


The logo for Alba, featuring the word "Alba" in a stylized, bold, blue font.A thick, horizontal red brushstroke with a textured, painterly appearance, positioned below the logo.

Aluminium
for the world

A vertical line with a small, dark sphere at the top, positioned to the left of the main title.

INVESTOR RELATIONS PRESENTATION

Q3 2015



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alcoa

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01

INDUSTRY HIGHLIGHTS



Industry Highlights - Q3 2015

Global Physical Demand Still Growing

- 🪐 World consumption up by +5% YoY
- 🪐 Asian demand up by 7% YoY supported by softer consumption in China (+9% YoY) on the back of government stimulus
- 🪐 MENA demand remains healthy (+6% YoY) - driven by major infrastructure spending in Saudi Arabia and Qatar
- 🪐 Prospects for demand in North America continues to be good (+3% YoY) due to the growth in the transport & construction sectors
- 🪐 Europe consumption up by 1% YoY and is denominated mainly by the transport sector



Industry Highlights - Q3 2015

Production Evolution

- 🪐 World production up by 7% YoY
- 🪐 Chinese output up despite slower demand growth (+8 million metric tonnes, +12% YoY) supported by new capacity ramp-ups from both greenfield & brownfield expansions
- 🪐 World market in surplus with China (+41 Kt) & and in deficit without China (-301 Kt)

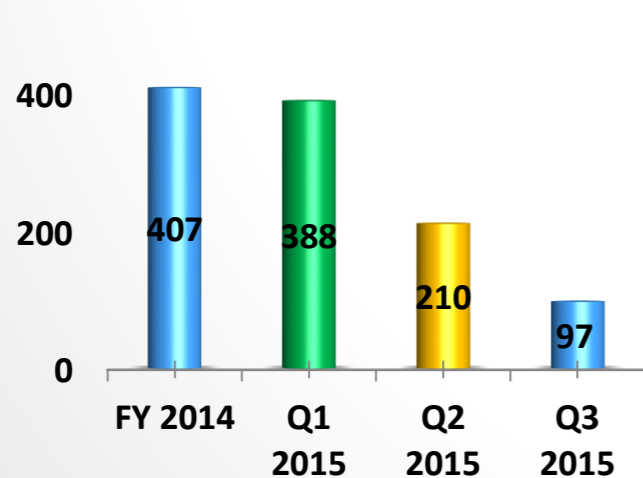


Industry Highlights - Q3 2015

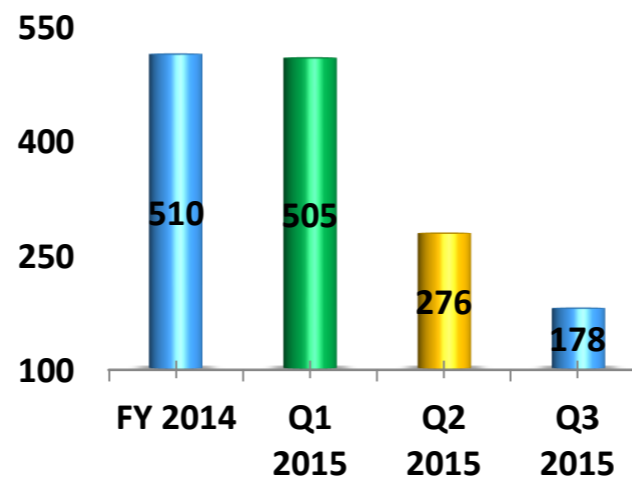
LME & Premiums

- 🪐 LME inventories at 3.1 million metric tonnes in September
- 🪐 3Q15 cash-average was \$1,590/t with LME ranging between \$1,486/t on August 24 (lowest since July 2009) and \$1,693/t on July 2
- 🪐 Regional collapse in physical premiums (\$/t)

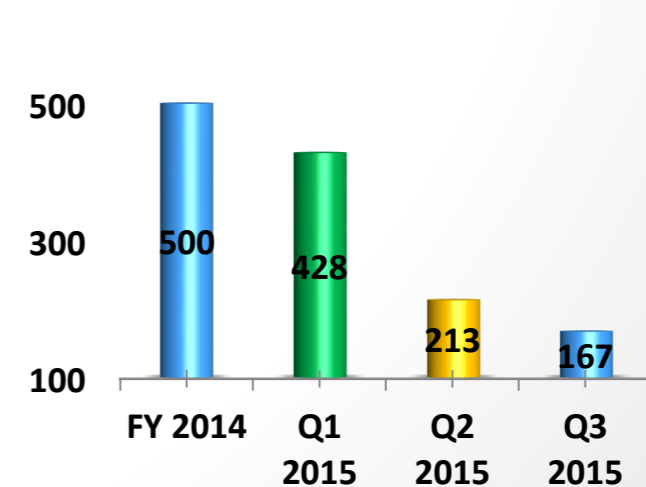
Major Japanese Ports (MJP)



US Midwest



DDP Rotterdam



02

ALBA HIGHLIGHTS



Alba Highlights - Q3 2015

Operational Highlights & Achievements

- 🪐 Significant boost in Summer Safety campaigns:
“Alba wins the 2015 RoSPA Gold Award for Occupational Health and Safety”
- 🪐 Alba was able to increase its sales (metric tonne) by 2.5% YoY
- 🪐 Production up by 2.9% YoY due to strong operational performance
- 🪐 Value-Added Sales at 64% of total shipments in Q3 2015



