Additional paid–in capital	370,467	370,467	303,659
Treasury stock, at cost	0	0	0
Accumulated other comprehensive loss	(133,371)	(133,371)	(146,862)
Retained earnings (accumulated deficit)	(1,503,358)	(1,503,358)	(1,451,995)
Total shareholdersâ€™ equity	(1,266,202)	(1,266,202)	(1,295,138)
Total	1,247,248	1,247,248	1,115,903
<i>Net sales:</i>			
Third–party customers	224,571	123,525	535,655
			391,100

Related parties	71,399	75,590	189,679	226,589
Sales Revenue â€“ net	295,970	199,115	725,334	617,689
Cost of goods sold	303,521	210,417	765,101	640,650
Gross profit	(7,551)	(11,302)	(39,767)	(22,961)
Other operating expenses â€“ net	2,174	7,388	6,288	14,926
Selling, general and administrative expenses	10,585	7,530	35,229	23,747
Operating income (loss)	(20,310)	(26,220)	(81,284)	(61,634)
Interest expense â€“ third party	(5,406)	(6,041)	(17,706)	(17,966)
Interest expense â€“ affiliates	13,950	15,860	42,967	48,108
Interest income â€“ third party	4	4	35	19
Interest income â€“ affiliates				0
Net gain on forward and derivative contracts	440	(340)	16,151	(4,049)
Gain on bargain purchase			5,253	
Loss on early extinguishment of debt			(3,272)	
Other income (expense) â€“ net	(25)	(48)	(34)	750
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	(11,347)	(16,785)	(37,890)	(34,772)
Income tax expense	685	964	(5,099)	279
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	(10,662)	(15,821)	(42,989)	(34,493)
Equity in earnings (loss) of subsidiaries and joint ventures	(3,108)	(638)	(8,374)	(482)
Net loss	(13,770)	(16,459)	(51,363)	(34,975)
Other comprehensive income before income tax effect	2,093	1,339	13,183	4,141
Income tax effect	(375)	(4)	(1,123)	(605)
Other comprehensive income (loss)	1,718	1,335	12,060	3,536
Comprehensive income (loss)	(12,052)	(15,124)	(39,303)	(31,439)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

Net cash provided by (used in) operating activities			54,782	11,824
Purchase of property, plant and equipment			(10,400)	(4,102)
Nordural expansion â€” Helguvik			0	0
Purchase of carbon anode assets and improvements			0	(14,185)
Purchase of Sebree smelter			0	
Investments in and advances to joint ventures				0
Dividends and payments received on advances to joint ventures				0

Proceeds from sale of property, plant and equipment	10	0
Restricted and other cash deposits	(532)	
Net cash used in investing activities	(10,922)	(18,287)

Financing activities:

Repayment of debt	0	
Proceeds from issuance of debt	0	
Borrowings under revolving credit facility	0	0
Repayments under revolving credit facility		0
Debt issuance costs	0	
Debt retirement costs	0	
Intercompany transactions	(43,860)	6,463
Repurchase of common stock		0
Issuance of common stock " net	0	
Net cash provided by (used in) financing activities	(43,860)	6,463
Change in cash and cash equivalents	0	0
Cash and cash equivalents, beginning of the period	0	0
Cash and cash equivalents, end of the period	0	0

Combined Non-Guarantor Subsidiaries [Member]

Assets:

Cash and cash equivalents	64,366	137,992	64,366	137,992
Restricted cash	2,483		2,483	0
Accounts receivable " net	1,090		1,090	12,339
Due from affiliates	39,991		39,991	38,328
Inventories	72,885		72,885	62,078
Prepaid and other current assets	31,456		31,456	30,650
Deferred taxes – current portion	19,726		19,726	17,799
Total current assets	231,997		231,997	271,210
Investment in subsidiaries	0		0	0
Property, plant and equipment " net	883,232		883,232	874,559
Due from affiliates " less current portion	30,479		30,479	3,588
Other assets	53,596		53,596	45,474
TOTAL	1,199,304		1,199,304	1,194,831

Liabilities and shareholders' equity:

Accounts payable, trade	38,383		38,383	37,627
Due to affiliates	135,587		135,587	105,945

