



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

2015



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INDUSTRY HIGHLIGHTS





Industry Highlights - 2015

Global Physical Demand Remains Healthy

- 🪐 World consumption up by 4% YoY (56.2 million metric tonnes)
- 🪐 Asian demand up by 5% YoY supported by softer consumption in China (+6% YoY)
- 🪐 Demand in North America up by 3% YoY mainly denominated by the automobile production
- 🪐 MENA demand is mainly driven by major infrastructure spending (+4% YoY)
- 🪐 Europe consumption remains flat at 1% YoY





Industry Highlights - 2015

Production Evolution

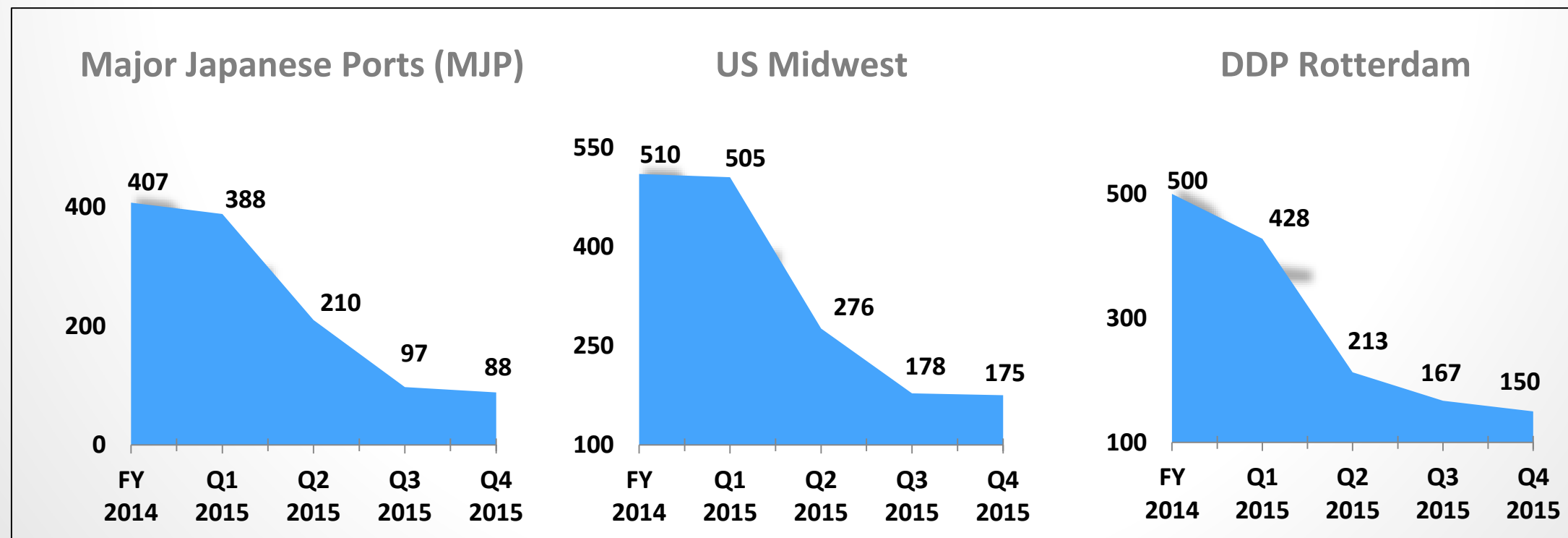
- 🪐 World production up by 6% YoY
- 🪐 Chinese output continue to rise (+31.2 million metric tonnes, 10% YoY) albeit at a slower pace due to smelters' closure
- 🪐 World market in surplus with China (+1.3Mt) and in deficit w/o China (-970Kt)
- 🪐 2015 marked the curtailment and closure of smelters (China and North America) on the back of the collapse of all-in-prices



Industry Highlights - Q4 2015

LME & Premiums

- 🪐 LME inventories at 2.8 million metric tonnes in December
- 🪐 Q4 2015 cash-average was **\$1,495/t** with LME ranging between \$1,424/t on November 23 and \$1,607/t on October 12
- 🪐 Regional collapse in physical premiums (\$/t):



02

ALBA HIGHLIGHTS





Alba Highlights - 2015

Operational Highlights & Achievements

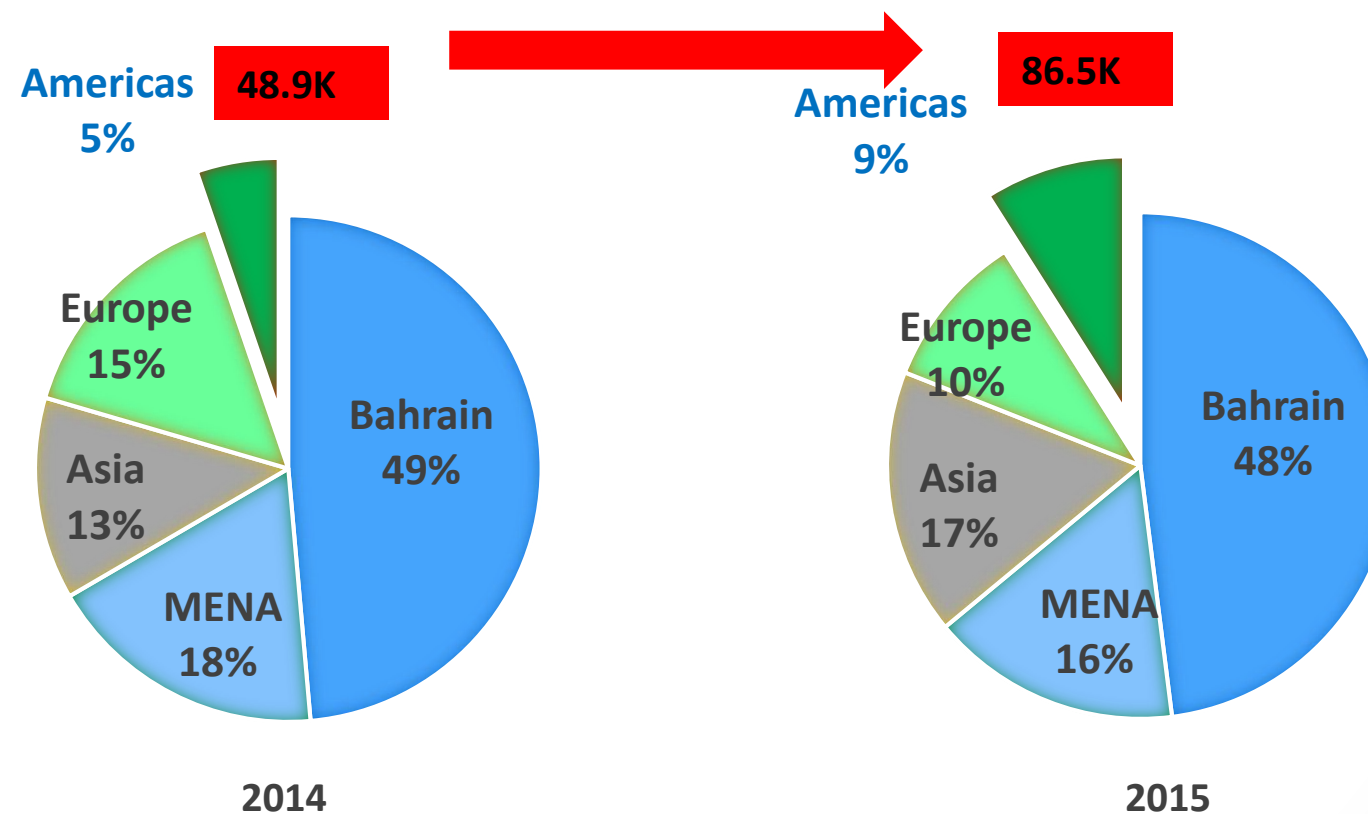
- 🪐 Continuous improvement in Safety performance
- 🪐 Alba wins Gold at the International Green Apple Awards
- 🪐 Production up by 3.1% YoY (960,643 mt) thanks to strong operational performance
- 🪐 Successful Early Retirement Scheme (ERS) Campaign
- 🪐 Alba managed to close 2015 with its Value-Added (VA) sales averaging 64% of total shipments versus 66% in 2014
- 🪐 Alba secures natural gas supply for Alba's Line 6 Expansion Project

