



INVESTOR RELATIONS PRESENTATION

Q3 2019



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01

INDUSTRY HIGHLIGHTS¹

Industry Highlights – Q3 2019

Global Physical Demand Under Pressure

Aluminium demand has lost momentum in most global markets: world-market consumption almost flat, first decline since 2009, due to weak economic conditions, slow global manufacturing and increased use of scrap metal

- 🌐 MENA consumption up by 4% YoY driven by infrastructure spending in UAE and Saudi Arabia
- 🌐 Market sentiment down in China with the government's unwillingness to support the economy [demand up by 2% YoY]
- 🌐 Europe consumption down by 1% YoY owing to lower vehicle demand
- 🌐 A slowdown in the US market has led to a drop of 3% YoY in aluminium consumption

Industry Highlights – Q3 2019

Global Production Hit by Sanctions

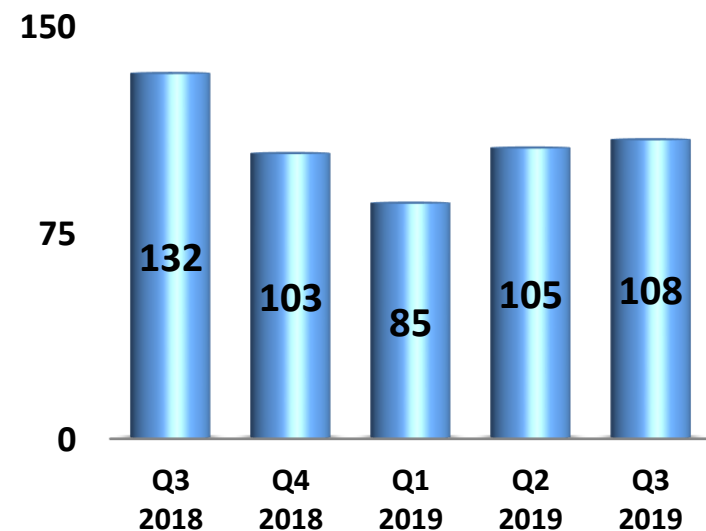
- 🌐 World production inched down by 1% YoY
- 🌐 Asian supply down by 1% YoY supported by Chinese supply disruptions [a drop of 3% YoY]
- 🌐 Production in North America continue to gain momentum post 2018 lacklustre (+7% YoY supported by smelters' restarts)
- 🌐 World market in deficit with China (-467 Kt) & (-61 Kt) without China

Industry Highlights – Q3 2019

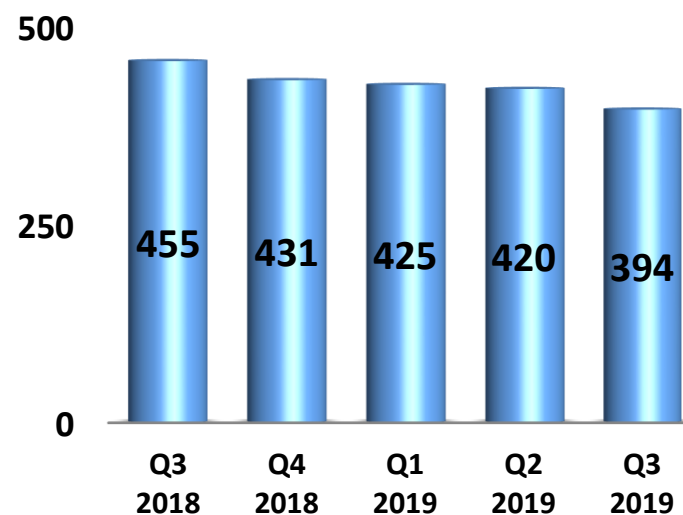
LME & Premiums

- LME-Cash averaged US\$1,761/t - down by 14% YoY [lowest: US\$1,704/t on September 30 and highest: US\$1,833/t on July 19]
- LME inventories below 1 million MT (0.936 million MT in September)
- Physical premium prices remained low (US\$/t):

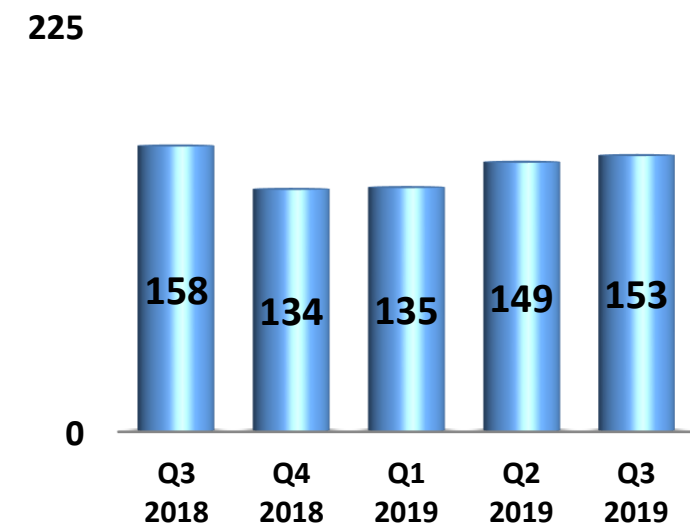
Major Japanese Ports (MJP)