Alba Highlights - Q3 & YTD 2015

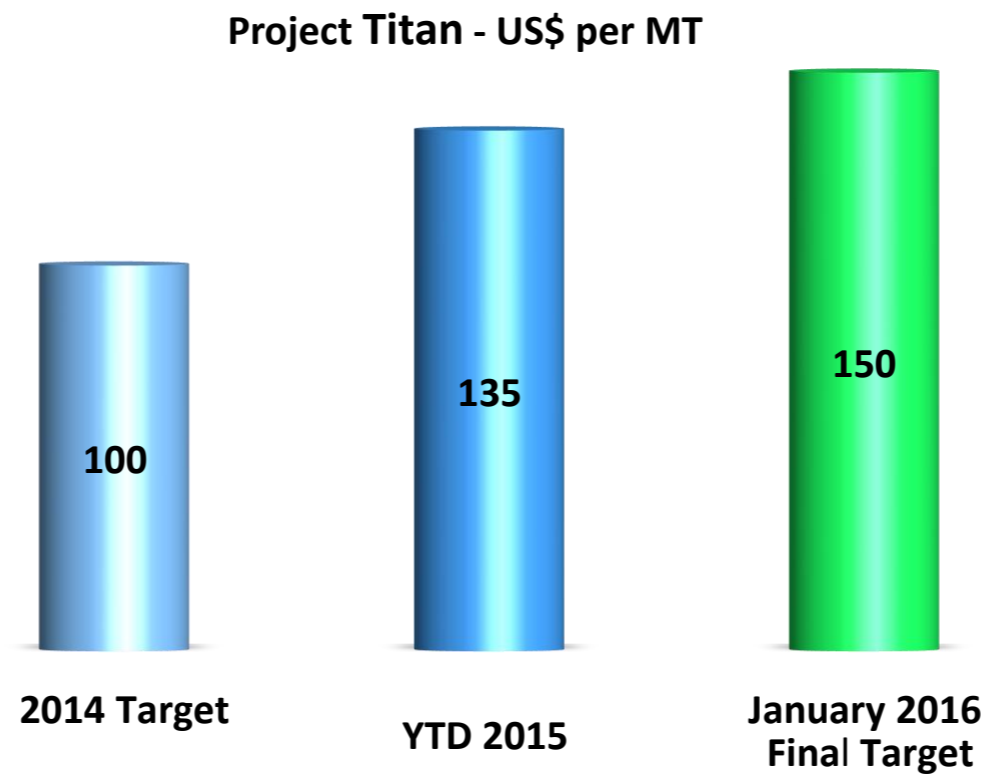
Financial Key Performance Indicators

- 🪐 **Adjusted EBITDA down due to lower LME prices**
- 🪐 Q3: US\$72 million down by 47% YoY
- 🪐 YTD: US\$343 million up by 1% YoY
- 🪐 **Adjusted Net Income down driven by lower EBITDA levels in Q3**
- 🪐 Q3: US\$21 million down by 73% YoY
- 🪐 YTD: US\$190 million up by 20% YoY
- 🪐 **Free-Cash Flow favourable due sound working capital management**
- 🪐 Q3: US\$119 million up by 19% YoY
- 🪐 YTD: US\$260 million up by 1% YoY
- 🪐 **Alba Board recommends an interim dividend (1st tranche of 2015 dividend) of US\$ 21 million paid on 1 September 2015**



Alba Highlights - Q3 2015

Project Titan - Improve Cash Cost of \$150/t by January 2016
YTD 2015: Project Titan on Track with Projected Savings of \$135/t



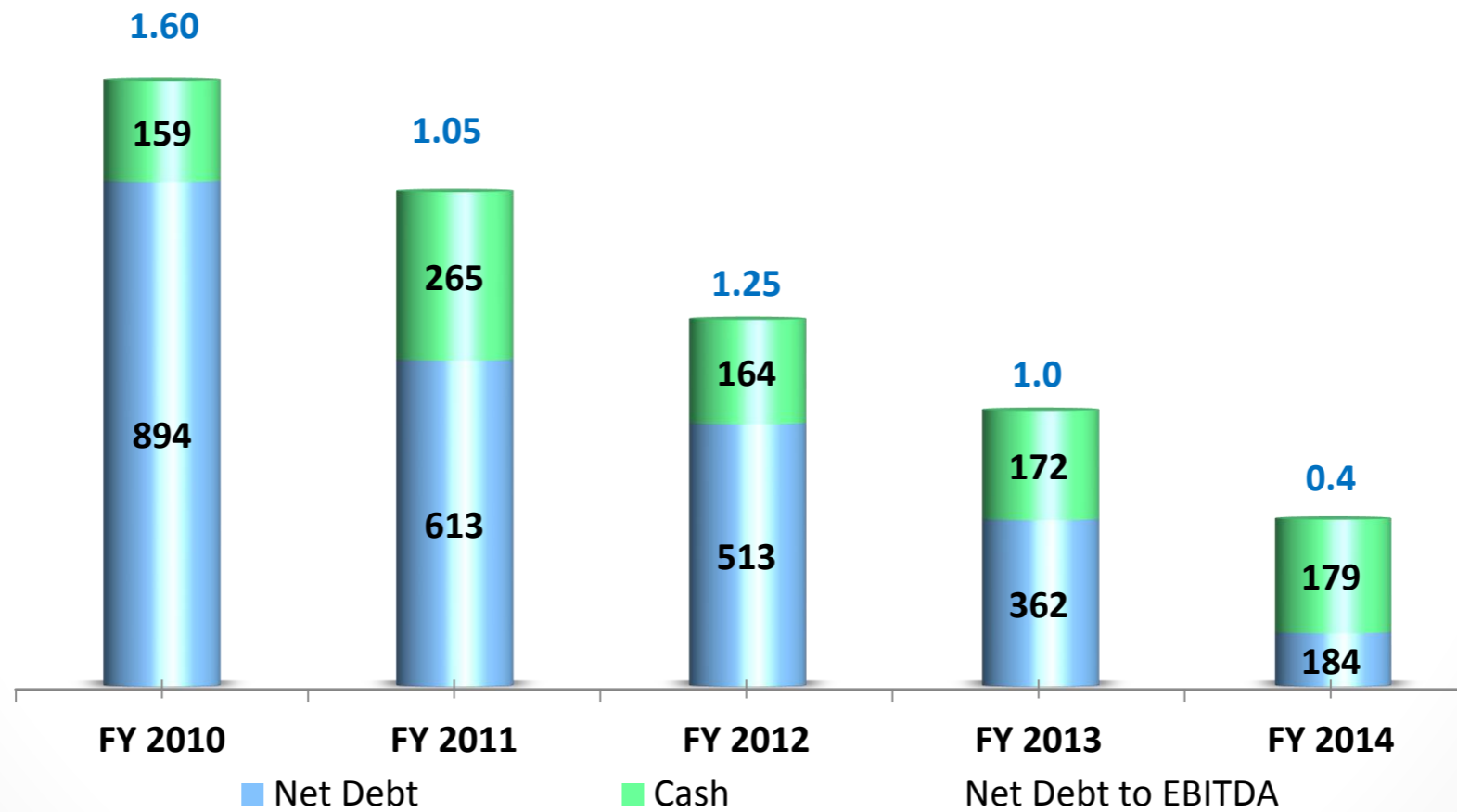
1. Savings from Project Titan represent the annual \$ cost per mt improvement once all projects are fully implemented
2. Actual project implementation dates are on a project by project basis