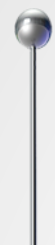




Alba Highlights - 2015

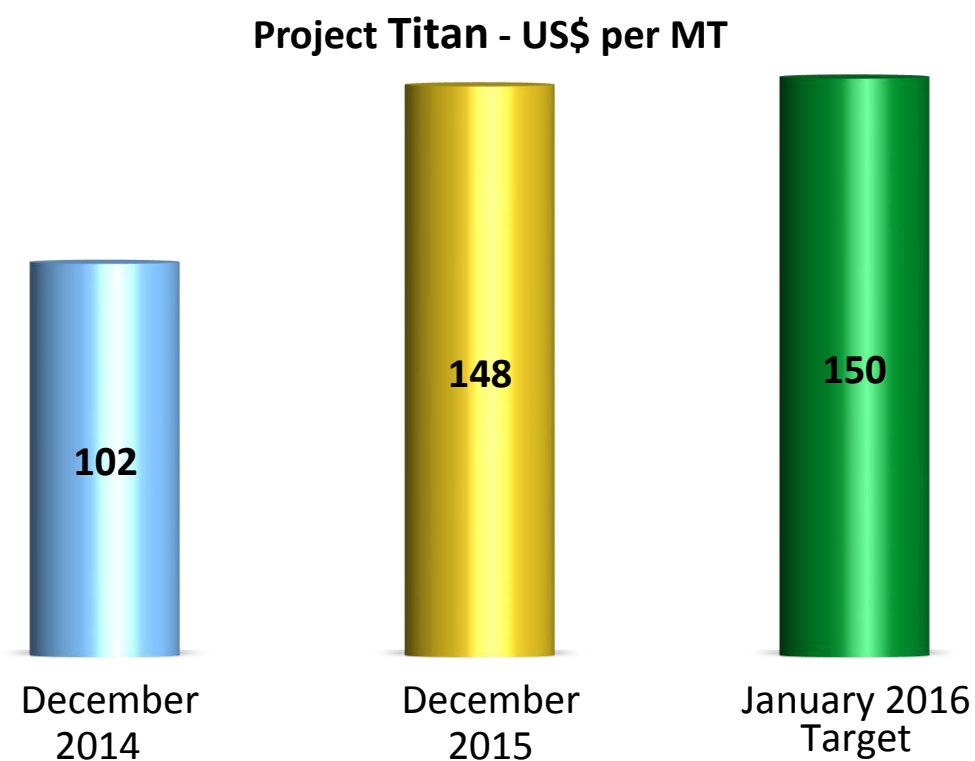
Sales Breakdown by Geographic Footprint (2015 vs. 2014)
Maintain Core Middle East Market & Expand in North America





Alba Highlights - 2015

Project Titan - Improve Cash Cost
Full-Year 2015: Project Titan Achieved Savings of \$148/t



*Savings from Project Titan represent the annual \$cost per mt improvement once all projects are fully implemented



Alba Highlights - Q4 & FY 2015

Financial Key Performance Indicators

- 🪐 **EBITDA (excluding One-Off Costs) down due to lower LME prices**
 - 🪐 Q4: US\$56 million down by 61% YoY
 - 🪐 FY: US\$401 million down by 17% YoY
- 🪐 **Net Income (excluding One-Off Costs) down driven primarily by lower EBITDA level in Q4 and One-Off Costs relating to early retirement pay-out**
 - 🪐 Q4: US\$ 5 million down by 95% YoY
 - 🪐 FY: US\$ 208 million down by 25% YoY
- 🪐 **Q4 2015 Free-Cash Flow favourable due to sound working capital management**
 - 🪐 Q4: US\$72 million up by 54% YoY
 - 🪐 FY: US\$332 million down by 9% YoY
- 🪐 **Alba Board recommends a final dividend of US\$ 20.6 million to be paid in March 2016 (total dividend for 2015 was US\$ 41.3 million)**

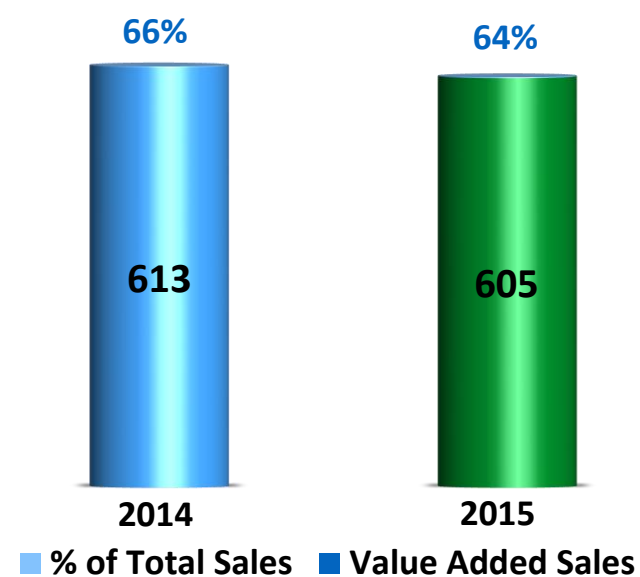




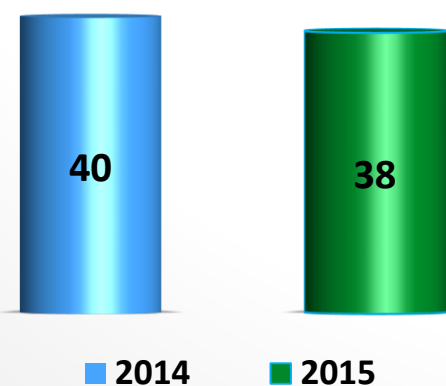
Alba Highlights - 2015

Operational Excellence Continues to Sustain Momentum

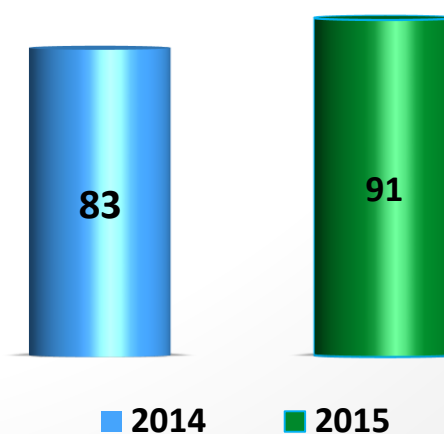
Value-Added Sales (MT'000) as a % of Total Sales