US Midwest

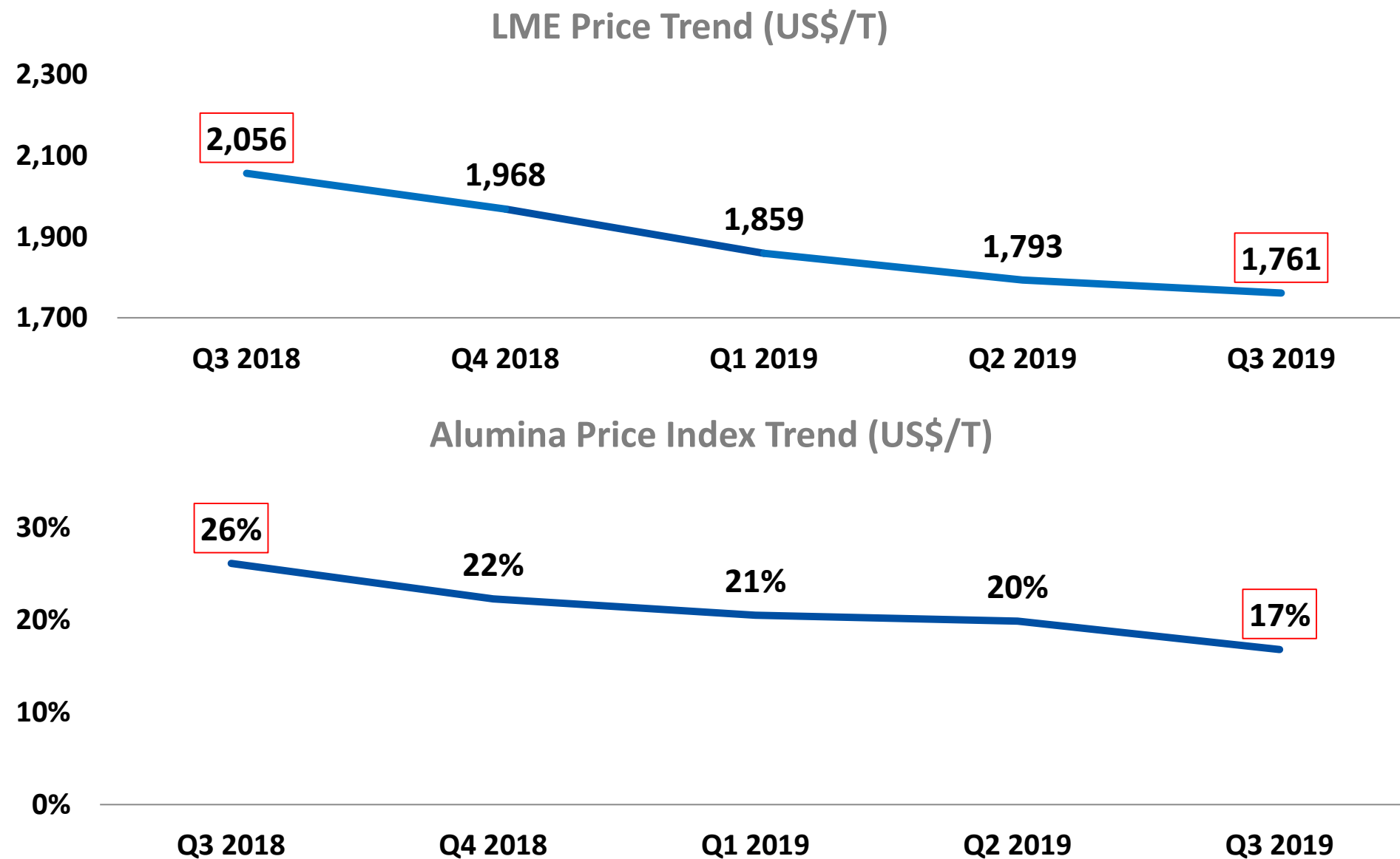


DDP Rotterdam



Industry Highlights – Q3 2019

Alumina Price Relatively High - 17% of LME Price





02

ALBA HIGHLIGHTS

Alba Highlights – Q3 2019

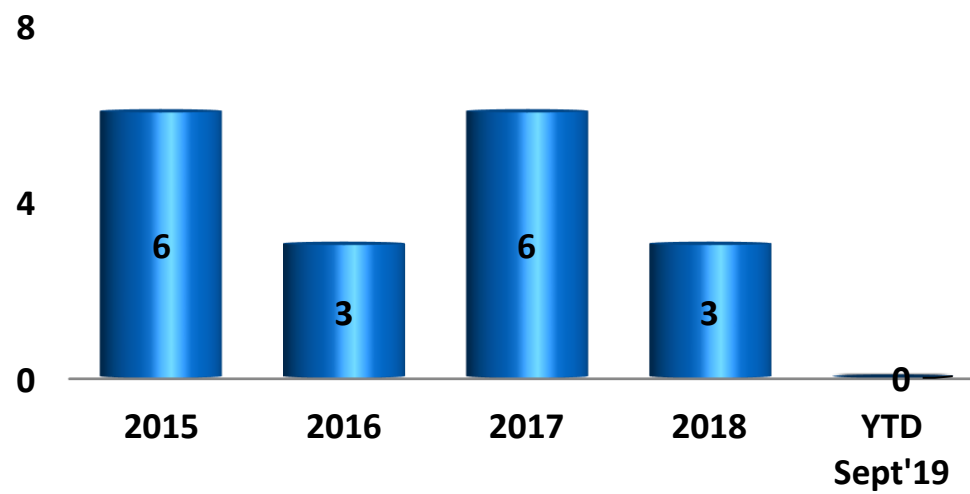
Operational Highlights & Milestones

- 🌐 +11 million working-hours w/o LTI on 30 September 2019 [+12.5 million working-hours on October 24]
- 🌐 Sales' volume reached 376,025 metric tonnes (mt) up by 51% YoY
- 🌐 Production topped 385,396 mt up by 53% YoY
- 🌐 Line 6 Expansion Project almost complete:
 - Line 6 Smelter [overall progress > 98%]
 - Power Expansion Project [PS 5 & PDS overall progress: 97% & 99%]

