



Aluminium
for the world



INVESTOR RELATIONS PRESENTATION

Q3 2016



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INDUSTRY HIGHLIGHTS





Industry Highlights - Q3 2016

Global Physical Demand Remains Firm

- 🪐 World consumption up by +5% YoY
- 🪐 Asian demand up by 6% YoY supported by Chinese Consumption (+7% YoY) on the back of solid growth in construction, transport and electrical sectors
- 🪐 MENA demand remains healthy (+6.5% YoY) - driven by infrastructure spending in Saudi Arabia (+20% YoY)
- 🪐 Europe consumption up by 2% YoY fuelled by good demand in transport and packaging sectors
- 🪐 North America demand almost flat (1.5% YoY) supported by the building and construction sectors





Industry Highlights - Q3 2016

Production Evolution

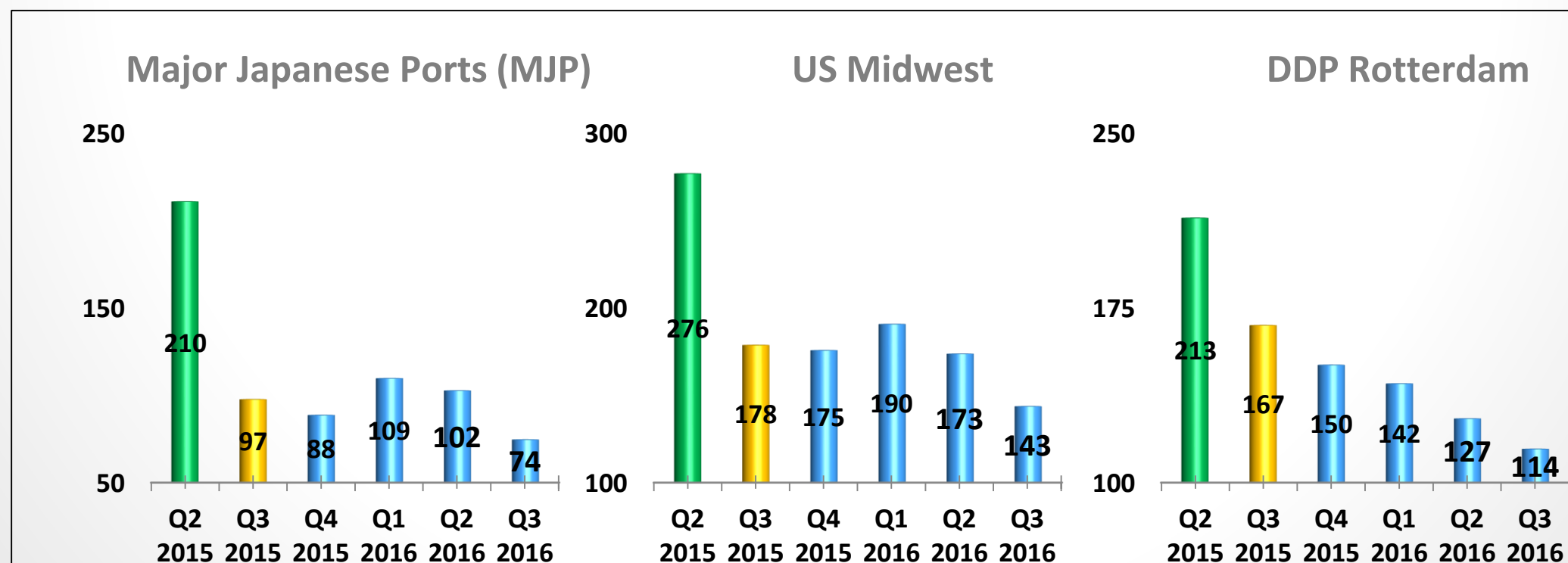
- 🪐 World production up by 3% YoY
- 🪐 Asia output up by 5% YoY, supported by Chinese output (+4% YoY) due to smelters restarts and new smelter ramp-ups
- 🪐 North America production dropped by 11% YoY due to smelters closures as a result of high energy cost and low LME prices
- 🪐 World market in deficit with China (-268 Kt) & (-231 Kt) without China



Industry Highlights - Q3 2016

LME & Premiums

- 🪐 LME inventories at 2.1 million metric tonnes in September
- 🪐 3Q16 cash-average was \$1,620/t with LME ranging between \$1,546/t on September 12 and \$1,691/t on August 18
- 🪐 Physical premiums prices continue to float at lower range (\$/t)



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ALBA HIGHLIGHTS



Alba Highlights - Q3 2016

Operational Highlights & Achievements

- 🚀 Launch Safety Campaign 'Safety at the Heart of Alba'
- 🚀 Alba was able to increase its sales volume by 3.1% YoY while production was up by 2.4% YoY
- 🚀 Value-Added Sales averaged 58% of total shipments in Q3
- 🚀 Project Titan Phase II on track with Year To Date (YTD) savings of \$56 per mt
- 🚀 Line 6 update:
 - Successful closing US\$1.5 billion syndicated term-loan facility
 - Award PS5 EPC contract to GE and GAMA Consortium
 - Award L6 Power Distribution System (PDS) to Siemens



Alba Highlights – Q3 & YTD 2016

Financial Key Performance Indicators

- 🪐 **Adjusted EBITDA up in Q3 thanks to saving in Titan - Phase II**
 - 🪐 Q3: US\$87 million up by 21% YoY
 - 🪐 YTD: US\$241 million down by 30% YoY
- 🪐 **Adjusted Net Income up driven by higher EBITDA levels in Q3**
 - 🪐 Q3: US\$38 million up by 81% YoY
 - 🪐 YTD: US\$93 million down by 51% YoY
- 🪐 **Q3 2016 Free-Cash Flow unfavourable due to Line 6 CAPEX spending**
 - 🪐 Q3: US\$-46 million down by 139% YoY
 - 🪐 YTD: US\$41 million down by 84% YoY