Account Receivable Days

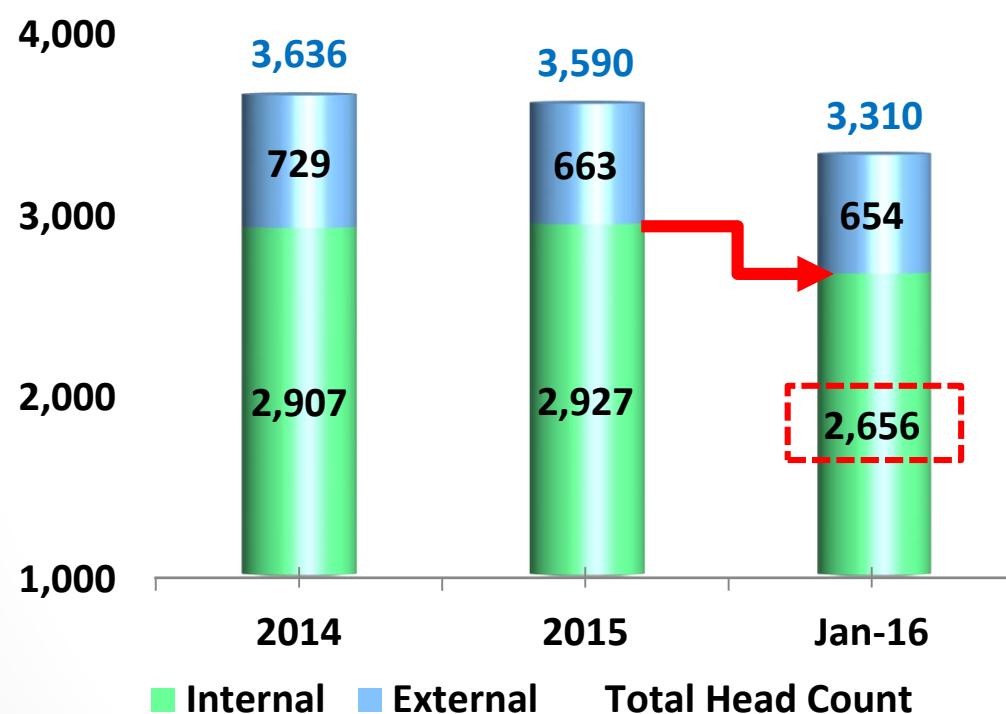


Inventory Days Trend



Alba Highlights - 2015

Optimal Manpower & A Leaner Structure



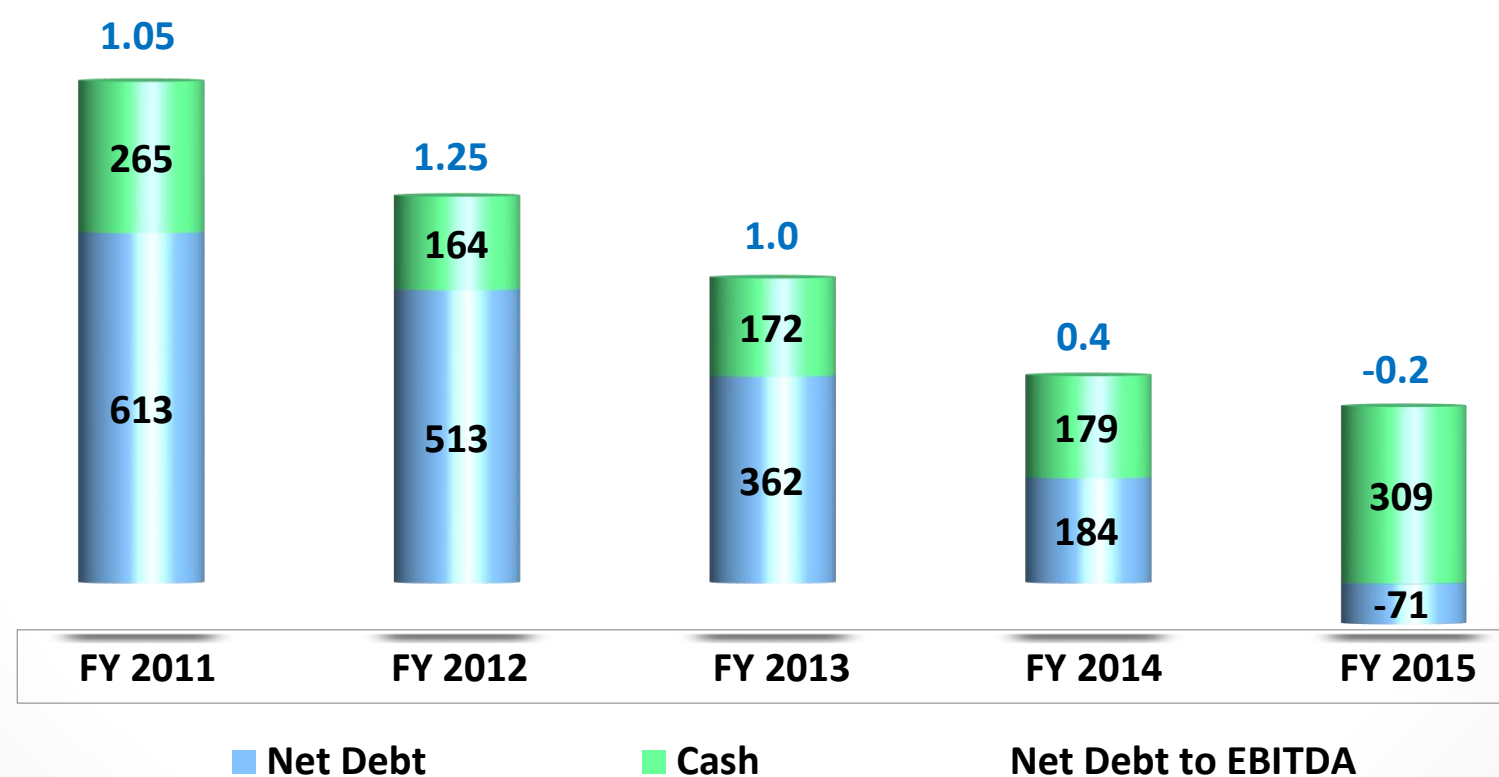
- Early Retirement Scheme (ERS) launched in December 2015 and closed by January 31st 2016
- Alba's Manpower down by 271 employees
- Alba's Manpower down to 2,656 after ERS