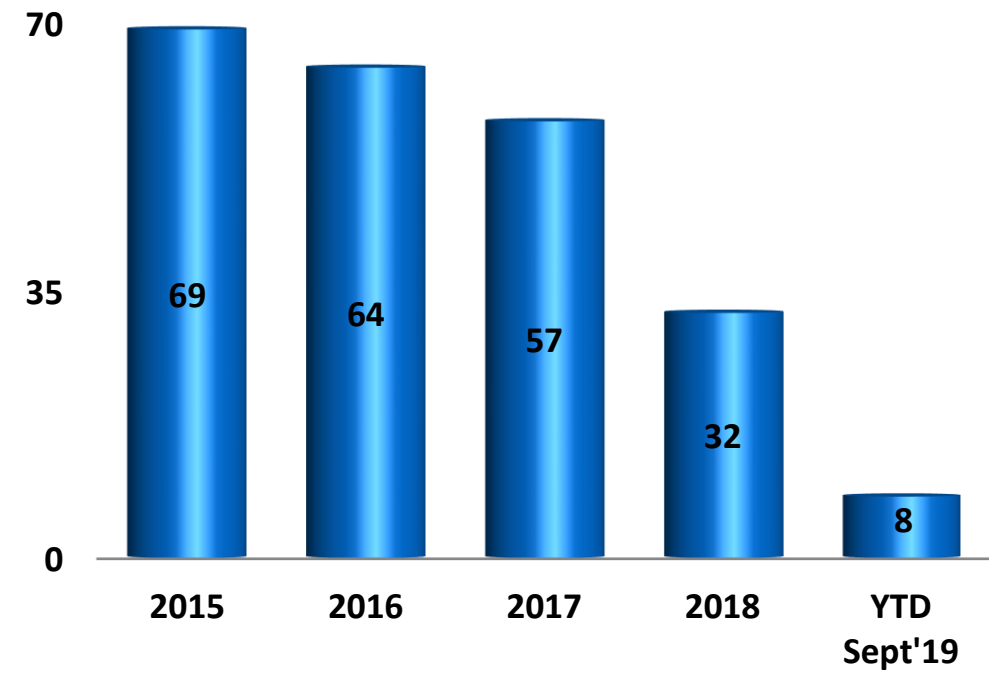
Alba Highlights – Q3 2019

Continued Focus on Safety

Lost Time Injury (LTI) Trend



Total Injuries' Trend



Alba Highlights – Q3 & YTD 2019

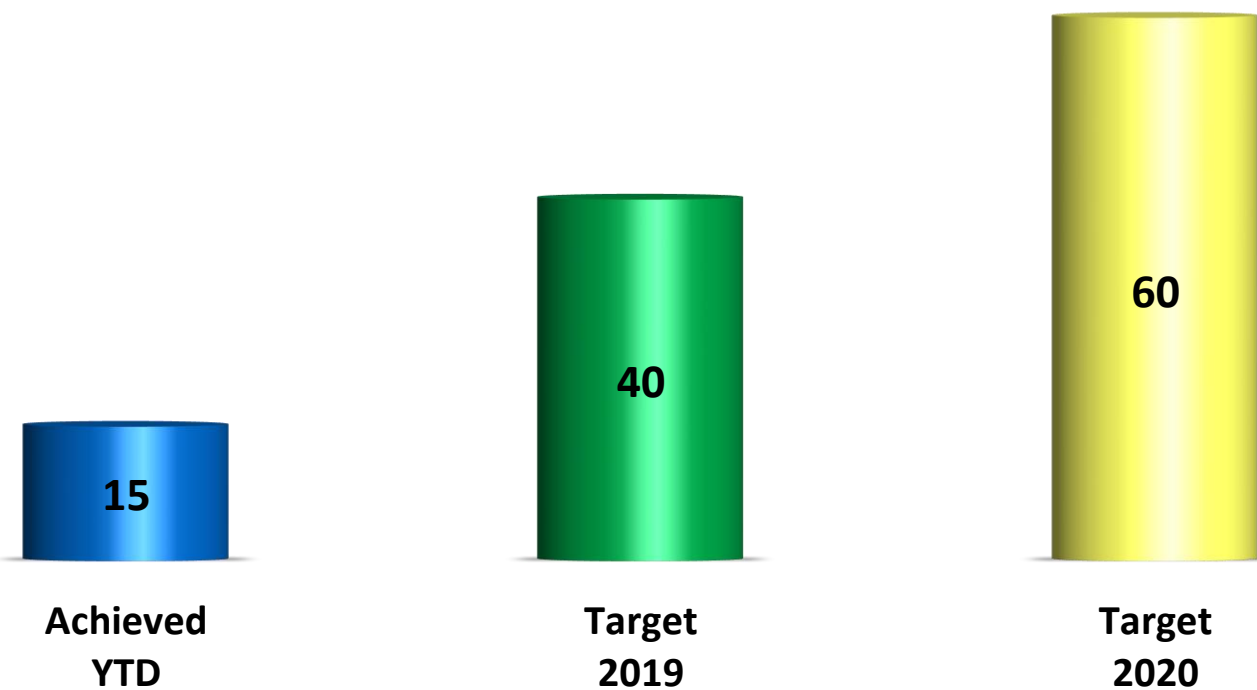
Financial Key Performance Indicators

- EBITDA impacted by lower LME prices
- Q3: US\$ 107 million up by 34% YoY
- YTD: US\$ 166 million down by 49% YoY
- Net Income (Loss) driven by Q3 & YTD EBITDA levels**
- Q3: US\$ 28 million down by 26% YoY
- YTD: US\$ (22) million down by 111% YoY
- Free-Cash Flow¹ up thanks to sound working-capital management**
- Q3: US\$ 198 million up by 92% YoY
- YTD: US\$ 250 million down by 49% YoY

Alba Highlights – Q3 2019

Project Titan - Phase IV: Improve Cash-Cost Structure by US\$ 100M by end of 2020 [2019: US\$ 40M & 2020: US\$ 60M]