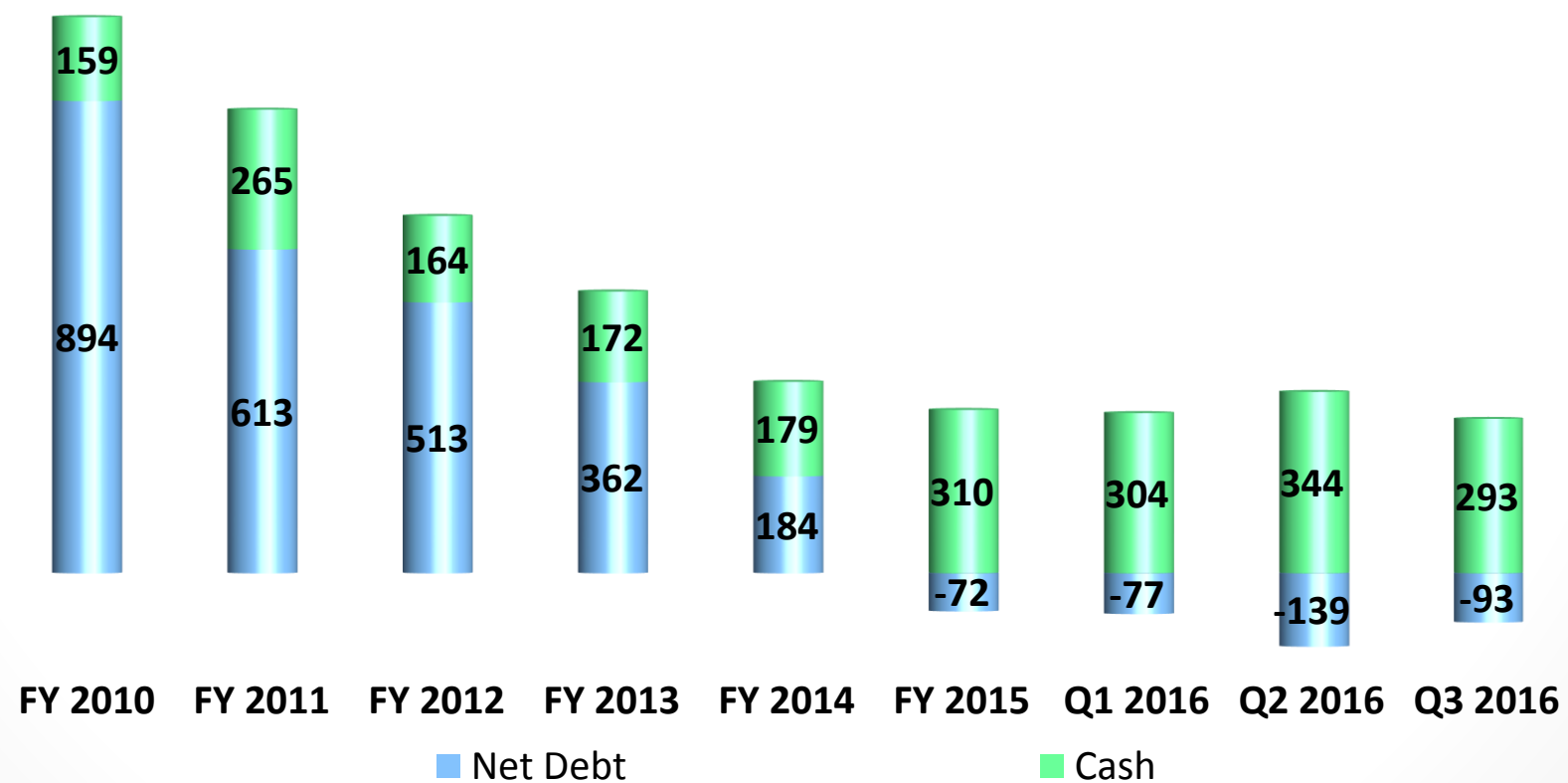


Alba Highlights – Q3 2016

LME Prices: Slight Rebound in Q3

Maintain Solid Balance Sheet & Readiness for Line 6 Financing

Cash & Net Debt



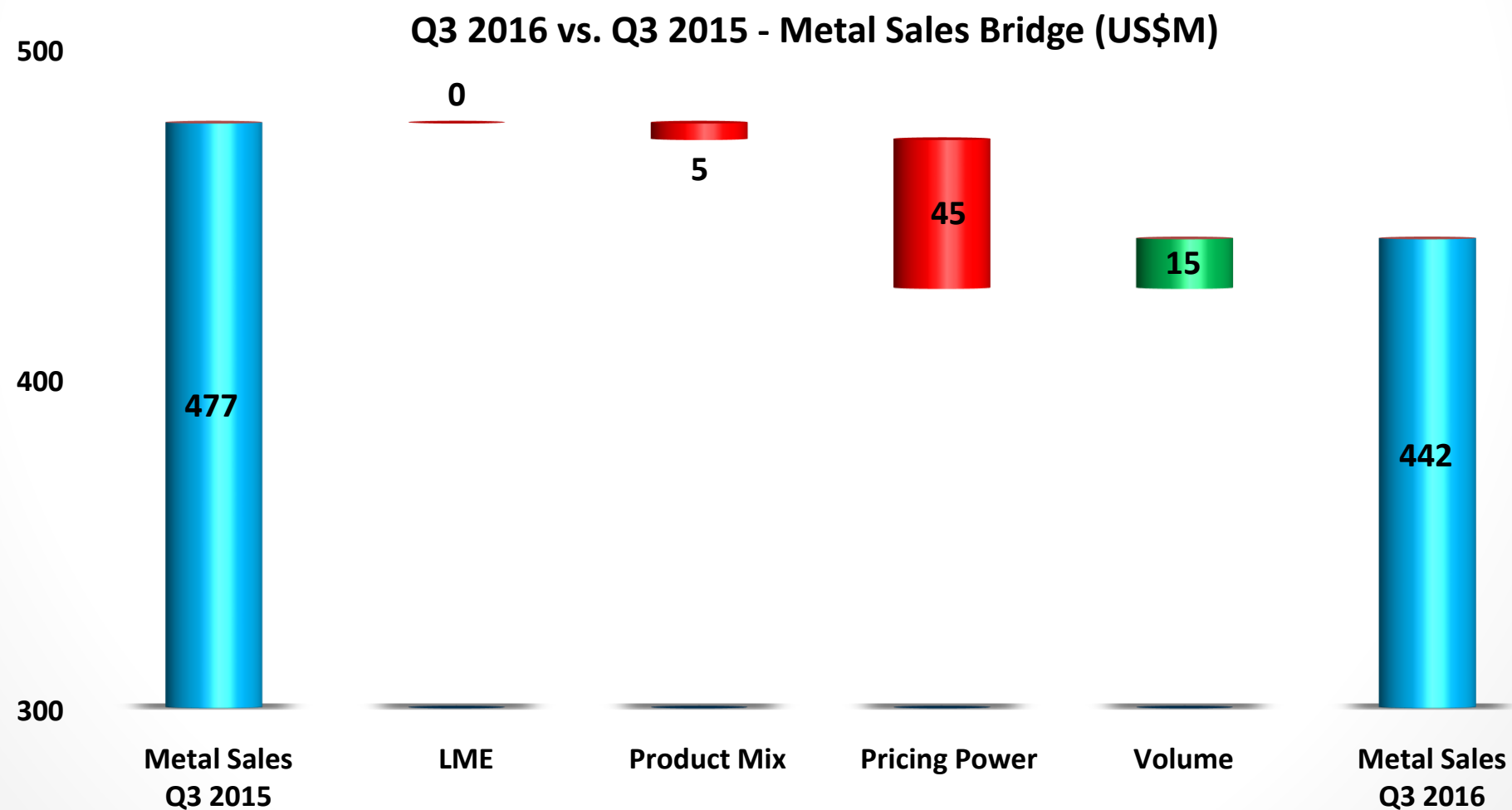
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Q3 2016 RESULTS