Alba Highlights - 2015

Maintain Sound Balance Sheet & Ready for Line 6 Financing

Cash, Net Debt & Net Debt to EBITDA



03

2015 RESULTS

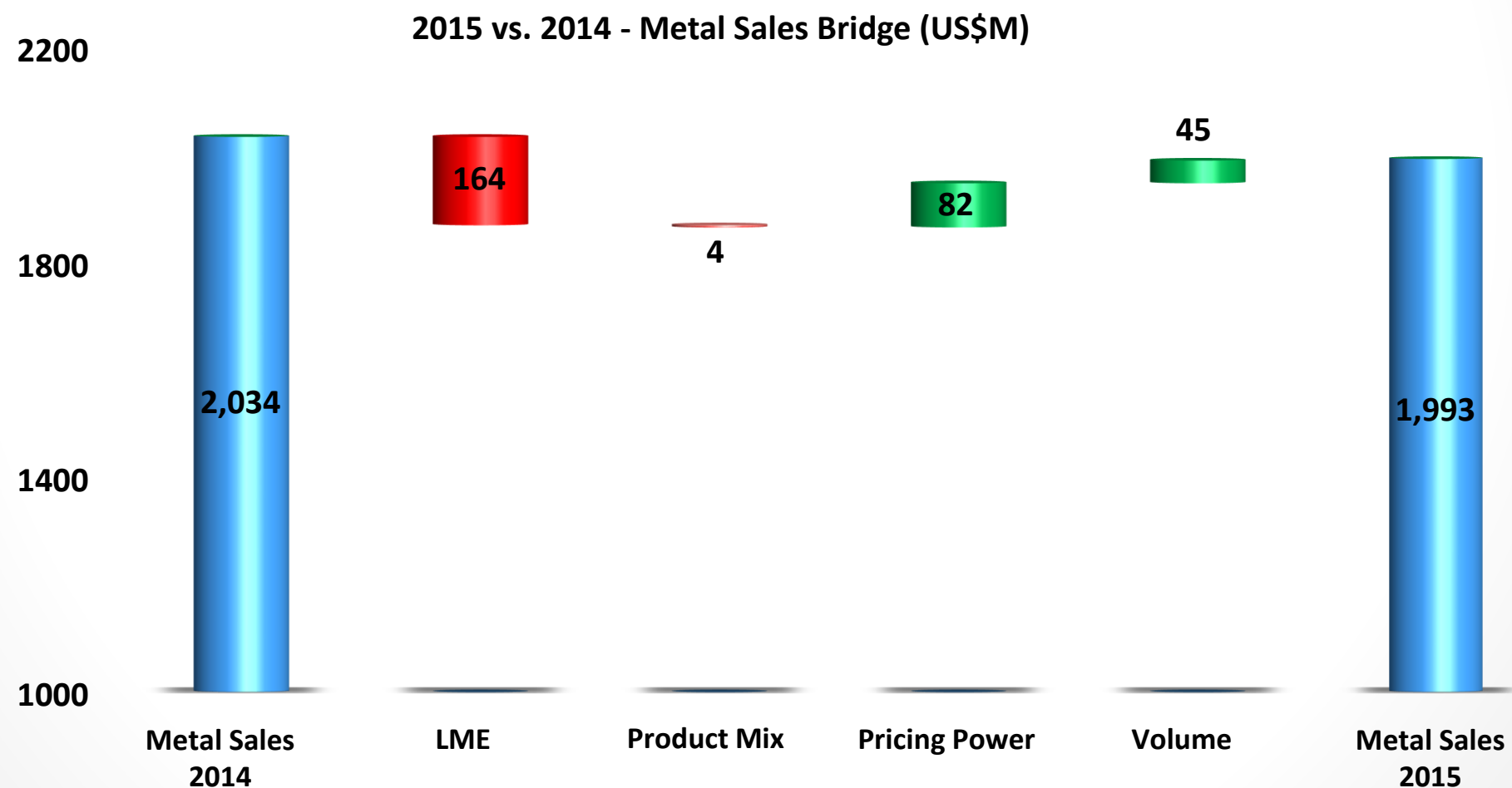


2015 Results

Aluminium Industry: Collapse of All-In-Prices

Sales Analysis 2015 vs. 2014

Favourable Management Performance Offset by Low LME Prices

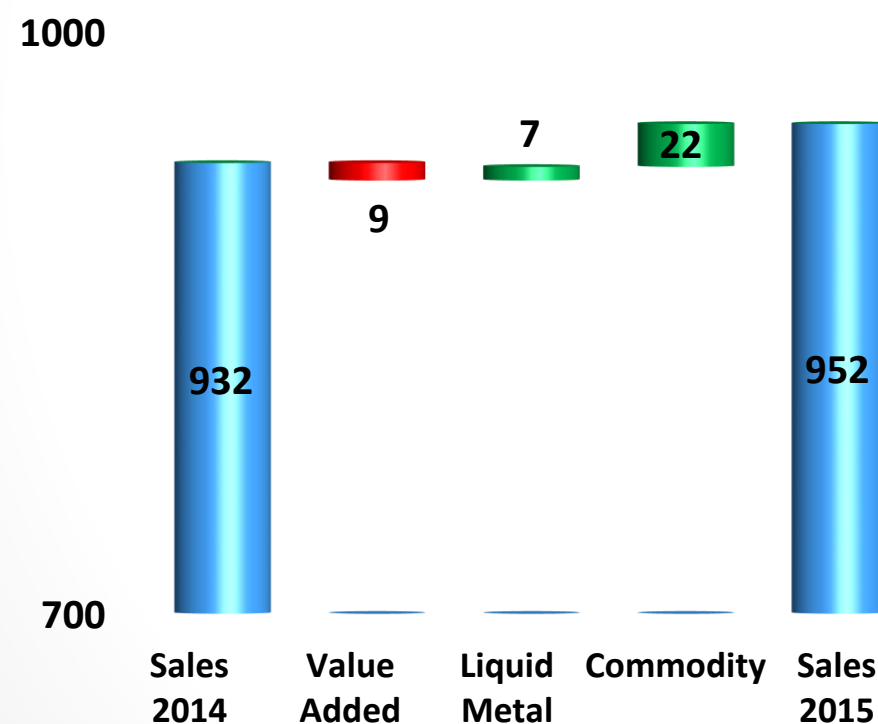


2015 Results

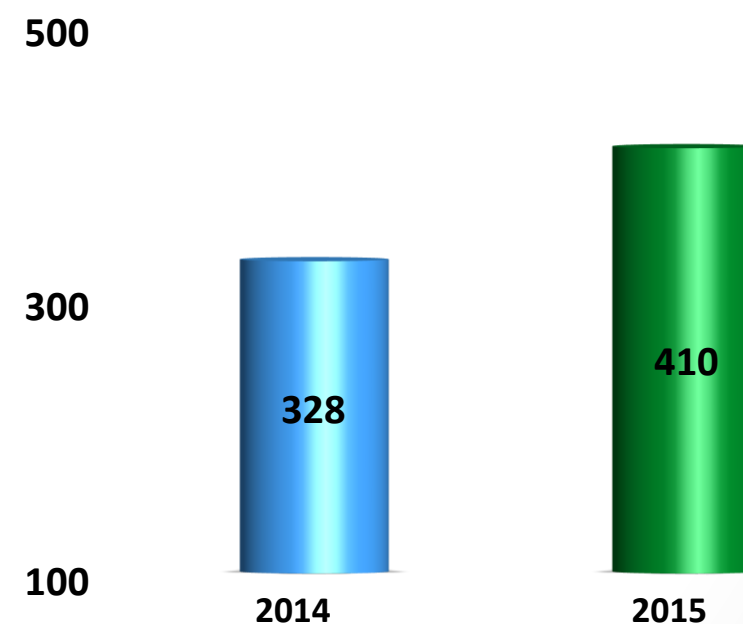
Aluminium Industry: Collapse of All-In-Prices

Maintain Optimum Product Mix
Favourable Management Performance

2015 vs. 2014 - Sales by Product Line
Bridge (MT'000)