Project Titan - US\$ Million

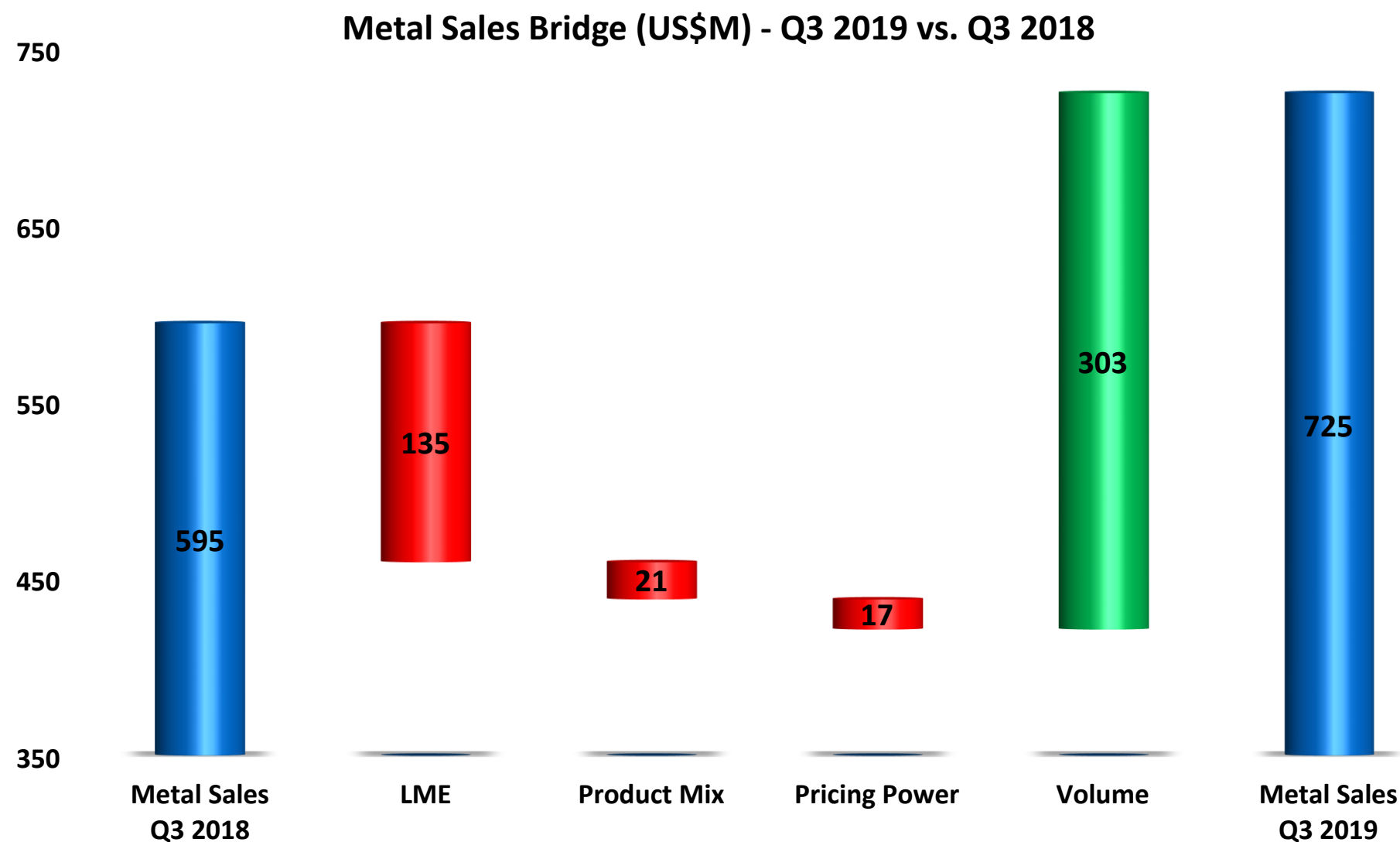


03

Q3 2019 RESULTS

Aluminium Industry: Economic Uncertainty & Lower LME Price