Alba Highlights - Q3 2015

Maintain Sound Balance Sheet & Ready for Line 6 Financing

Cash, Net Debt & Net Debt to EBITDA



03

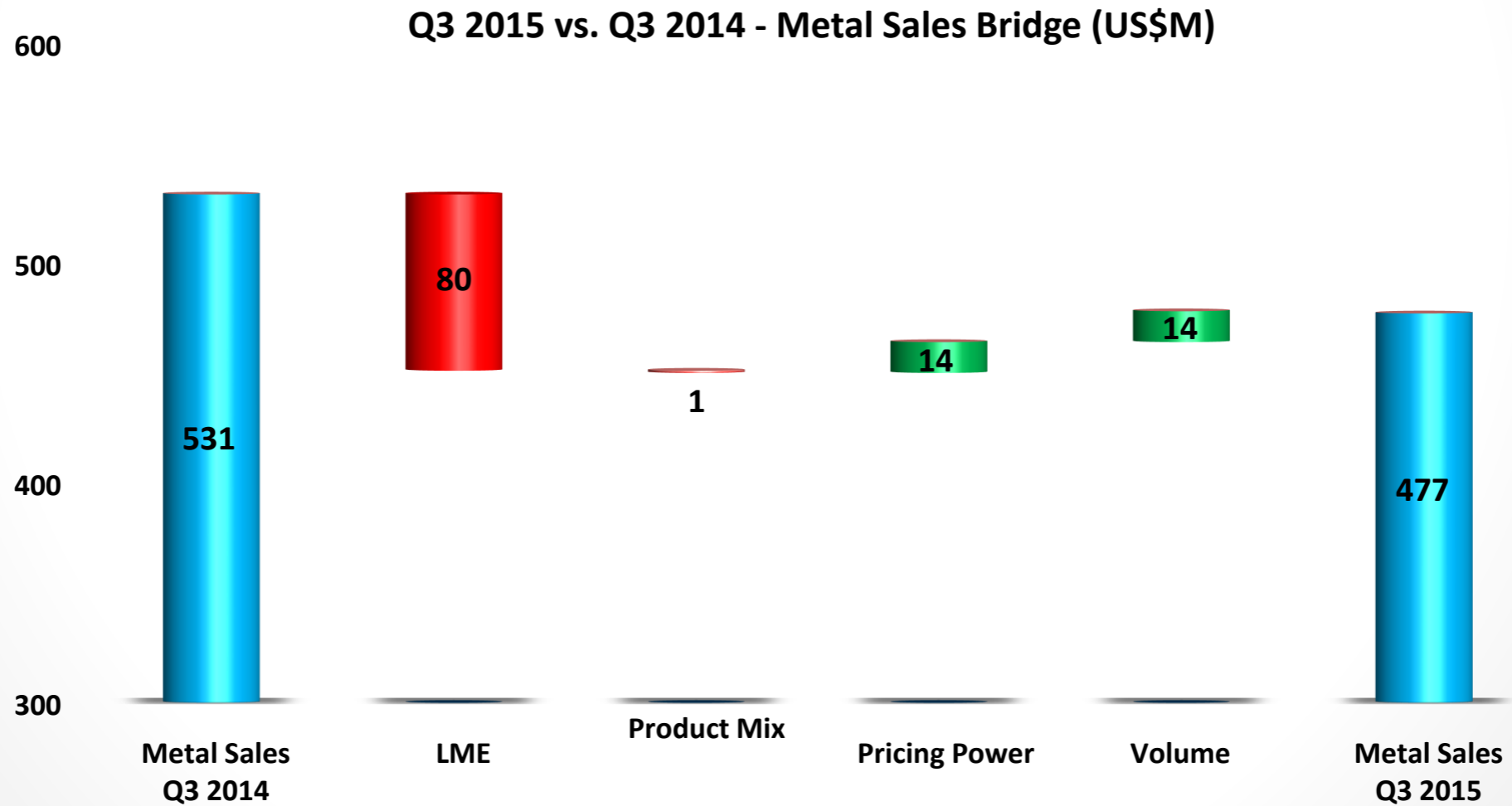
Q3 2015 RESULTS



Q3 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

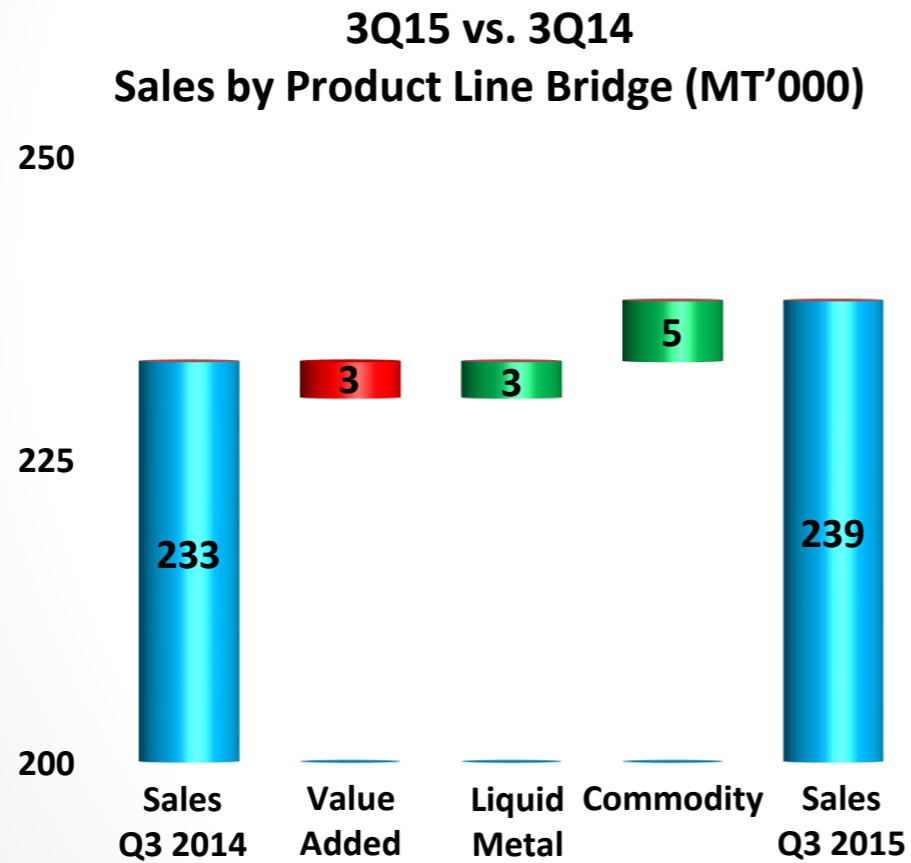
Lower LME Prices Partially Offset by Higher Sales Volume & Premiums



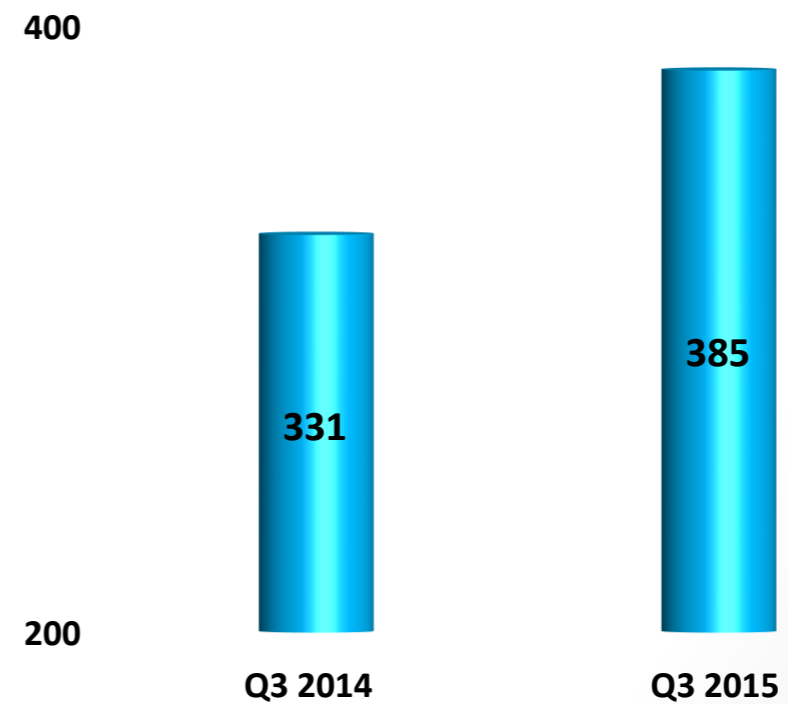
Q3 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Favourable Management Performance & Higher Premiums