Accrued and other current liabilities	13,678		13,678	31,332
Accrued employee benefits costs	0		0	0
Industrial revenue bonds	0		0	0
Current portion of long-term debt	0		0	
Total current liabilities	187,648		187,648	174,904
Senior notes payable	0		0	0
Revolving credit facility	0		0	
Accrued pension benefit costs â€” less current portion	0		0	0
Accrued postretirement benefits costs â€” less current portion	0		0	0
Other liabilities/intercompany loan	572,417		572,417	614,585
Deferred taxes	111,922		111,922	109,011
Total noncurrent liabilities	684,339		684,339	723,596
Shareholders' equity:				
Series A Preferred stock	0		0	0
Common stock	12		12	12
Additional paid-in capital	169,493		169,493	150,743
Treasury stock, at cost	0		0	0
Accumulated other comprehensive loss	(1,640)		(1,640)	(1,525)
Retained earnings (accumulated deficit)	159,452		159,452	147,101
Total shareholders' equity	327,317		327,317	296,331
Total	1,199,304		1,199,304	1,194,831
Net sales:				
Third-party customers	46,445	46,498	144,825	151,784
Related parties	57,513	59,022	182,980	184,971
Sales Revenue â€” net	103,958	105,520	327,805	336,755
Cost of goods sold	84,053	90,968	263,800	283,995
Gross profit	19,905	14,552	64,005	52,760
Other operating expenses â€” net	0	0	0	0
Selling, general and administrative expenses	3,837	1,652	10,646	1,045
Operating income (loss)	16,068	12,900	53,359	51,715
Interest expense â€” third party	0	0	0	0
Interest expense â€” affiliates	(13,950)	(15,860)	(42,967)	(48,108)
Interest income â€” third party	137	68	423	305
Interest income â€” affiliates				62
Net gain on forward and derivative contracts	0	0	0	0
Gain on bargain purchase			0	

Loss on early extinguishment of debt			0	
Other income (expense) â€“ net	238	7,696	(967)	7,365
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	2,493	4,804	9,848	11,339
Income tax expense	(2,069)	(2,132)	385	(7,663)
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	424	2,672	10,233	3,676
Equity in earnings (loss) of subsidiaries and joint ventures	731	1,126	2,118	2,116
Net loss	1,155	3,798	12,351	5,792
Other comprehensive income before income tax effect	(46)	(47)	(139)	(140)
Income tax effect	8	9	25	26
Other comprehensive income (loss)	(38)	(38)	(114)	(114)
Comprehensive income (loss)	1,117	3,760	12,237	5,678

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS

Net cash provided by (used in) operating activities			(12,324)	9,261
Purchase of property, plant and equipment			(20,408)	(6,219)
Nordural expansion â€” Helguvik			(2,855)	(5,474)
Purchase of carbon anode assets and improvements			(8,519)	0
Purchase of Sebree smelter			0	
Investments in and advances to joint ventures				0
Dividends and payments received on advances to joint ventures				0
Proceeds from sale of property, plant and equipment			505	89
Restricted and other cash deposits			(2,483)	
Net cash used in investing activities			(33,760)	(11,604)

Financing activities:

Repayment of debt			0	
Proceeds from issuance of debt			0	
Borrowings under revolving credit facility			0	0
Repayments under revolving credit facility				0
Debt issuance costs			0	
Debt retirement costs			0	
Intercompany transactions			434	(18,822)
Repurchase of common stock				0