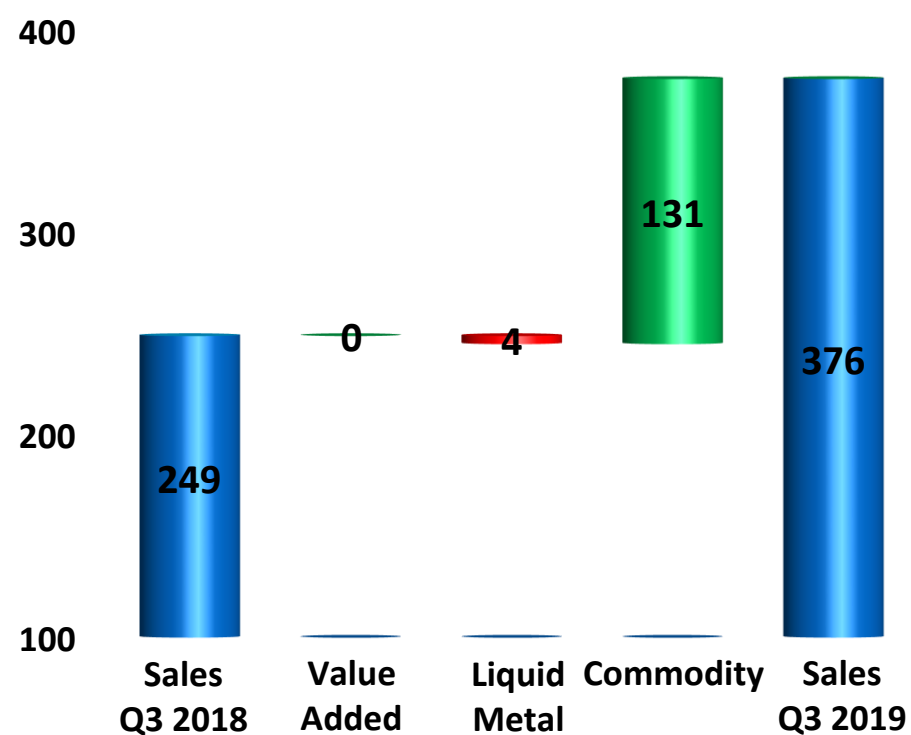
Metal Sales' Bridge Analysis Q3 2019 vs. Q3 2018
Higher Metal Sales Offset by Lower LME & Premium Prices