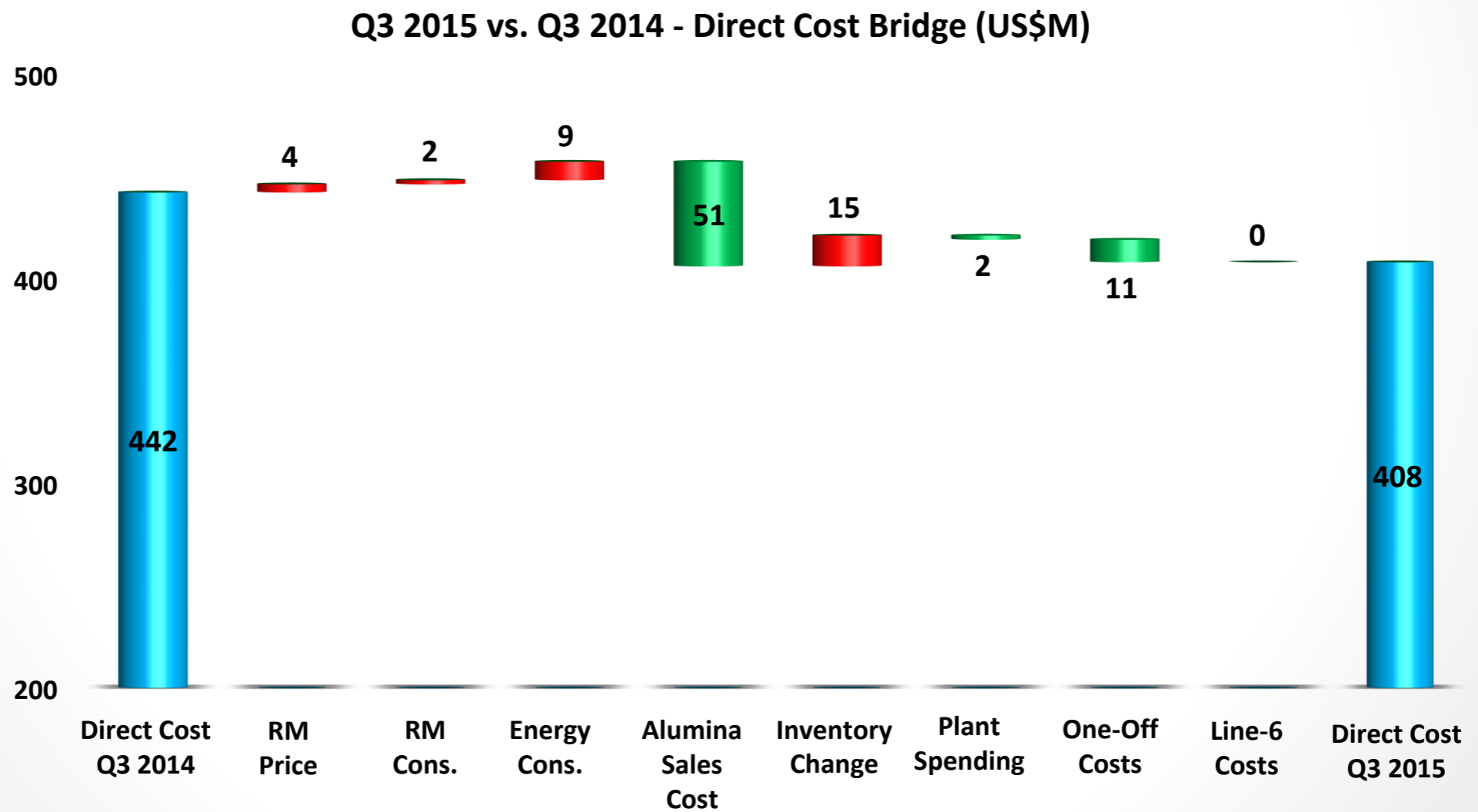
Premium Above LME Trend US\$ Per MT



Q3 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Cost Analysis 3Q15 vs. 3Q14

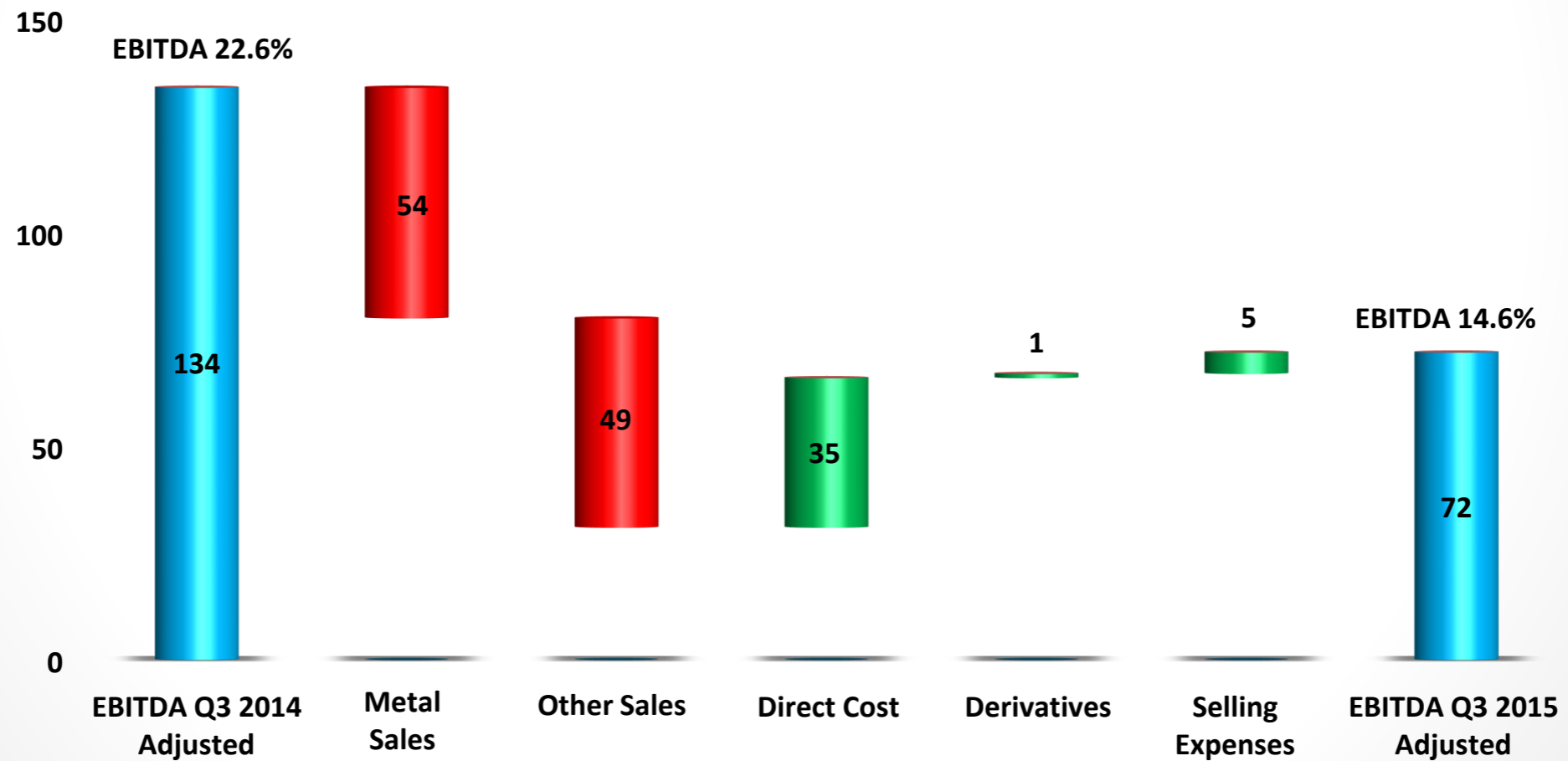


Q3 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Adjusted EBITDA Margin at 14.6%