Q3 2016 Results

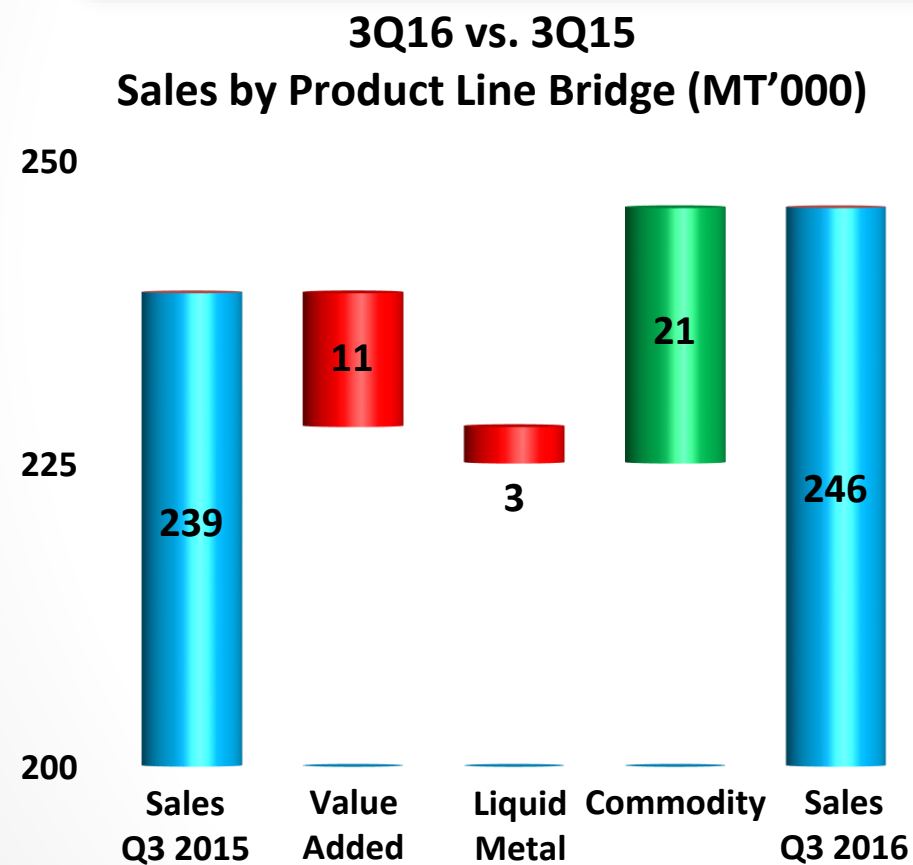
Favourable Management Performance Partially Offset by Lower Premiums