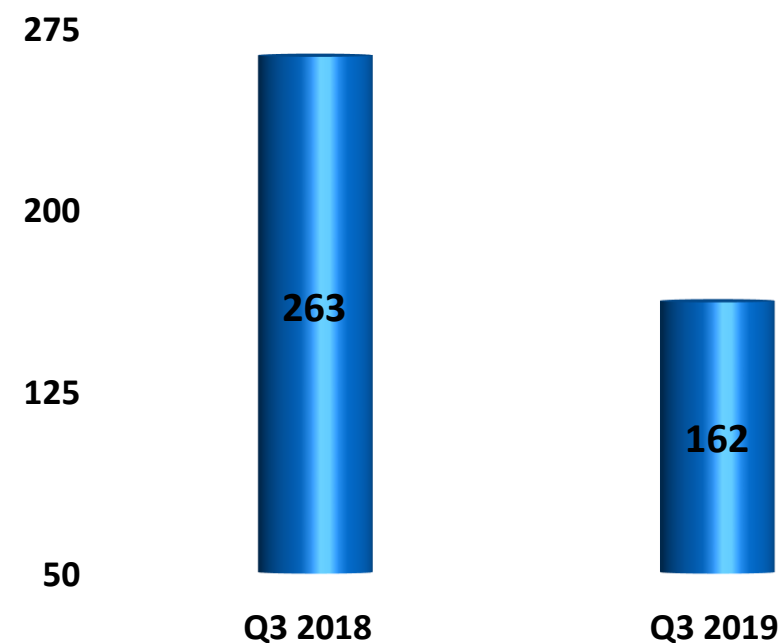
Aluminium Industry: Economic Uncertainty & Lower LME Price

Higher Sales' Volume Underpinned by Higher Commodities' Volume

Sales by Product-Line Bridge (MT'000)
Q3 2019 vs. Q3 2018



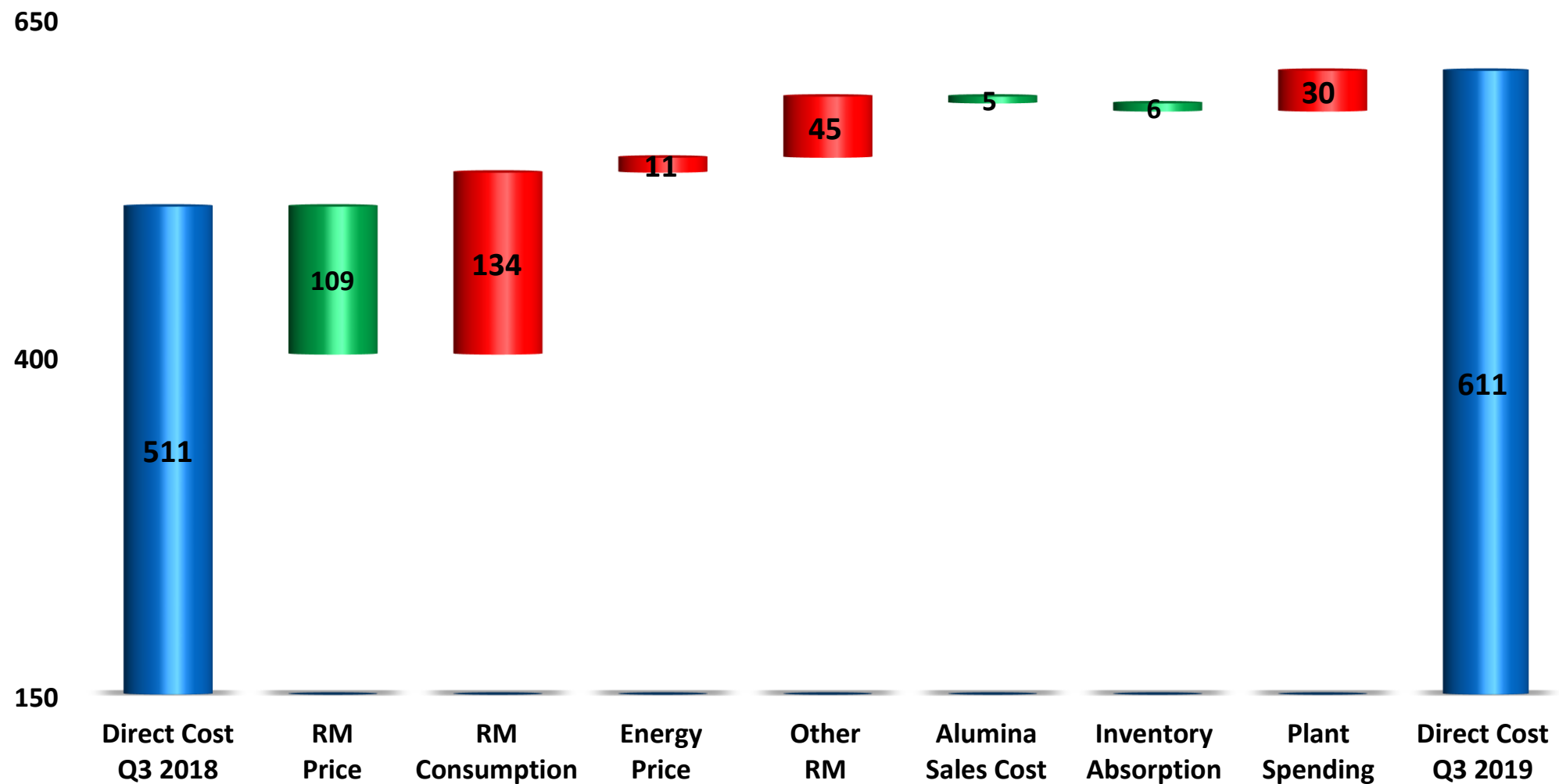
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Economic Uncertainty & Lower LME Price