Q3 2015 vs. Q3 2014 - EBITDA Bridge (US\$M)



Adjusted EBITDA includes impact of actual realised derivative payments

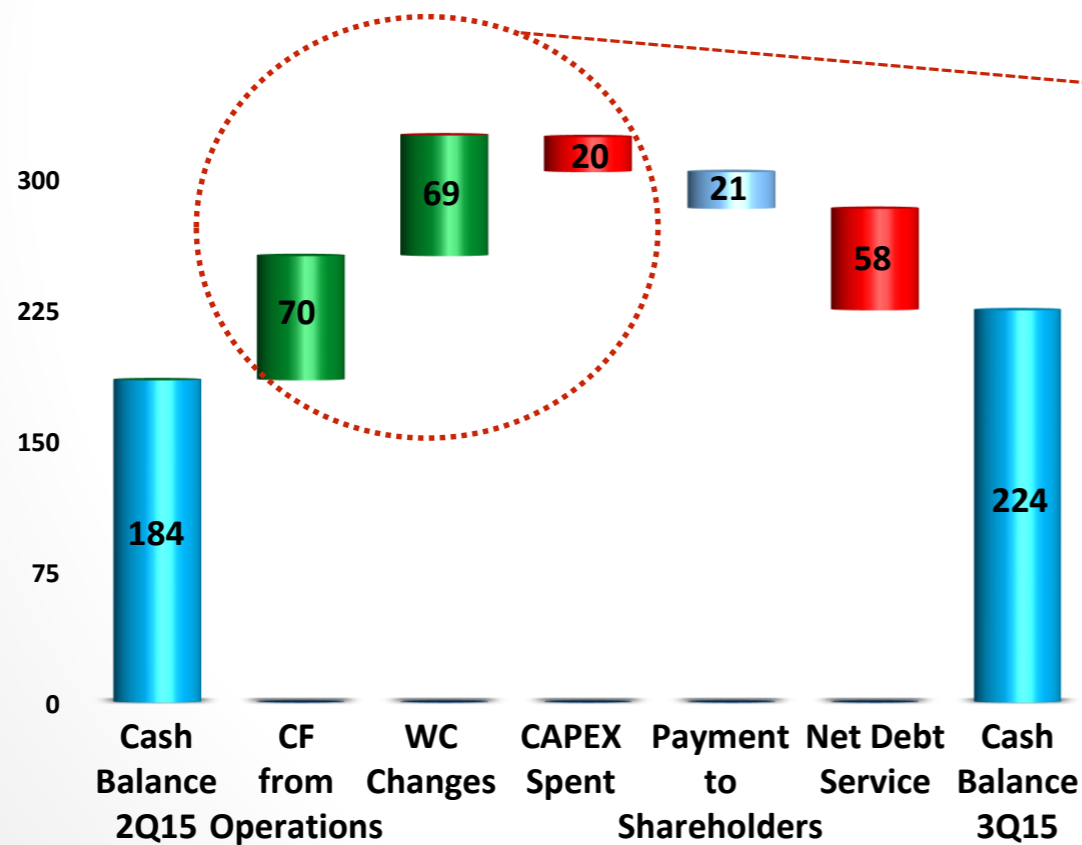


Q3 2015 Results

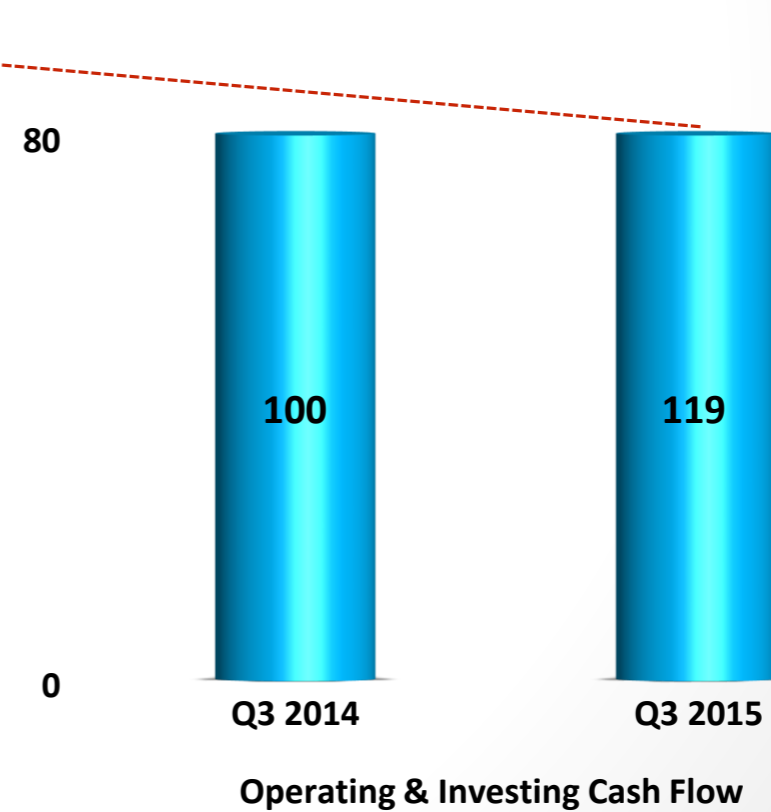
Aluminium Industry Challenged by Significant Drop in All-in-Prices

Cash Flow Bridge - 3Q15 vs. 2Q15
Maintain Solid Cash Flow Despite Tough Market Conditions

Q2 2015 to Q3 2015 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)



Q3 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Sound Management Performance Partially Offset by Lower LME Prices

Financial Summary	Q3 2015	Q3 2014	YTD 2015	YTD 2014
Average Cash LME (US\$/MT)	1,589	1,989	1,719	1,832
Total Sales (US\$M)	490	593	1,570	1,595
EBITDA (US\$M)	72	134	343	325
EBITDA%	14.6%	22.6%	21.9%	20.4%
Net Income/ (Loss) (US\$M)	23	78	201	165
Gain/ (Loss) Unrealised Derivatives (US\$M)	2	-	11	6
Adjusted Net Income/ (Loss) (US\$M)	21	78	190	158
Adjusted Net Income%	4.3%	13.2%	12.1%	9.9%



04

INDUSTRY PERSPECTIVES IN 2015



Industry Perspectives in 2015

Prices to Remain under pressure

- 🪐 **Key factors to be observed:**
- 🪐 LME prices to remain depressed on the back of continued pressure from Chinese exports and stronger US dollar
- 🪐 North America deficit will rise to around 3 million metric tonnes in 2016 after smelter cutbacks (Alcoa and Century Aluminium)
- 🪐 Chinese smelters cutbacks still inadequate to lift LME prices as projects continue to ramp-up
- 🪐 LME price expected to range between \$1,400/t - \$1,500/t in Q4