Issuance of common stock â€” net			0	
Net cash provided by (used in) financing activities			434	(18,822)
Change in cash and cash equivalents			(45,650)	(21,165)
Cash and cash equivalents, beginning of the period			110,016	159,157
Cash and cash equivalents, end of the period	64,366	137,992	64,366	137,992
Century Aluminum Company [Member]				
Assets:				
Cash and cash equivalents	76,435	35,383	76,435	35,383
Restricted cash	0		0	0
Accounts receivable â€” net	0		0	0
Due from affiliates	2,339,683		2,339,683	2,391,249
Inventories	0		0	0
Prepaid and other current assets	5,053		5,053	8,063
Deferred taxes – current portion	0		0	0
Total current assets	2,421,171		2,421,171	2,473,272
Investment in subsidiaries	(959,581)		(959,581)	(1,039,141)
Property, plant and equipment â€” net	1,793		1,793	916
Due from affiliates â€” less current portion	0		0	0
Other assets	32,274		32,274	37,027
TOTAL	<u>1,495,657</u>	<u>137,992</u>	<u>1,495,657</u>	<u>1,472,074</u>
Liabilities and shareholders' equity:				
Accounts payable, trade	1,355		1,355	442
Due to affiliates	202,075		202,075	193,788
Accrued and other current liabilities	17,638		17,638	1,967
Accrued employee benefits costs	3,565		3,565	2,757
Industrial revenue bonds	0		0	0
Current portion of long-term debt	2,603		2,603	
Total current liabilities	227,236		227,236	198,954
Senior notes payable	246,442		246,442	250,582
Revolving credit facility	16,725		16,725	
Accrued pension benefit costs â€” less current portion	30,536		30,536	31,791
Accrued postretirement benefits costs â€” less current portion	6,637		6,637	5,921
Other liabilities/intercompany loan	2,560		2,560	2,183
Deferred taxes	0		0	0
Total noncurrent liabilities	302,900		302,900	290,477
Shareholders' equity:				

Series A Preferred stock	1	1	1
Common stock	935	935	933
Additional paid-in capital	2,508,456	2,508,456	2,507,454
Treasury stock, at cost	(49,924)	(49,924)	(49,924)
Accumulated other comprehensive loss	(138,680)	(138,680)	(151,192)
Retained earnings (accumulated deficit)	(1,355,267)	(1,355,267)	(1,324,629)
Total shareholders' equity	965,521	965,521	982,643
Total	1,495,657	1,495,657	1,472,074

Net sales:

Third-party customers	0	0	0	0
Related parties	0	0	0	0
Sales Revenue " net	0	0	0	0
Cost of goods sold	0	0	0	0
Gross profit	0	0	0	0
Other operating expenses " net	0	0	0	0
Selling, general and administrative expenses	0	0	0	0
Operating income (loss)	0	0	0	0
Interest expense " third party	0	0	0	0
Interest expense " affiliates	0	0	0	0
Interest income " third party	0	0	0	0
Interest income " affiliates				0
Net gain on forward and derivative contracts	0	0	0	0
Gain on bargain purchase			0	
Loss on early extinguishment of debt			0	
Other income (expense) " net	0	0	0	0
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	0	0	0	0
Income tax expense	0	0	0	0
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	0	0	0	0
Equity in earnings (loss) of subsidiaries and joint ventures	(9,507)	(12,023)	(30,638)	(28,701)
Net loss	(9,507)	(12,023)	(30,638)	(28,701)
Other comprehensive income before income tax effect	866	1,556	13,660	4,842
Income tax effect	(383)	(382)	(1,148)	(1,147)
Other comprehensive income (loss)	483	1,174	12,512	3,695
Comprehensive income (loss)	(9,024)	(10,849)	(18,126)	(25,006)

**CONDENSED CONSOLIDATING
STATEMENT OF CASH FLOWS**

Net cash provided by (used in) operating activities			0	0
Purchase of property, plant and equipment			(1,186)	(78)
Nordural expansion â€” Helguvik			0	0
Purchase of carbon anode assets and improvements			0	0
Purchase of Sebree smelter			(48,058)	
Investments in and advances to joint ventures				(275)
Dividends and payments received on advances to joint ventures				3,166
Proceeds from sale of property, plant and equipment			0	0
Restricted and other cash deposits			0	
Net cash used in investing activities			(49,244)	2,813
Financing activities:				
Repayment of debt			(249,604)	
Proceeds from issuance of debt			246,330	
Borrowings under revolving credit facility			16,725	18,076
Repayments under revolving credit facility				(18,076)
Debt issuance costs			(3,994)	
Debt retirement costs			1,208	
Intercompany transactions			43,426	12,359
Repurchase of common stock				(4,033)
Issuance of common stock â€” net			44	
Net cash provided by (used in) financing activities			51,719	8,326
Change in cash and cash equivalents			2,475	11,139
Cash and cash equivalents, beginning of the period			73,960	24,244
Cash and cash equivalents, end of the period	76,435	35,383	76,435	35,383
Reclassifications and Eliminations [Member]				
Assets:				
Cash and cash equivalents	0		0	
Restricted cash	0		0	0
Accounts receivable â€” net	0		0	0
Due from affiliates	(2,965,307)		(2,965,307)	(2,995,715)
Inventories	0		0	0