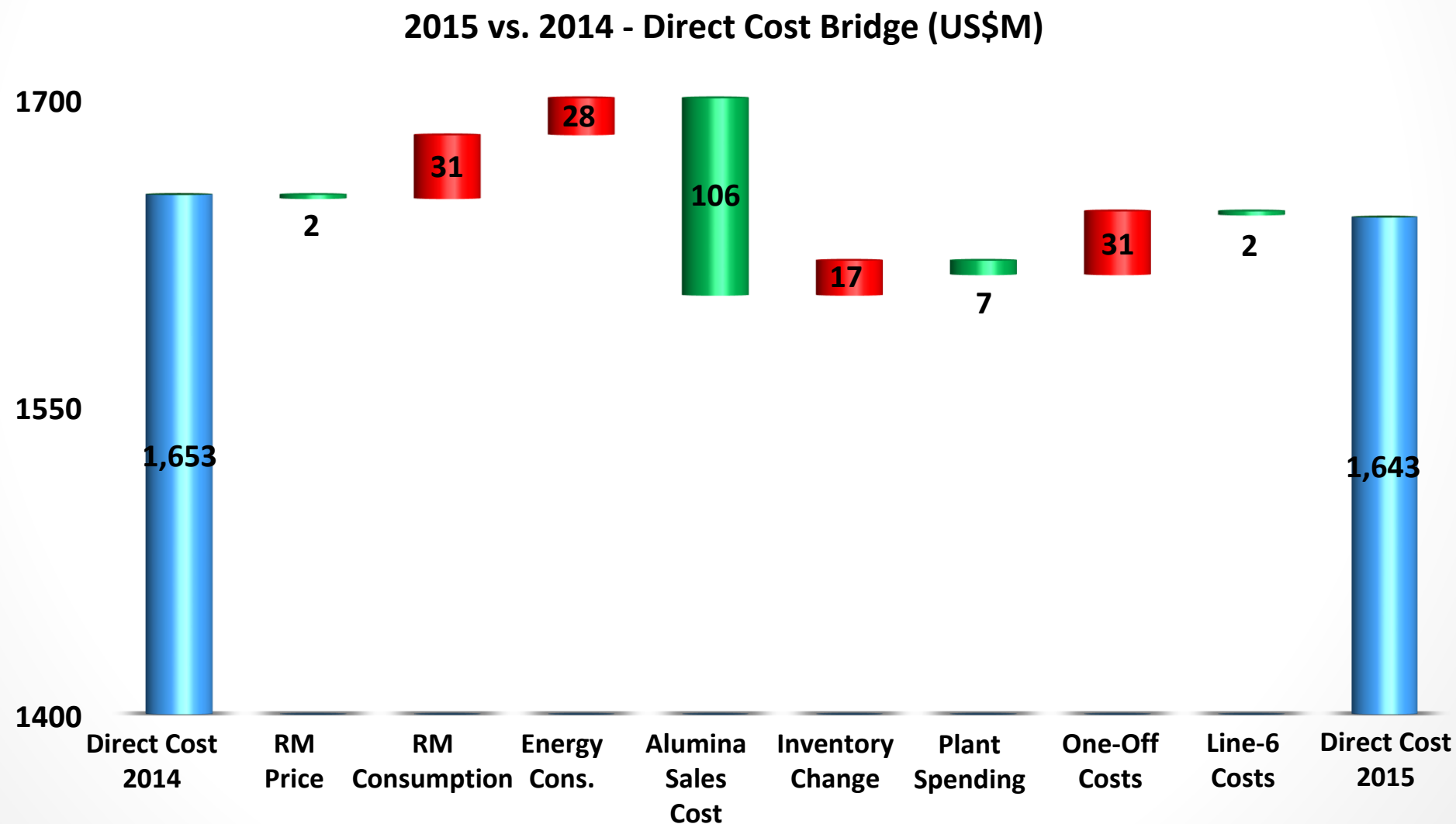
Premium Above LME Trend US\$ Per MT



2015 Results

Aluminium Industry: Collapse of All-In-Prices

Cost Analysis 2015 vs. 2014

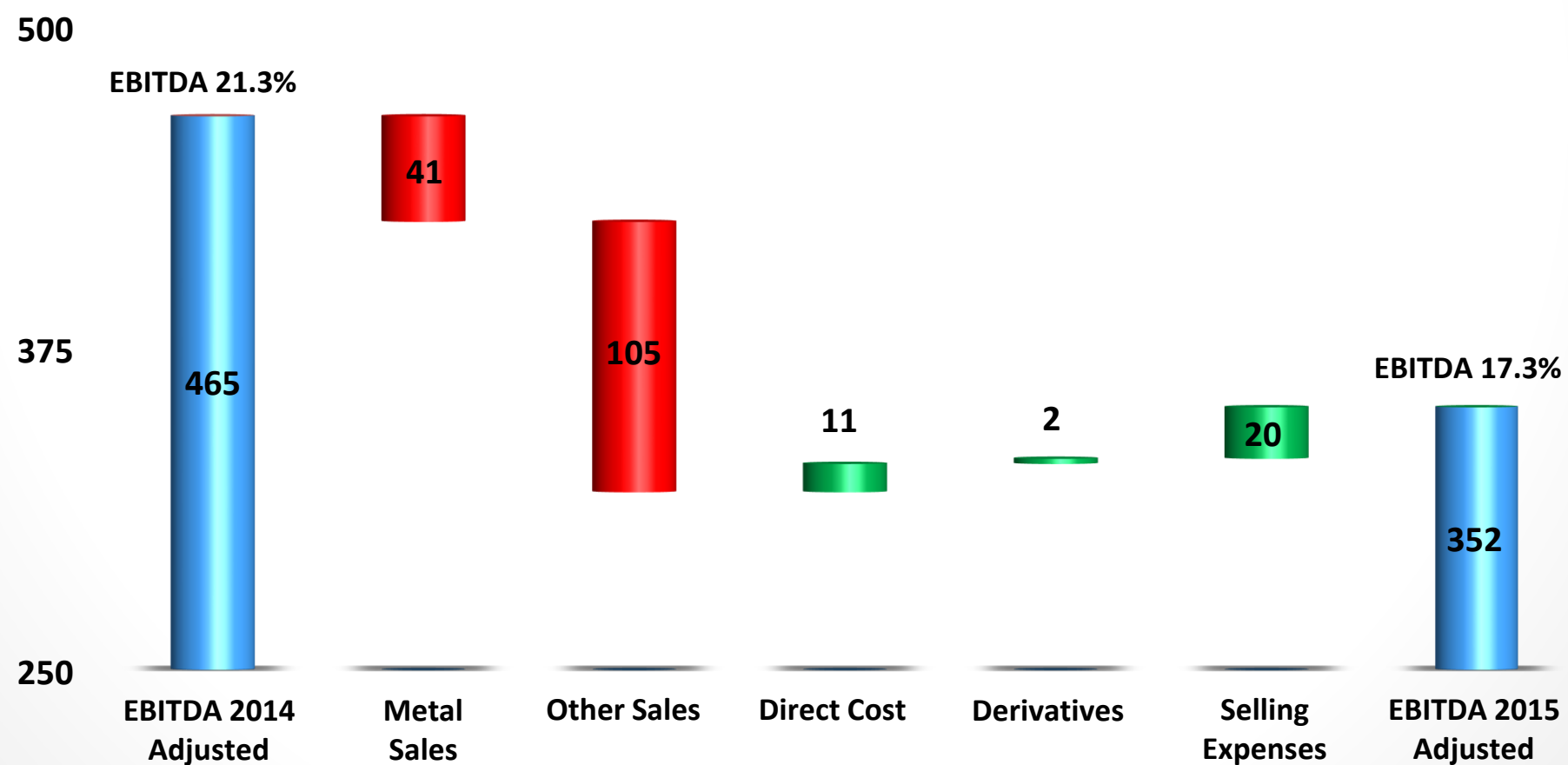


2015 Results

Aluminium Industry: Collapse of All-In-Prices

EBITDA Bridge Gap Analysis - 2015 vs. 2014
EBITDA Margin at 17.3%

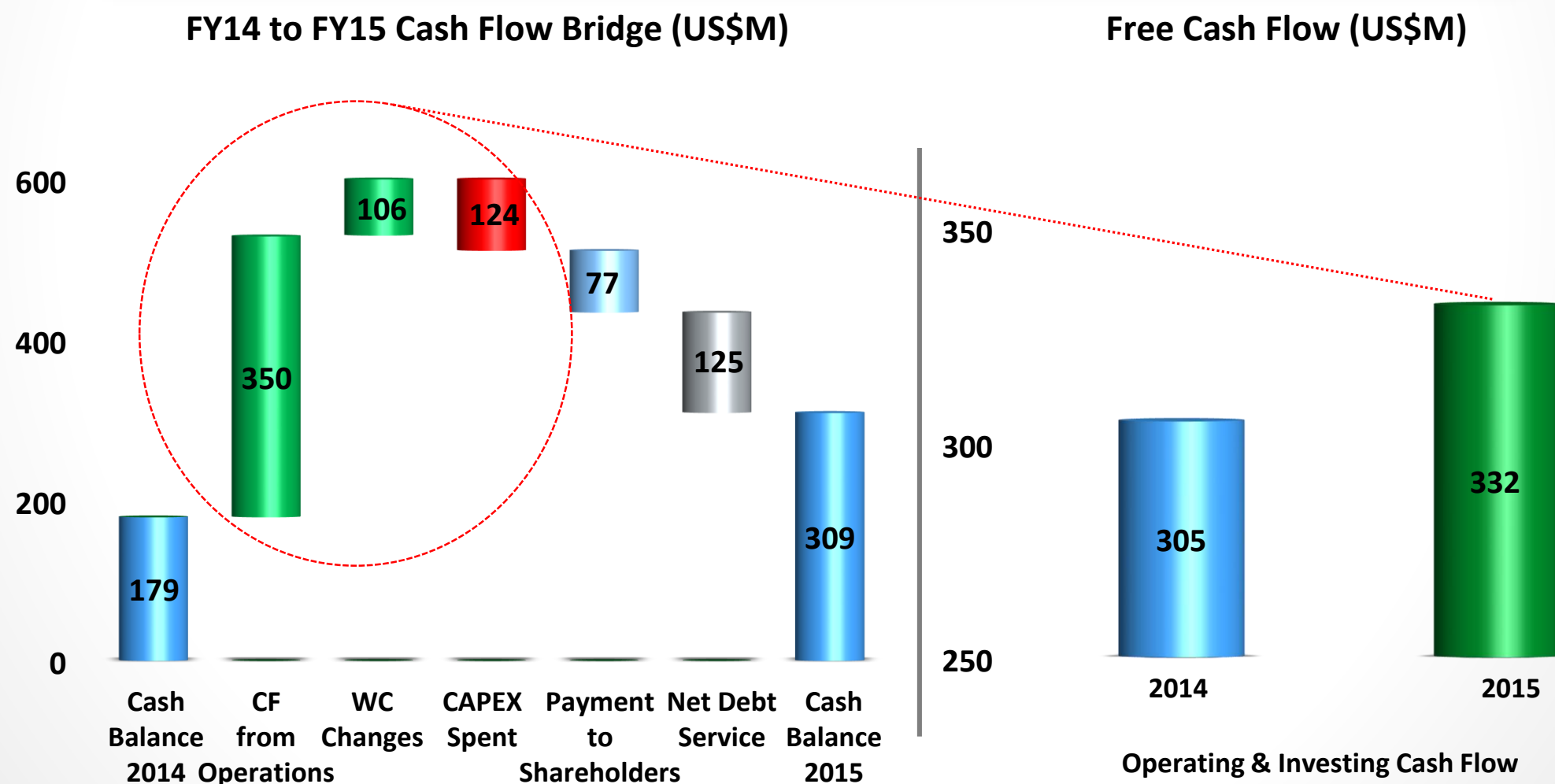
2015 vs. 2014 - EBITDA Bridge (US\$M)



2015 Results

Aluminium Industry: Collapse of All-In-Prices

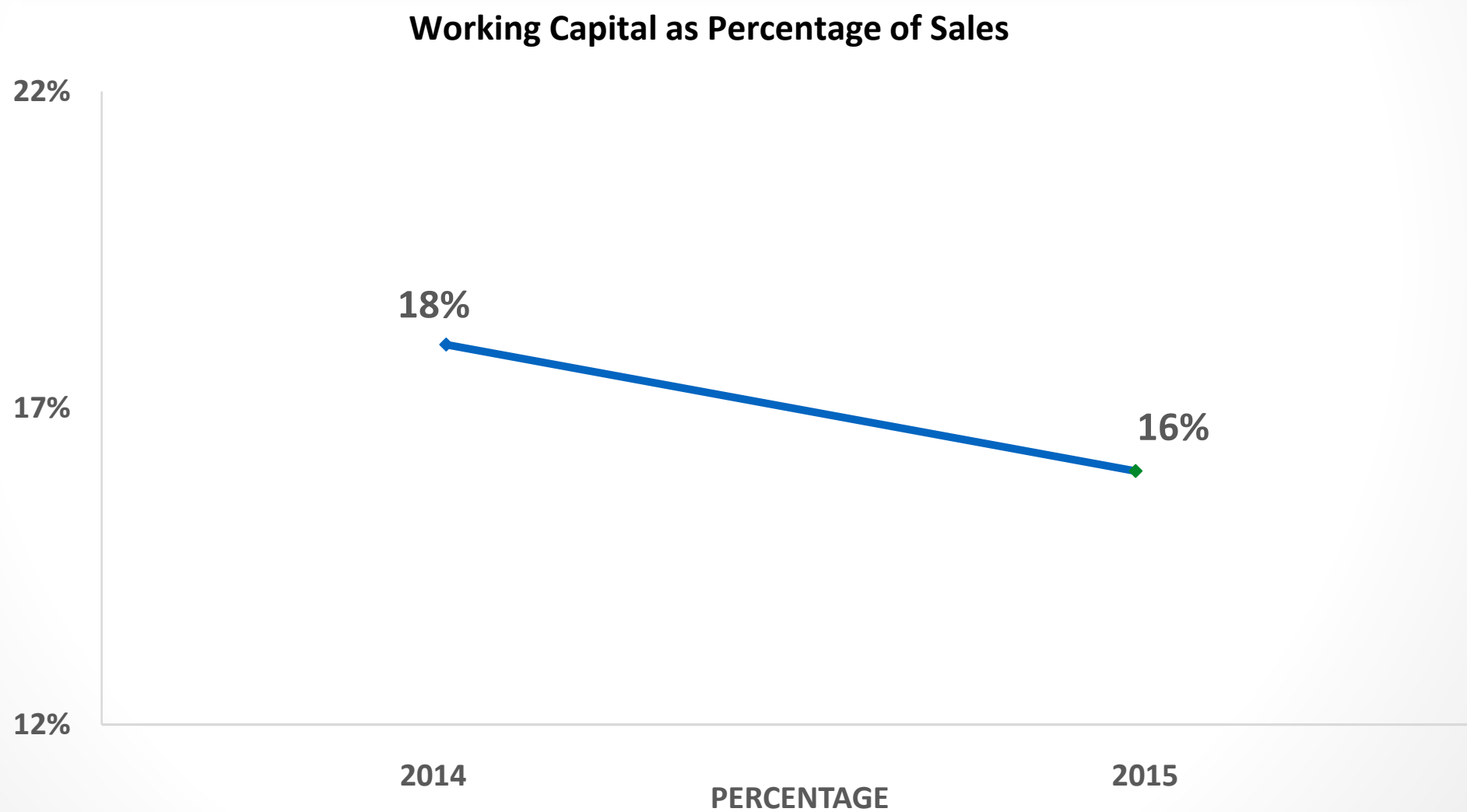
Cash Flow Bridge - FY 2015 vs. FY 2014
Achieving Constant Cash Flow Trend