Industry Perspectives in 2015

Raw Materials Price Trends

- ♁ Alumina spot index expected to slightly decline on expectation of lower aluminium prices
- ♁ Green Petroleum Coke (GPC) and Liquid Pitch prices to slightly soften for the remainder of 2015
- ♁ Alumina Fluoride (ALF3) to remain at current levels in Q4



05

2015 ALBA PRIORITIES



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2015 Alba Priorities

Gear for Line 6 Expansion

- 🪐 Continuous Focus on Safety, Training & Development Initiatives
- 🪐 Deliver on Project Titan
- 🪐 Sustained Focus on Value-Added Sales
- 🪐 Increase Creep Capacity with Minimal Capital Investment
- 🪐 Line 6 Expansion Project



06

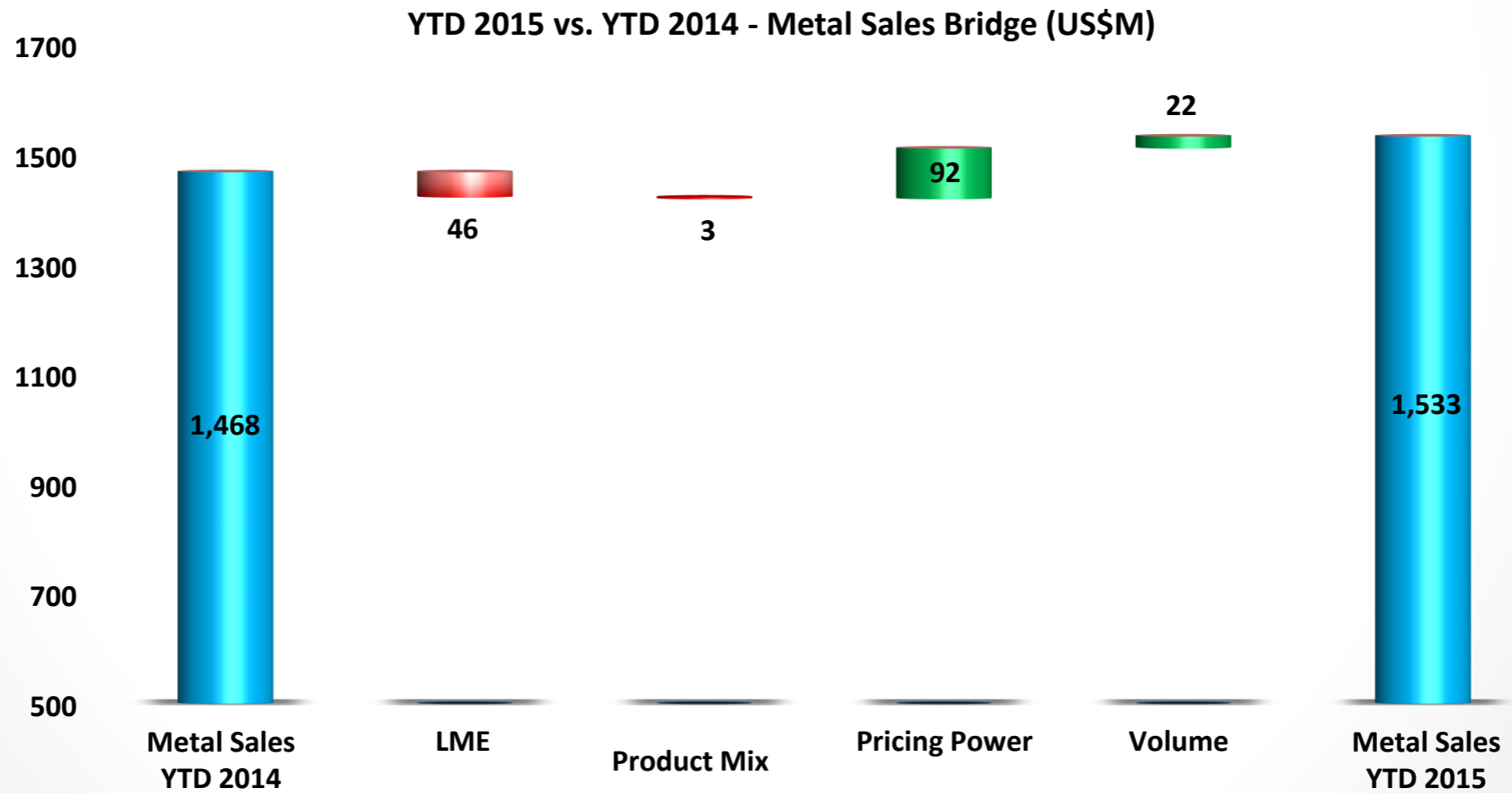
APPENDIX



YTD 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Favourable Management Performance & Higher Premiums