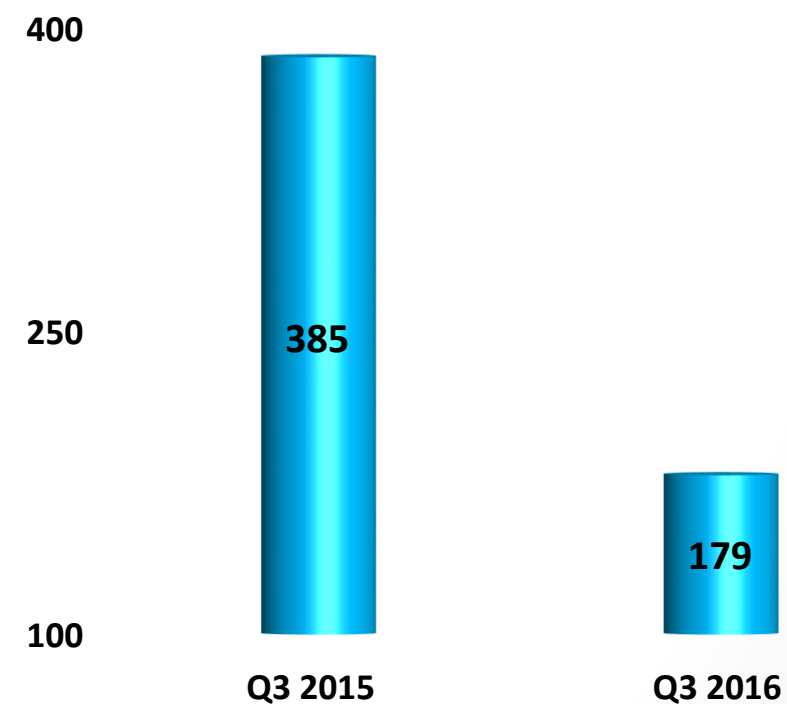
Q3 2016 Results

LME Prices: Slight Rebound in Q3

Favourable Management Performance Partially Offset by Lower Premiums



Premium Above LME Trend US\$ Per MT

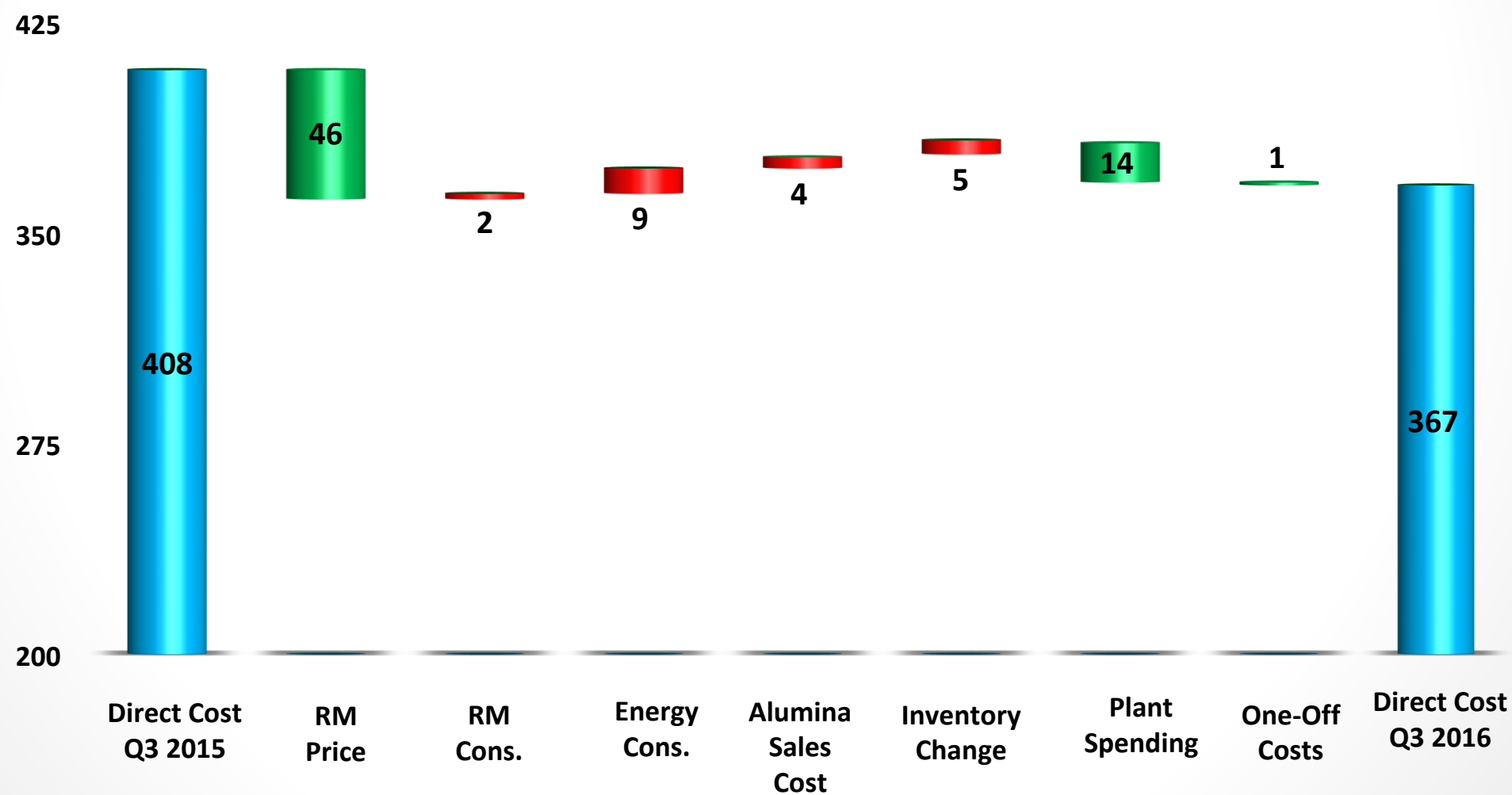


Q3 2016 Results

LME Prices: Slight Rebound in Q3

Cost Analysis 3Q16 vs. 3Q15

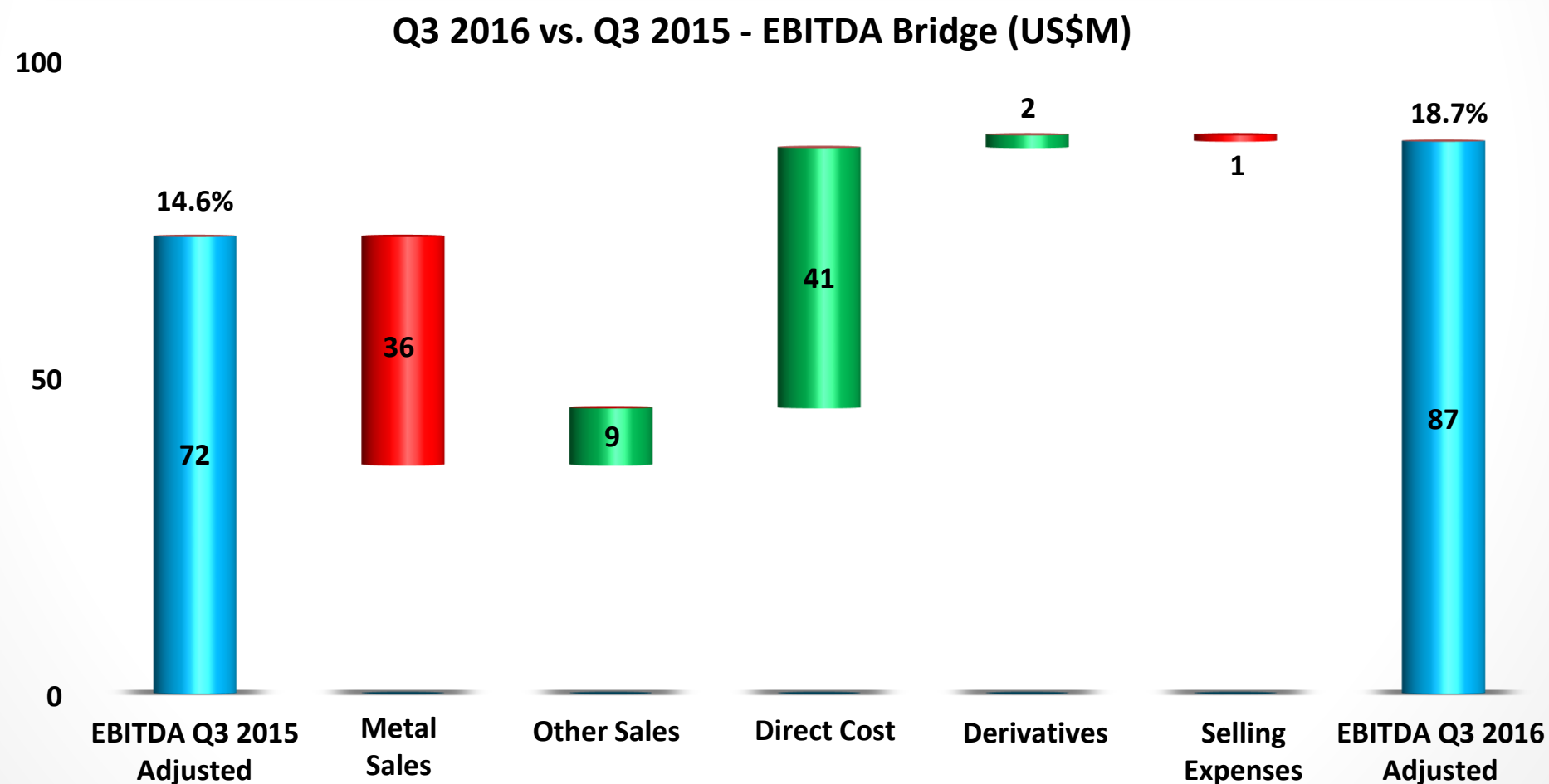
Q3 2016 vs. Q3 2015 - Direct Cost Bridge (US\$M)