Prepaid and other current assets	0	0	(8,159)
Deferred taxes – current portion	(6)	(6)	1,927
Total current assets	(2,965,313)	(2,965,313)	(3,001,947)
Investment in subsidiaries	908,885	908,885	998,806
Property, plant and equipment – net	(419)	(419)	(351)
Due from affiliates – less current portion	(30,479)	(30,479)	(3,588)
Other assets	4,748	4,748	598
TOTAL	<u>(2,082,578)</u>	<u>(2,082,578)</u>	<u>(2,006,482)</u>

Liabilities and shareholders' equity:

Accounts payable, trade	0	0	0
Due to affiliates	(2,427,726)	(2,427,726)	(2,358,316)
Accrued and other current liabilities	1,927	1,927	(6,231)
Accrued employee benefits costs	0	0	0
Industrial revenue bonds	0	0	0
Current portion of long-term debt	0	0	
Total current liabilities	(2,425,799)	(2,425,799)	(2,364,547)
Senior notes payable	0	0	0
Revolving credit facility	0	0	
Accrued pension benefit costs – less current portion	0	0	0
Accrued postretirement benefits costs – less current portion	0	0	0
Other liabilities/intercompany loan	(595,664)	(595,664)	(641,983)
Deferred taxes	0	0	1,241
Total noncurrent liabilities	(595,664)	(595,664)	(640,742)

Shareholders' equity:

Series A Preferred stock	0	0	0
Common stock	(72)	(72)	(72)
Additional paid-in capital	(539,960)	(539,960)	(454,402)
Treasury stock, at cost	0	0	0
Accumulated other comprehensive loss	135,011	135,011	148,387
Retained earnings (accumulated deficit)	1,343,906	1,343,906	1,304,894
Total shareholders' equity	938,885	938,885	998,807
Total	<u>(2,082,578)</u>	<u>(2,082,578)</u>	<u>(2,006,482)</u>

Net sales:

Third-party customers	0	0	0
Related parties	0	0	0
Sales Revenue – net	0	0	0
Cost of goods sold	0	0	0

Gross profit	0	0	0	0
Other operating expenses â€“ net	0	0	0	0
Selling, general and administrative expenses	0	0	0	0
Operating income (loss)	0	0	0	0
Interest expense â€“ third party	0	0	0	0
Interest expense â€“ affiliates	0	0	0	0
Interest income â€“ third party	0	0	0	0
Interest income â€“ affiliates				0
Net gain on forward and derivative contracts	0	0	0	0
Gain on bargain purchase			0	
Loss on early extinguishment of debt			0	
Other income (expense) â€“ net	0	0	0	0
Income (loss) before income taxes and equity in earnings (loss) of subsidiaries and joint ventures	0	0	0	0
Income tax expense	0	0	0	0
Income (loss) before equity in earnings (loss) of subsidiaries and joint ventures	0	0	0	0
Equity in earnings (loss) of subsidiaries and joint ventures	12,615	12,661	39,012	29,183
Net loss	12,615	12,661	39,012	29,183
Other comprehensive income before income tax effect	(2,047)	(1,292)	(13,044)	(4,001)
Income tax effect	367	(5)	1,098	579
Other comprehensive income (loss)	(1,680)	(1,297)	(11,946)	(3,422)
Comprehensive income (loss)	10,935	11,364	27,066	25,761
<i>Financing activities:</i>				
Cash and cash equivalents, beginning of the period			0	
Cash and cash equivalents, end of the period	\$ 0		\$ 0	

[1] The balance at September 30, 2013 includes inventory maintained at the recently acquired Sebree smelter. See Note 2 Acquisition of Sebree aluminum smelter for additional information about the Sebree acquisition.

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