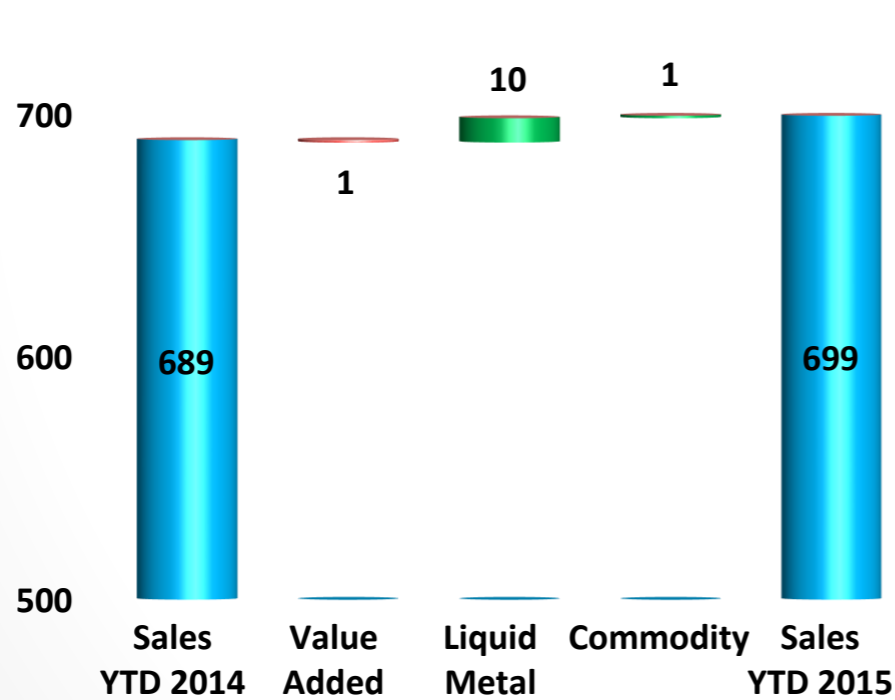


YTD 2015 Results

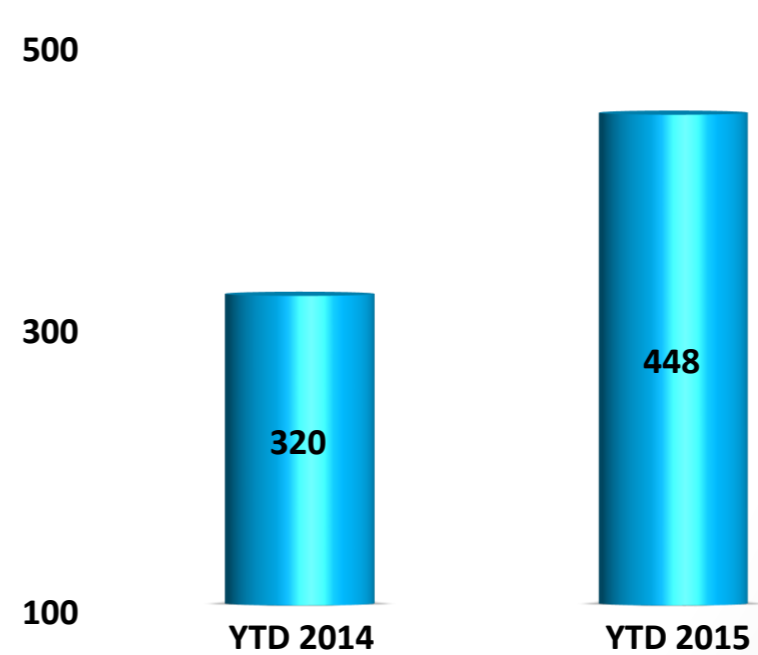
Aluminium Industry Challenged by Significant Drop in All-in-Prices

Favourable Management Performance & Higher Premiums

YTD15 vs. YTD14
Sales by Product Line Bridge (MT'000)



Premium Above LME Trend US\$ Per MT

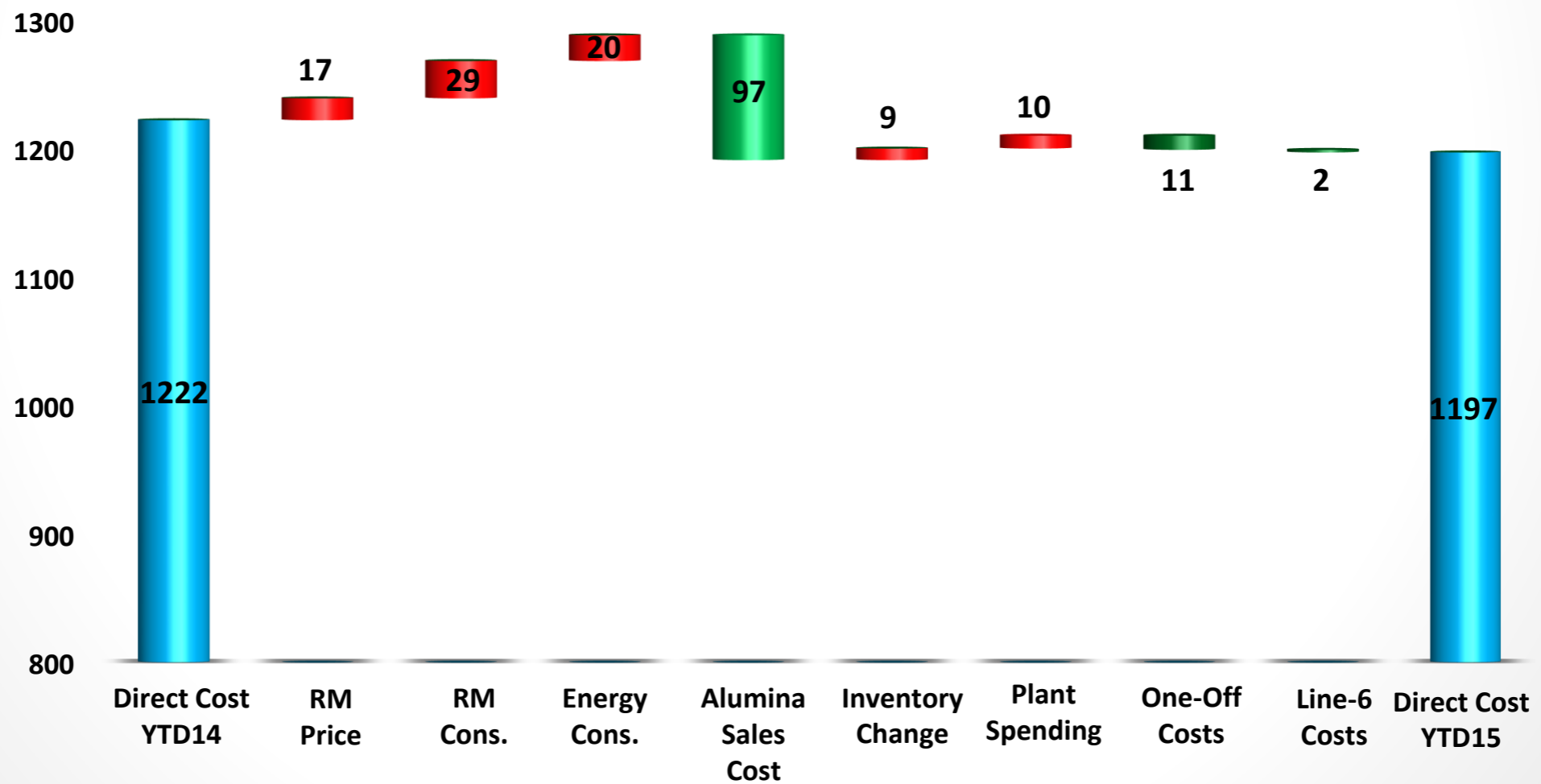


YTD 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Cost Analysis YTD15 vs. YTD14

YTD 2015 vs. YTD 2014 - Direct Cost Bridge (US\$M)