Q3 2016 Results

LME Prices: Slight Rebound in Q3

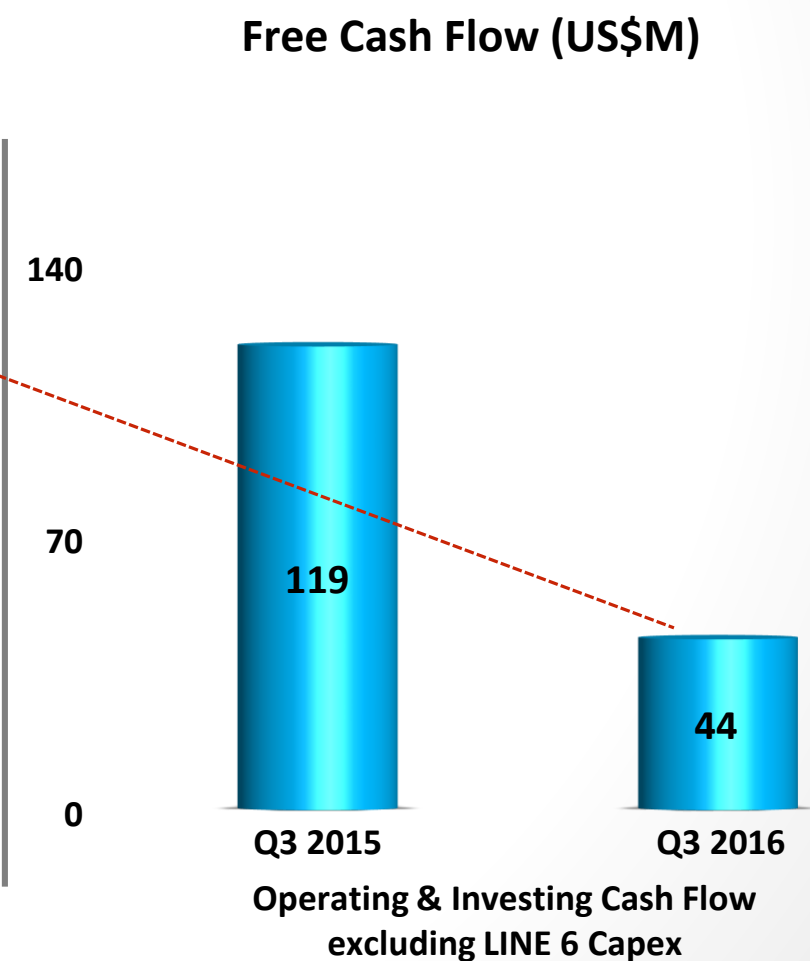
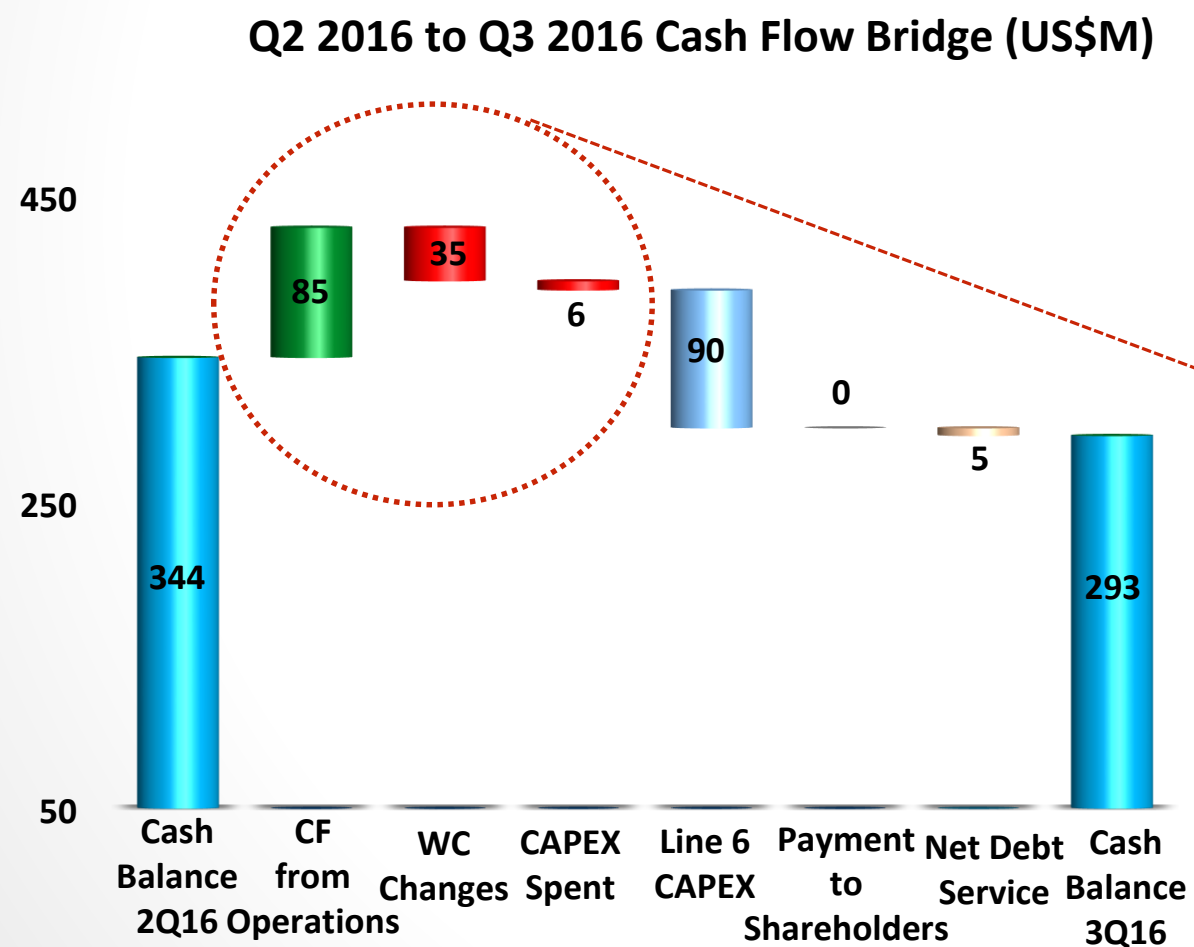
Favourable Management Performance
Adjusted EBITDA Margin at 18.7%



Q3 2016 Results

LME Prices: Slight Rebound in Q3

Cash Flow Bridge - 2Q16 vs. 3Q16



Q3 2016 Results

LME Prices: Slight Rebound in Q3

Sound Management Performance

Financial Summary	Q3 2016	Q3 2015	YTD 2016	YTD 2015
Average Cash LME (US\$/MT)	1,620	1,589	1,569	1,719
Total Sales (US\$M)	463	490	1,320	1,570
EBITDA (US\$M)	87	72	241	343
EBITDA%	18.7%	14.6%	18.3%	21.9%
Net Income/ (Loss) (US\$M)	38	23	93	201
Gain/ (Loss) Unrealised Derivatives (US\$M)	0	2	0	11
Adjusted Net Income/ (Loss) (US\$M)	38	21	93	190
Adjusted Net Income%	8.2%	4.3%	7.0%	12.1%



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INDUSTRY PERSPECTIVES IN 2016





Industry Perspectives in 2016

Physical Demand to Remain Relatively Healthy

- 🪐 **Key factors to be observed:**
- 🪐 LME volatility to continue on the back of smelters restarts and ramp-ups
- 🪐 LME price expected to fluctuate between \$1,600/t - \$1,700/t in Q4 2016
- 🪐 Physical premiums expected to remain at current levels





Industry Perspectives in 2016

Raw Materials Price Trends

- ♁ Alumina spot index expected to inch-up in Q4 2016
- ♁ Green Petroleum Coke prices to remain relatively stable
- ♁ Alumina Fluoride (ALF3) and Liquid Pitch prices to remain at current levels for the remained of the year



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2016 ALBA PRIORITIES





2016 Alba Priorities

Sustain Operational Performance and Gear for Future Growth

- 🪐 Continuous Focus on Safety Initiatives & Talent Management
- 🪐 Deliver on Project Titan -Phase II
- 🪐 Increase Value-Added Sales
- 🪐 Line 6 on Schedule
 - Finalize ECA Financing by Q1 2017



