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Alrosa Raises Diamond Production by 6%

By The Moscow Times

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The world's largest diamond minor Alrosa has increased diamond production by 6 percent in comparison to the same period last year due to development of new mines, Kommersant reported Tuesday, quoting the company's official news release.

According to data published on the firm's site, diamond production for the first few months of 2014 reached 7.9 million carats mainly due to diamonds, which were recovered in the new mines Yubileynaya, Aikhal and Internatsionalny. However, complicated geological conditions have lead to a slowdown in the development of older sites like Mir and Udachnaya.

Alrosa has also made its financial statement public. According to preliminary data, the sales revenues of the firm for the first quarter of 2014 reached $1.5 billion, which is a 24 percent rise in comparison to the same period last year. Alrosa sold 12.7 million carats during this period. In 2013 the company's net profit fell by 5 percent to 31.8 billion rubles ($900 million) year-on year.

Earlier this year the firm was less optimistic. Alrosa predicted that diamond production would

be at the level of 36 million carats, which is a slightly less then last year's level of 36.9 million carats. The firm now predicts that the amount of diamond sales will stay the same as last year and production will reach 38 million carats.

Alrosa's share in global diamond production is nearly 27 percent. The company is a state-run firm, 44 percent owned directly by the government and another 25 percent owned by the government of the republic of Sakha.

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