2015 Results

Aluminium Industry: Collapse of All-In-Prices

Working Capital Trend as Percentage of Sales - Cash is King



2015 Results

Aluminium Industry: Collapse of All-In-Prices

Favourable Management Performance Partially Offset by LME Prices

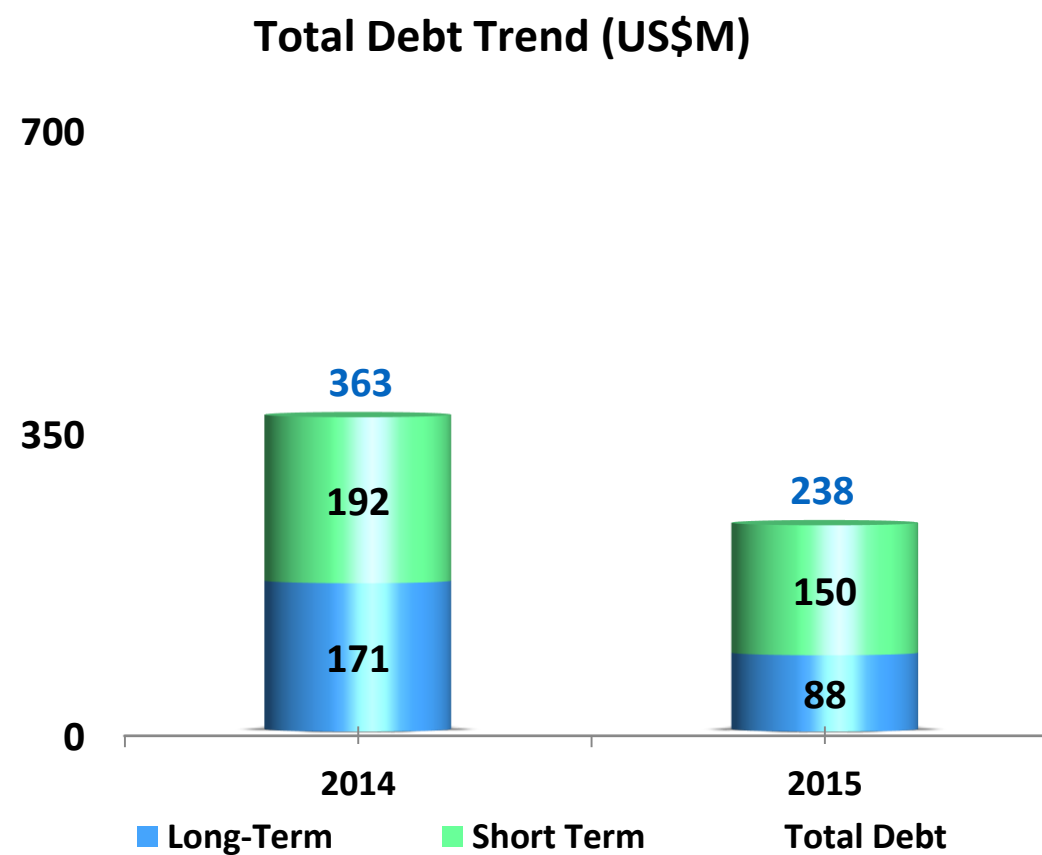
Financial Summary	Q4 2015	Q4 2014	FY 2015	FY 2014
Average Cash LME (US\$/MT)	1,495	1,968	1,663	1,866
Sales (US\$M)	469	591	2,039	2,185
EBITDA (US\$M)	9	140	352	465
EBITDA%	2.0%	23.7%	17.3%	21.3%
EBITDA (Excl. One-Off Costs) (US\$M)	56	145	401	485
EBITDA% (Excl. One-Off Costs)	12.0%	24.5%	19.7%	22.2%
Net Income/ (Loss) (US\$M)	(42)	92	159	257
Net Income/ (Loss) (US\$M) (Excl. One-Off Costs)	5	97	208	242
Net Income/ (Loss) (US\$M) (Excl. One-Off Costs)%	1.1%	16.4%	10.2%	11.1%



2015 Results

Aluminium Industry: Collapse of All-In-Prices

Total Debt Reduction Trend - Continue to Strengthen



2015 Results

Aluminium Industry: Collapse of All-In-Prices

Alba Continues to Deliver Cash to its Shareholders

🪐 At Alba's Board Meeting on February 18, 2016, the Directors recommended a total dividend of US\$ 41.3 million (26% of 2015 Net Income), where US\$ 20.6 million (interim dividend) were paid in September 2015 and US\$ 20.6 million will be payable in March 2016 (subject to Bahrain Bourse and Alba Shareholders' approval)

🪐 The Shareholders' approval will be requested at March 16, 2016 Annual General Meeting



04

INDUSTRY PERSPECTIVES IN 2016





Industry Perspectives in 2016

Global Physical Demand to Remain Healthy

- 🪐 **Key factors to be observed:**
- 🪐 LME volatility will continue
- 🪐 Lower LME prices & strong US dollar will continue to pressure marginal producers to cut output in North America, Europe and China
- 🪐 North America demand is set to grow at a fast pace fuelled by strong automotive production
- 🪐 MENA output stable despite geopolitical tensions
- 🪐 LME price to range between \$1,400/t - \$1,500/t





Industry Perspectives in 2016

Raw Materials Price Trends

- ♁ Alumina spot index to soften and expected to remain stable with minor fluctuations
- ♁ Green Petroleum Coke prices to slightly soften in 2016
- ♁ Alumina Fluoride (ALF3) and Liquid Pitch prices to remain at current levels in 2016 and likely to decrease



05

2016 ALBA PRIORITIES





2016 Alba Priorities

Sustainable Improvement & Preparation for Future Growth

- 🪐 Continuous Focus on Safety Initiatives & Talent Management
- 🪐 Introduce “Titan 2”
- 🪐 Focus on Value-Added Sales
- 🪐 Increase Creep Capacity with Minimal Capital Investment
- 🪐 Kick-off the early works for Line 6 Expansion Project