06

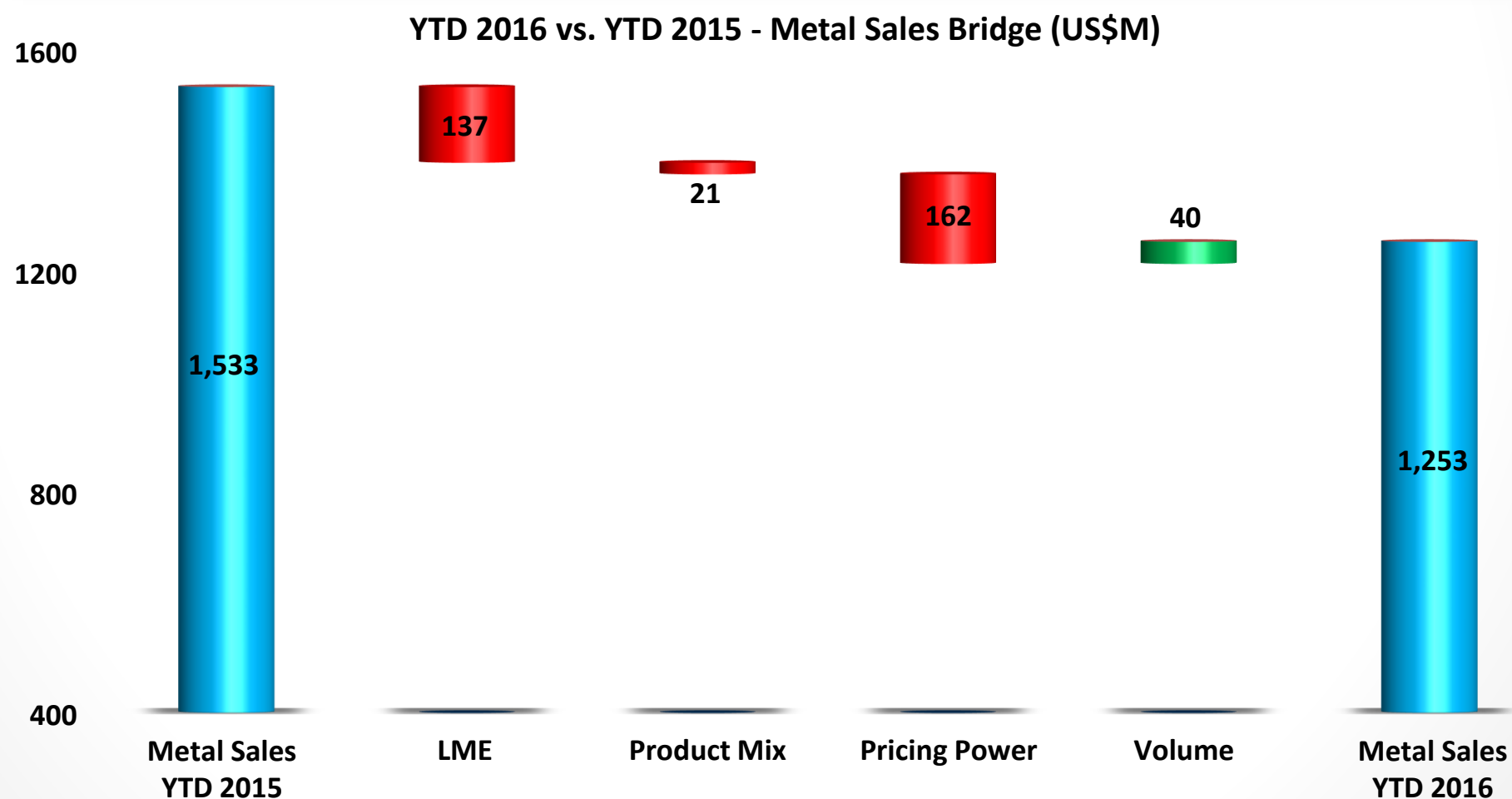
APPENDIX



YTD 2016 Results

All-in-Prices: Floating at Lower Range

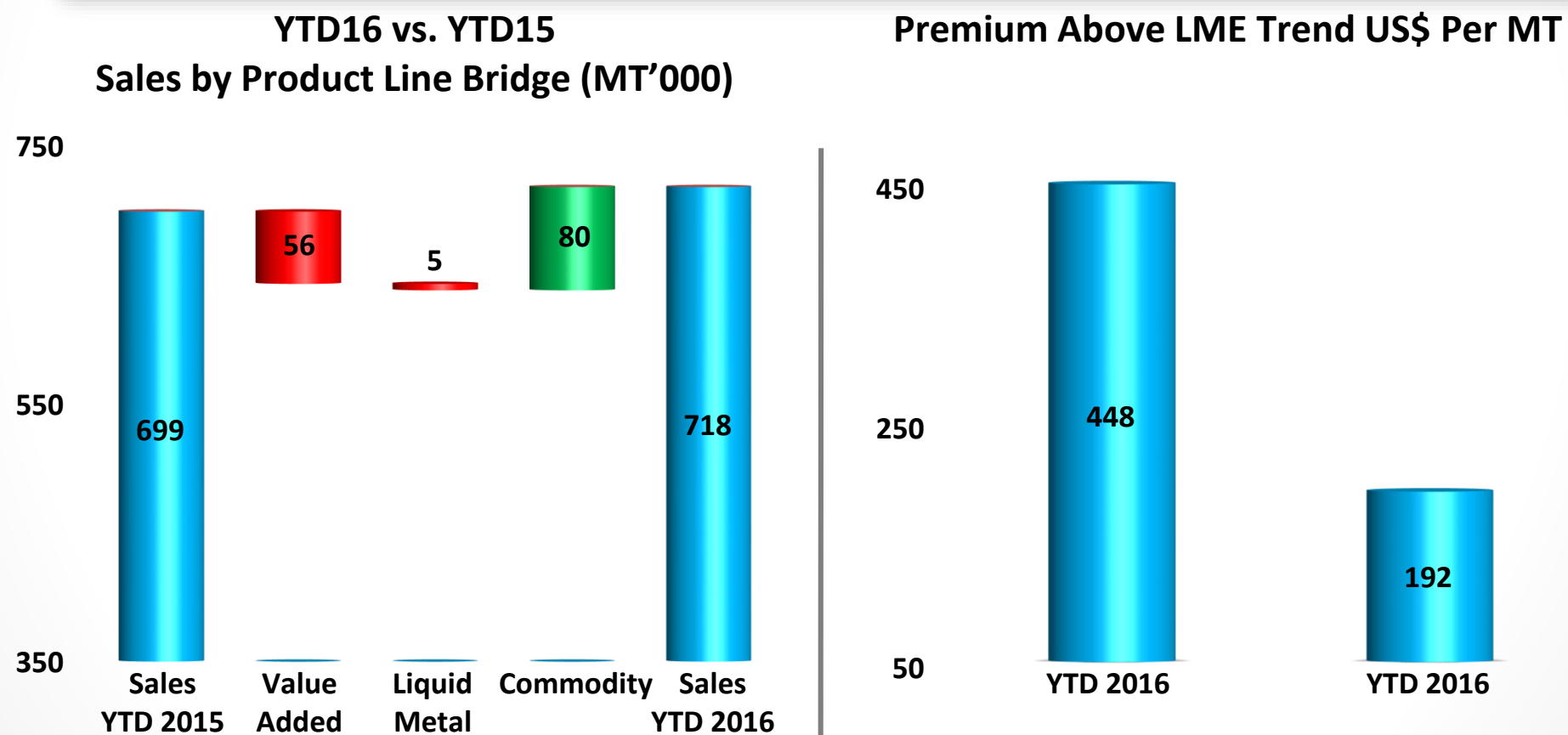
Favourable Management Performance Partially offset with lower All-In-Prices