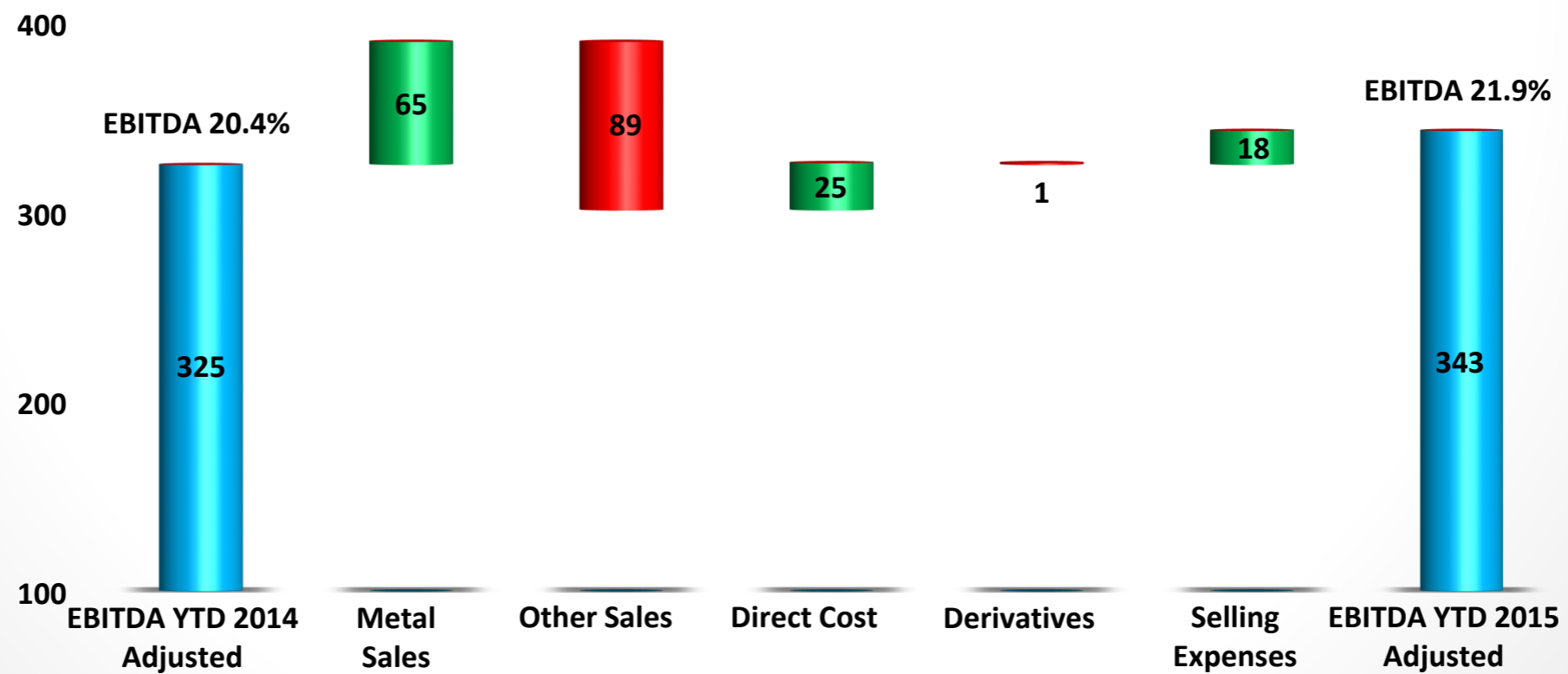


YTD 2015 Results

Aluminium Industry Challenged by Significant Drop in All-in-Prices

Adjusted EBITDA Margin at 21.9%

YTD 2015 vs. YTD 2014 - EBITDA Bridge (US\$M)



Adjusted EBITDA includes impact of actual realised derivative payments

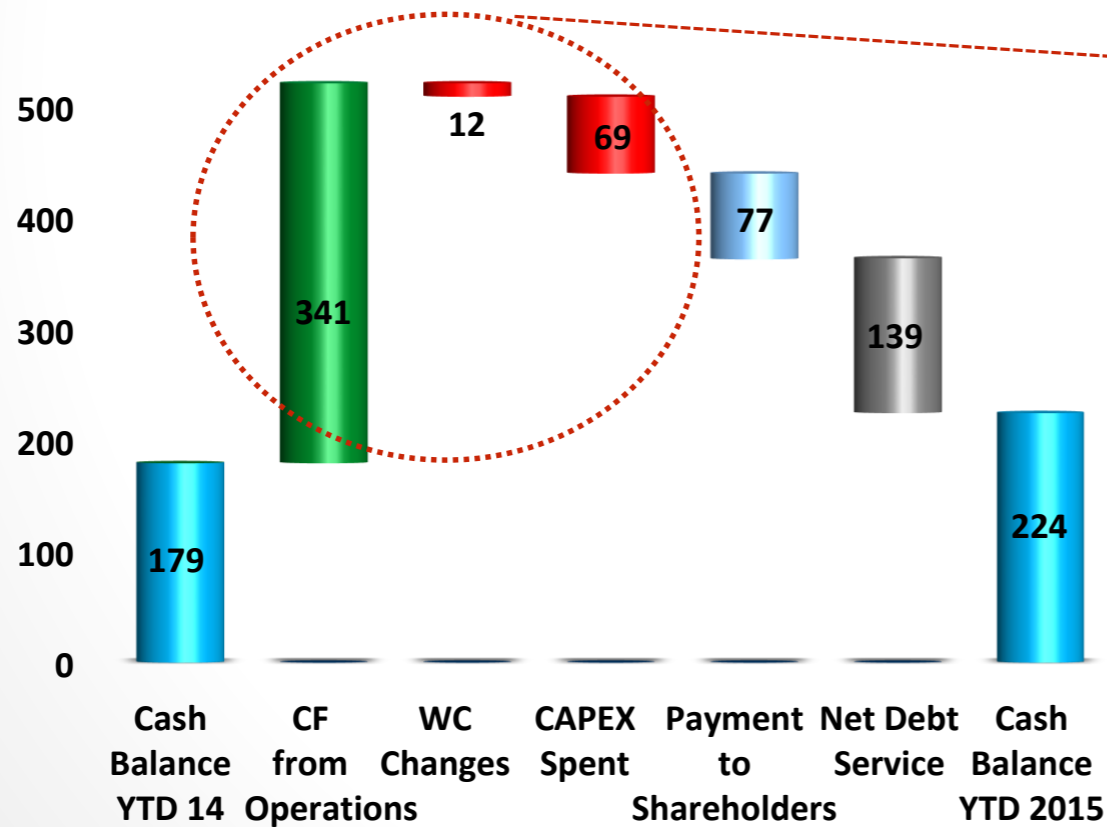


YTD 2015 Results

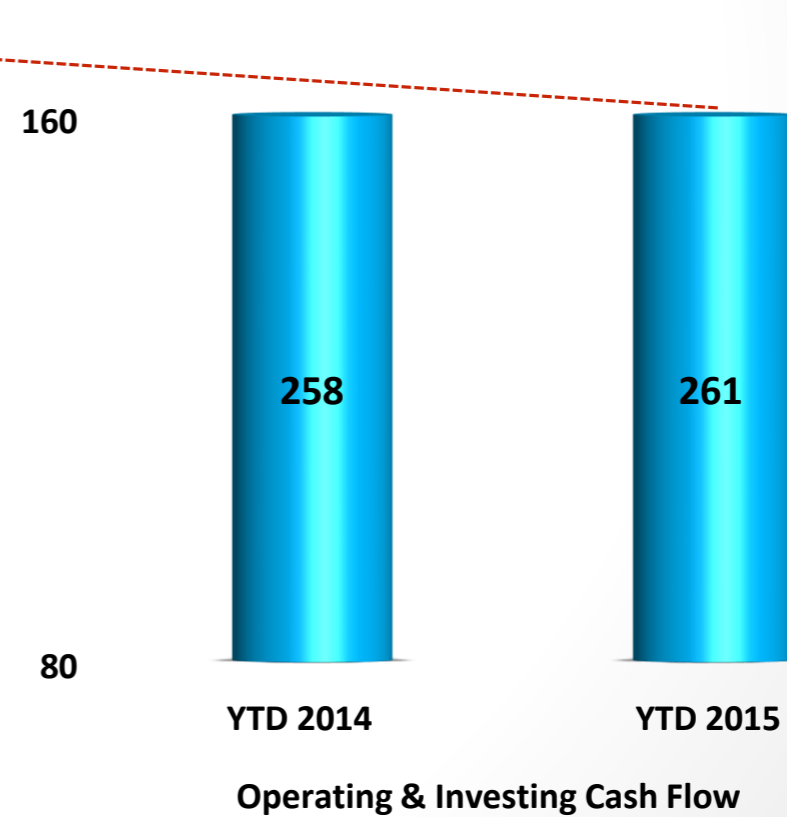
Aluminium Industry Challenged by Significant Drop in All-in-Prices

Cash Flow Bridge - YTD 2015 vs. YTD 2014
Maintain Solid Cash Flow Despite Tough Market Conditions

YTD 2014 to YTD 2015 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)





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