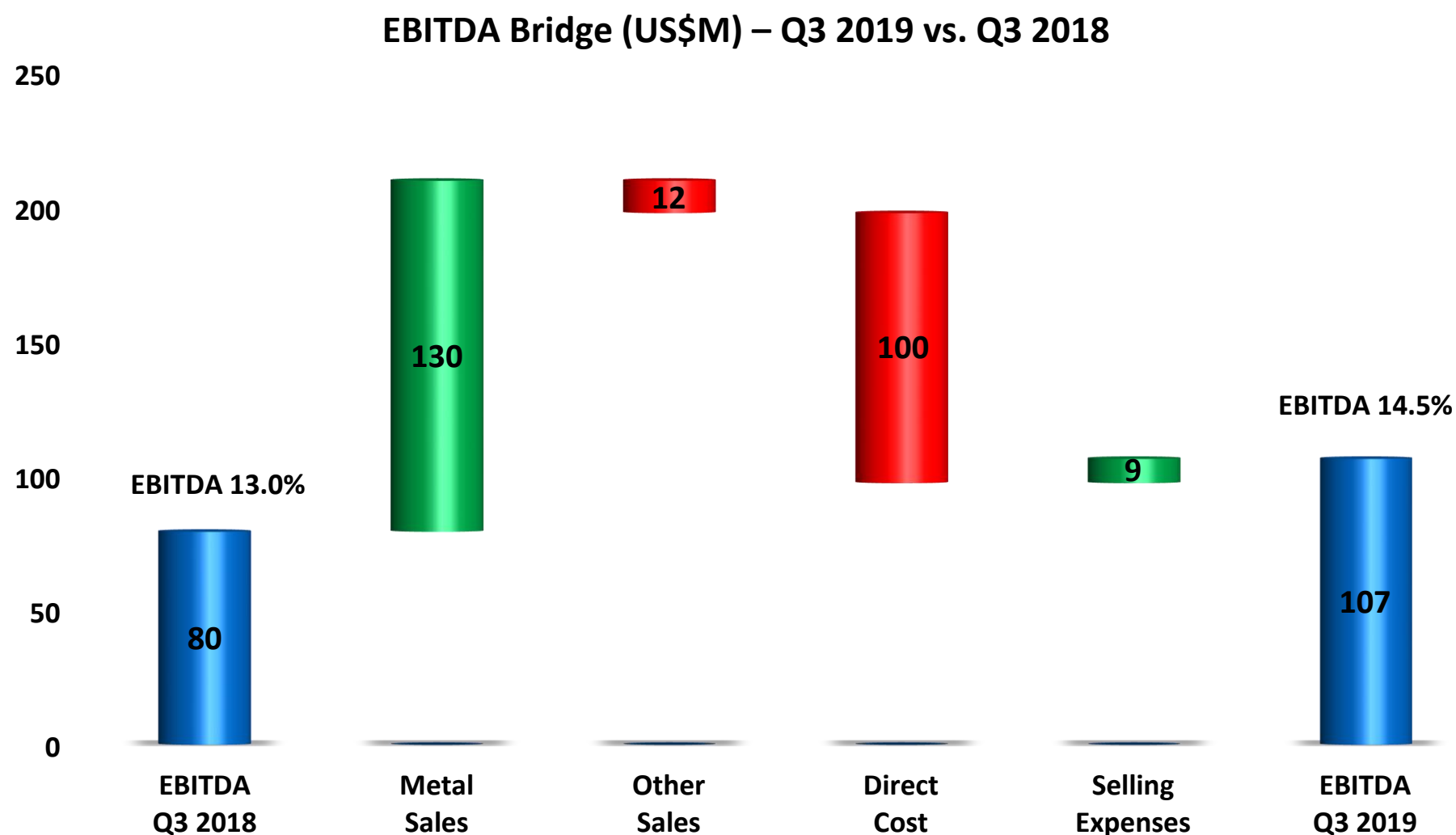
Cost Analysis Q3 2019 vs. Q3 2018
Higher Direct Cost Thanks to Higher Production