06

APPENDIX

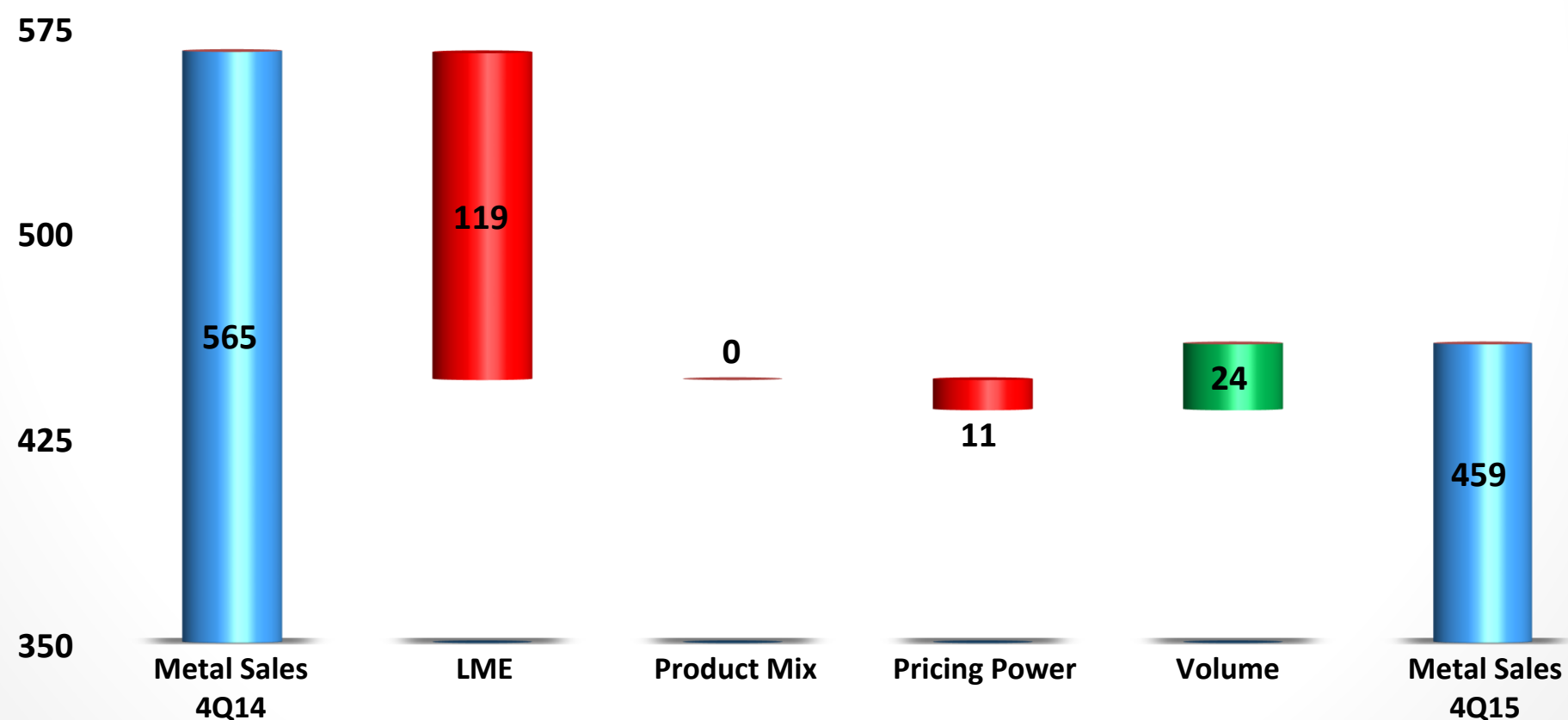


Q4 2015 Results

Aluminium Industry: Collapse of All-In-Prices

Sales Analysis 4Q15 vs. 4Q14
Favourable Management Performance Offset by Low LME Prices

4Q15 vs. 4Q14 - Metal Sales Bridge (US\$M)

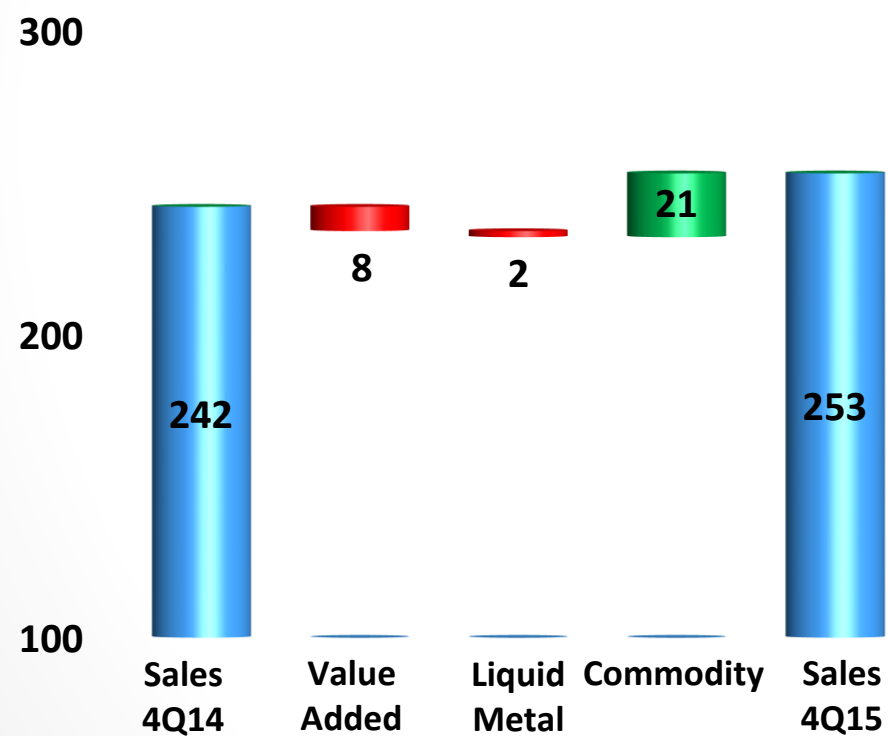


Q4 2015 Results

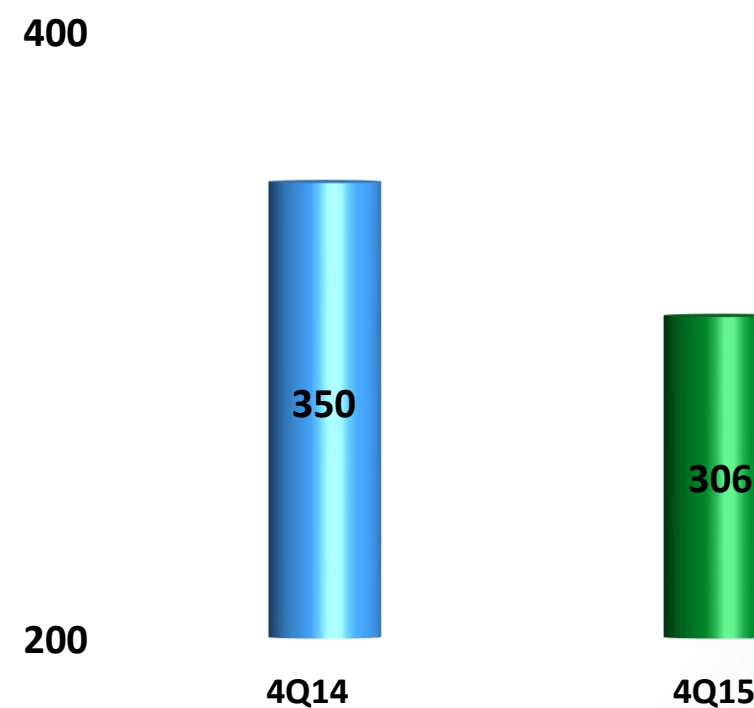
Aluminium Industry: Collapse of All-In-Prices

Maintain Optimum Product Mix
Favourable Management Performance

4Q15 vs. 4Q14 - Sales by Product Line
Bridge (MT'000)