YTD 2016 Results

All-in-Prices: Floating at Lower Range

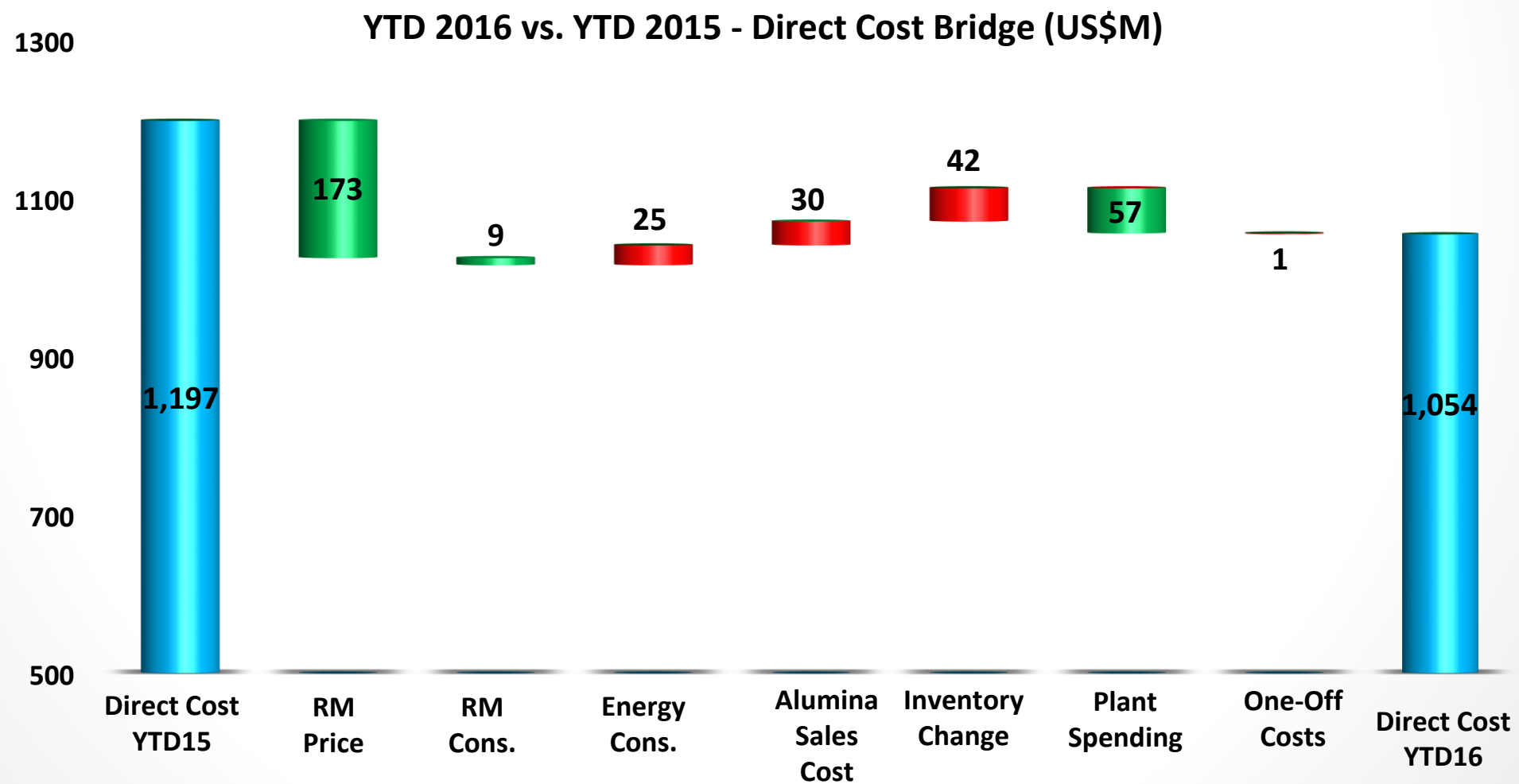
Favourable Management Performance offset with lower All-In-Prices



YTD 2016 Results

All-in-Prices: Floating at Lower Range

Favourable Management Performance offset with lower All-In-Prices

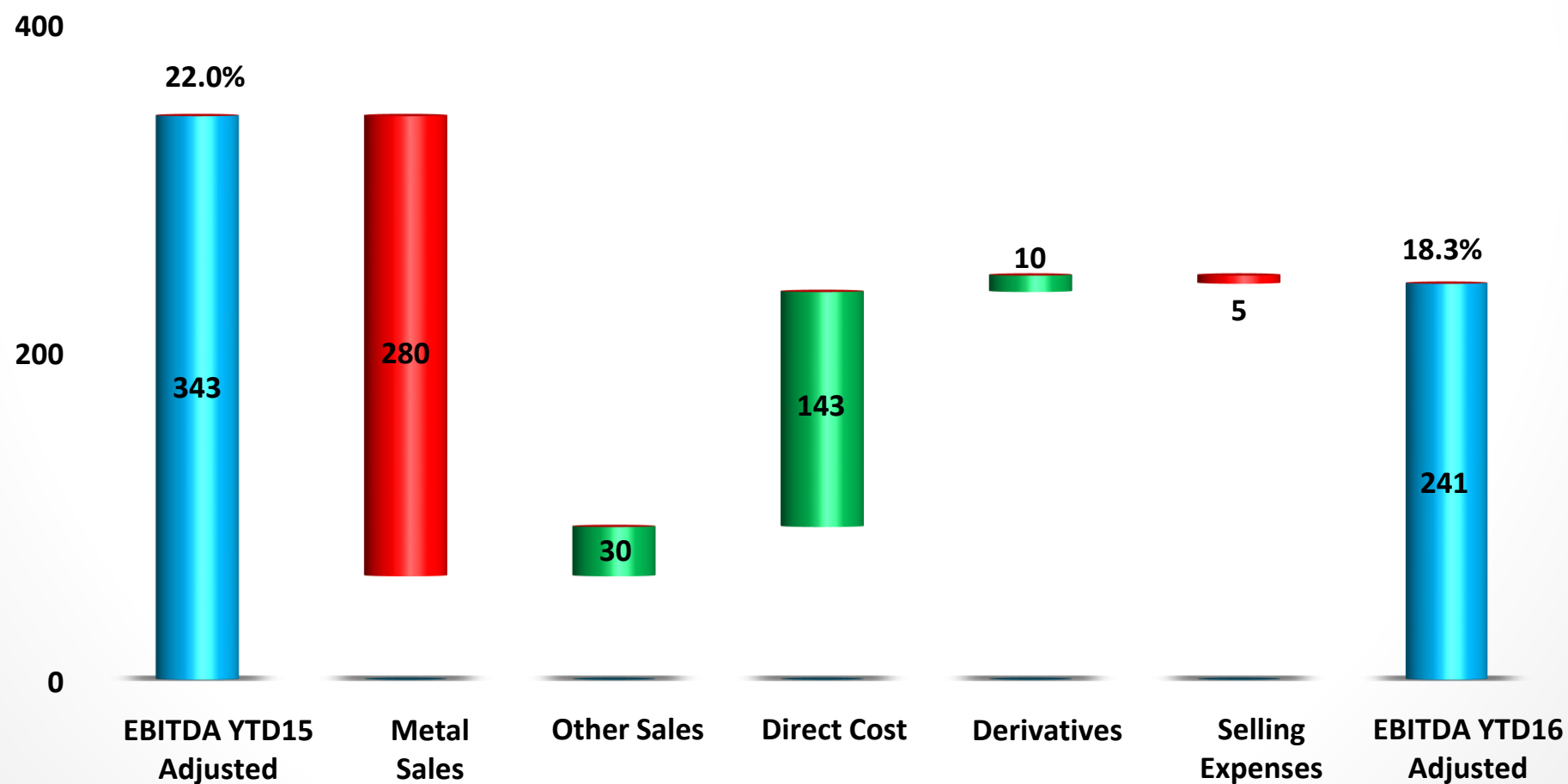


YTD 2016 Results

All-in-Prices: Floating at Lower Range

Favourable Management Performance
Adjusted EBITDA Margin at 18.3%

YTD 2016 vs. YTD 2015 - EBITDA Bridge (US\$M)



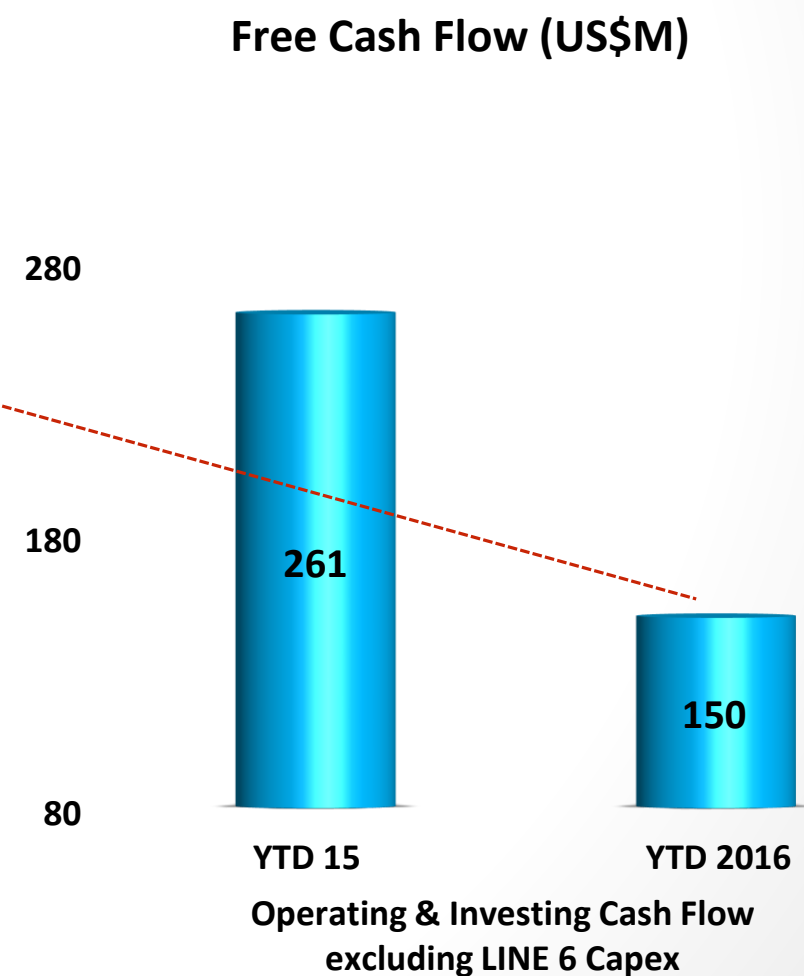
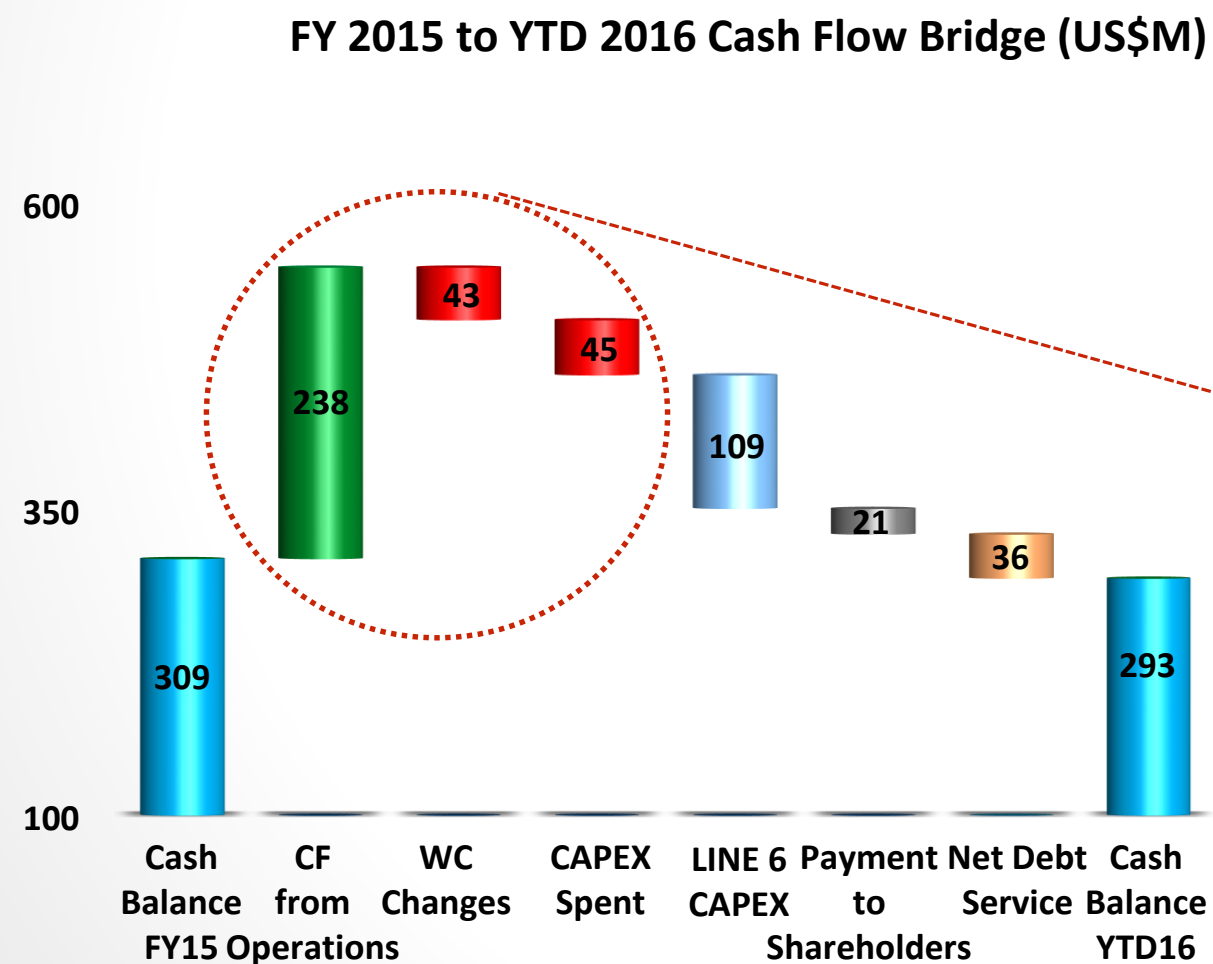
Adjusted EBITDA includes impact of actual realised derivative payments



YTD 2016 Results

All-in-Prices: Floating at Lower Range

Cash Flow Bridge - YTD 2016 vs. FY 2015





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