Premium Above LME Trend US\$ Per MT

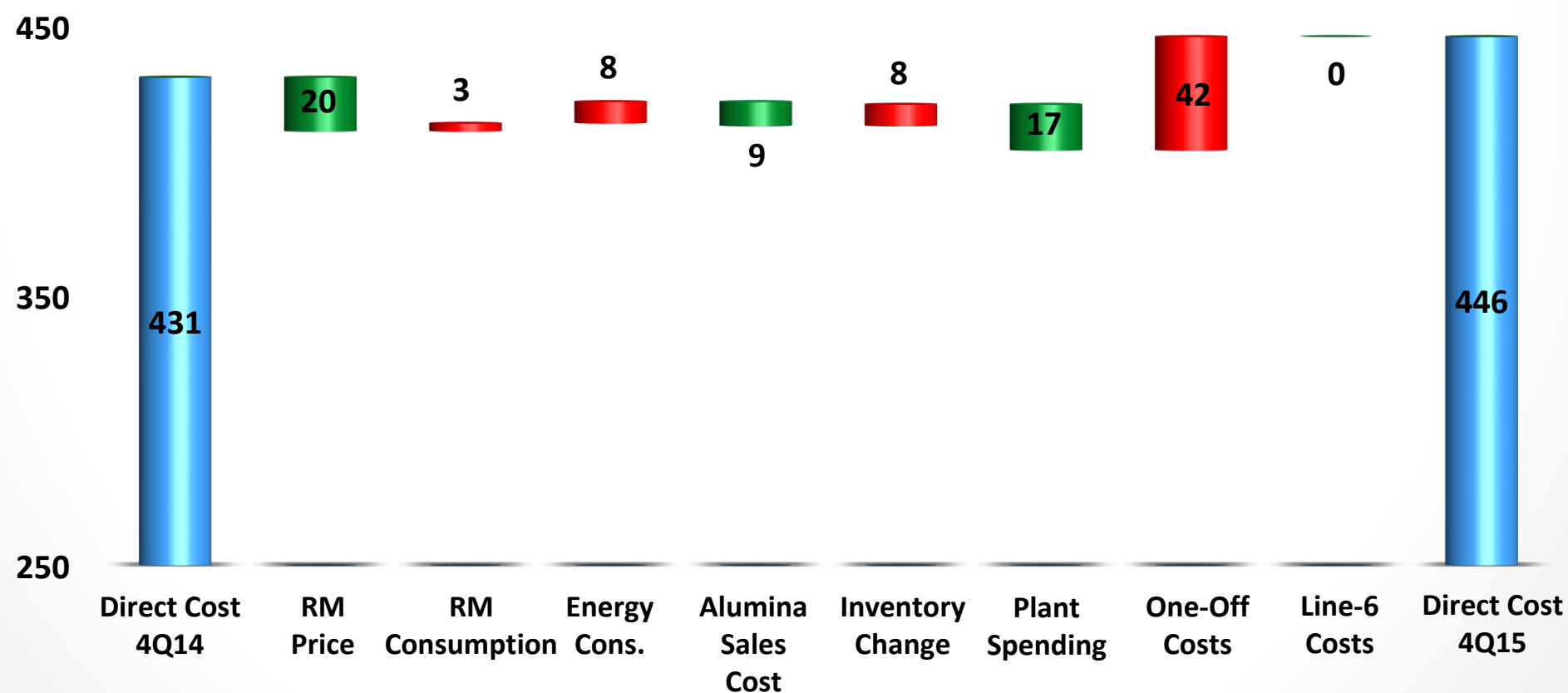


Q4 2015 Results

Aluminium Industry: Collapse of All-In-Prices

Cost Analysis 4Q15 vs. 4Q14

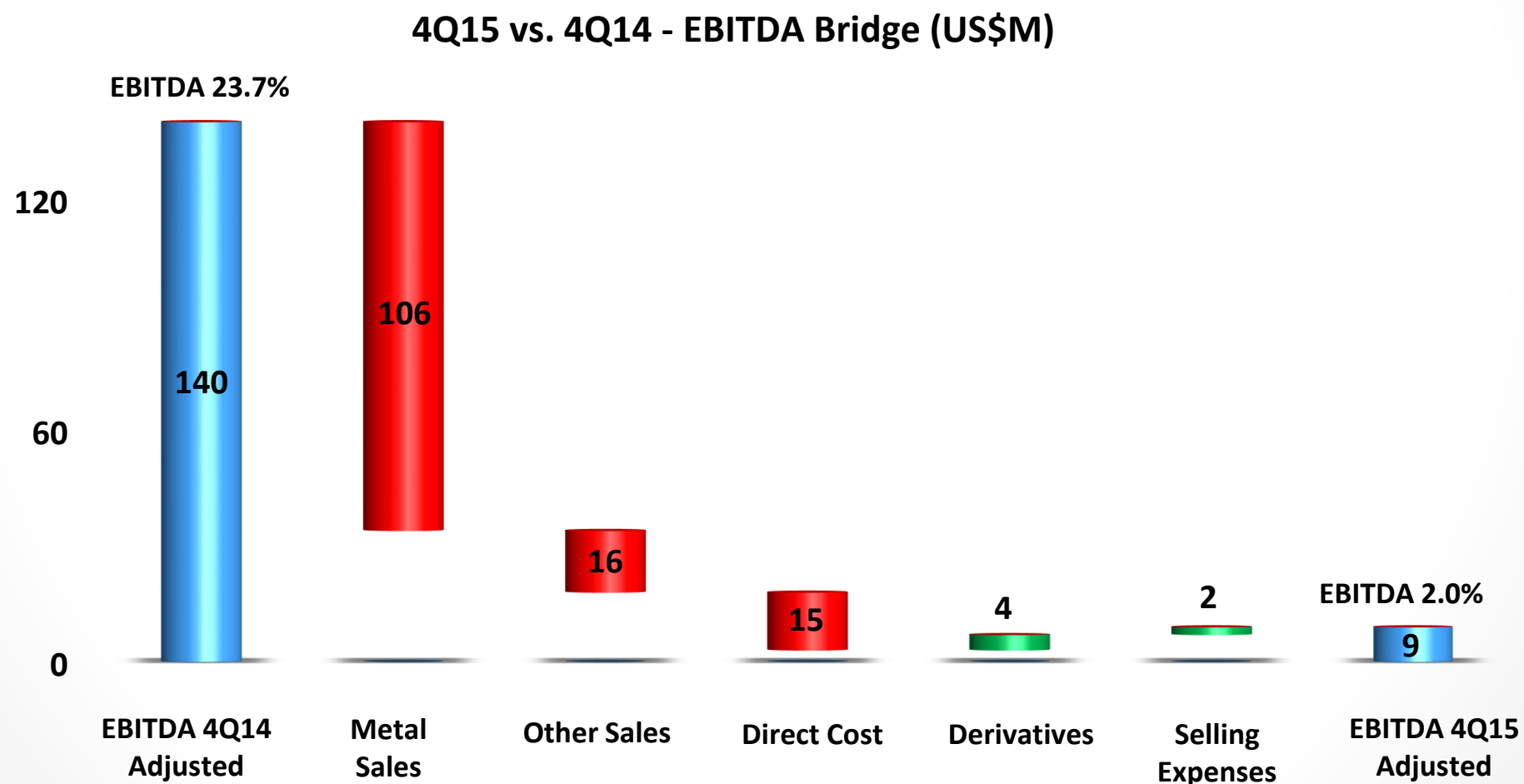
4Q15 vs. 4Q14 - Direct Cost Bridge (US\$M)



Q4 2015 Results

Aluminium Industry: Collapse of All-In-Prices

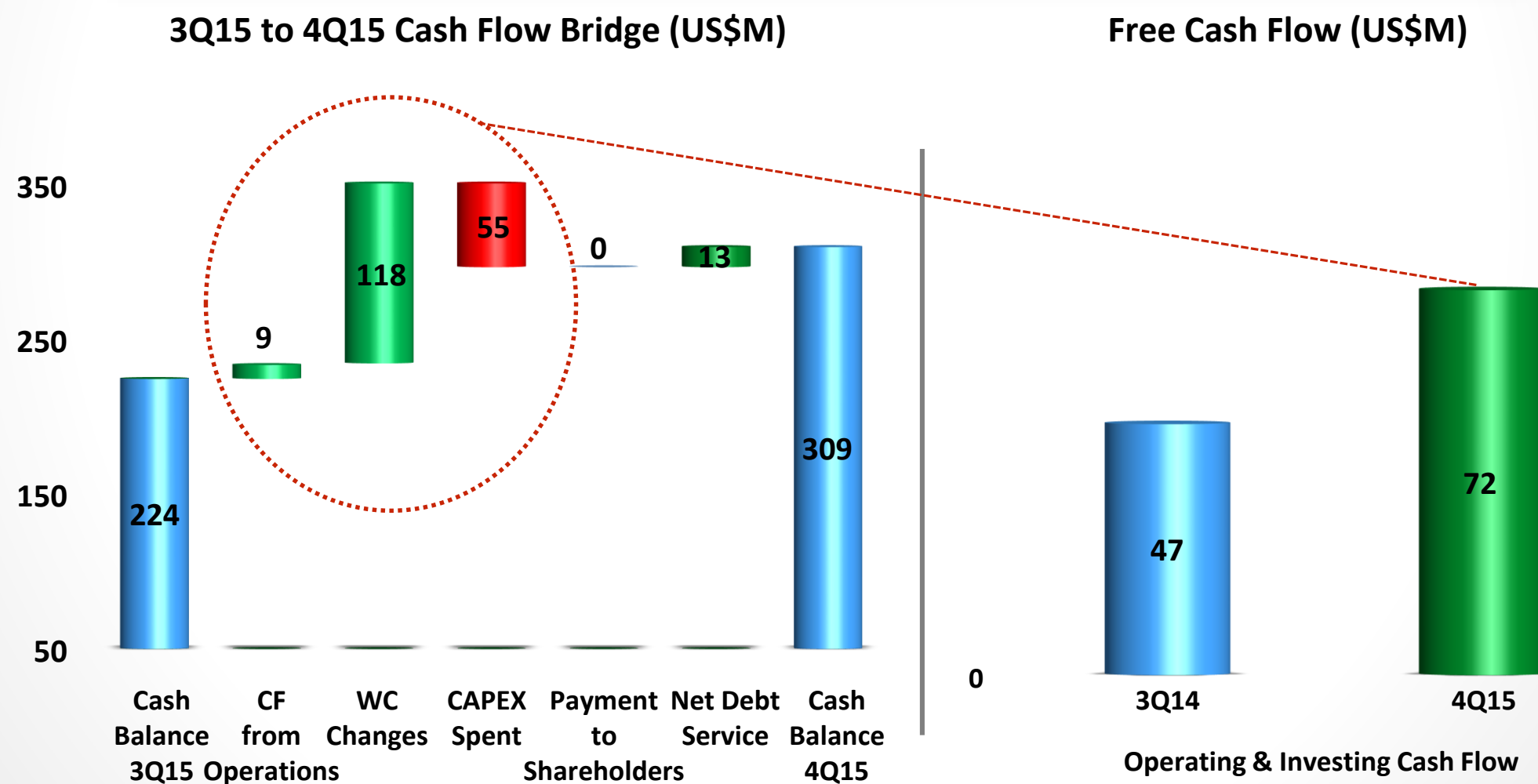
Adjusted EBITDA Bridge
Adjusted EBITDA Margin at 2%



Q4 2015 Results

Aluminium Industry: Collapse of All-In-Prices

Cash Flow Bridge - 3Q15 to 4Q15
Achieving Constant Cash Flow Trend





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