Direct Cost Bridge (US\$M) - Q3 2019 vs. Q3 2018



Aluminium Industry: Economic Uncertainty & Lower LME Price

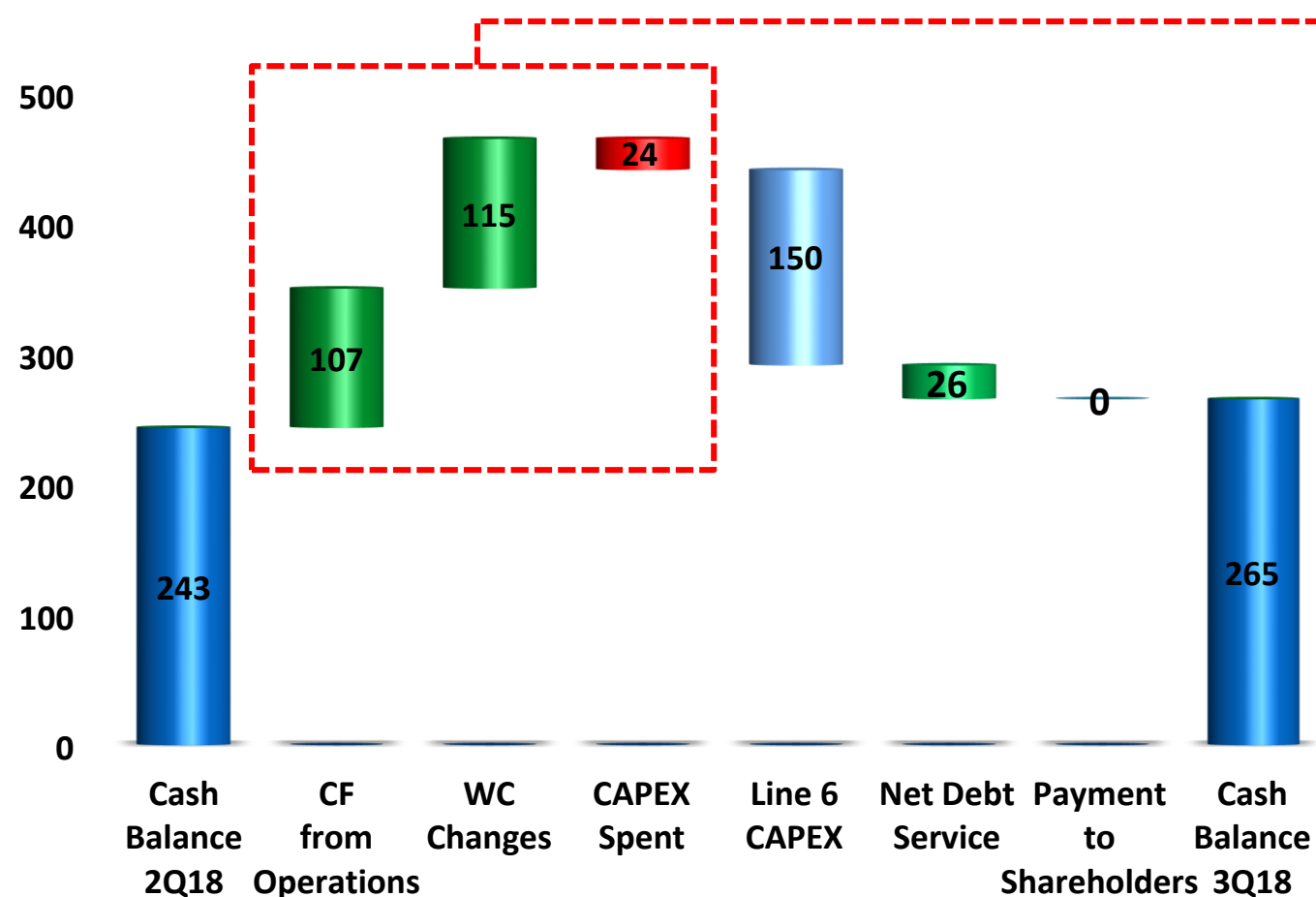
EBITDA Bridge Gap Analysis – Q3 2019 vs. Q3 2018
EBITDA Margin at 14.5%



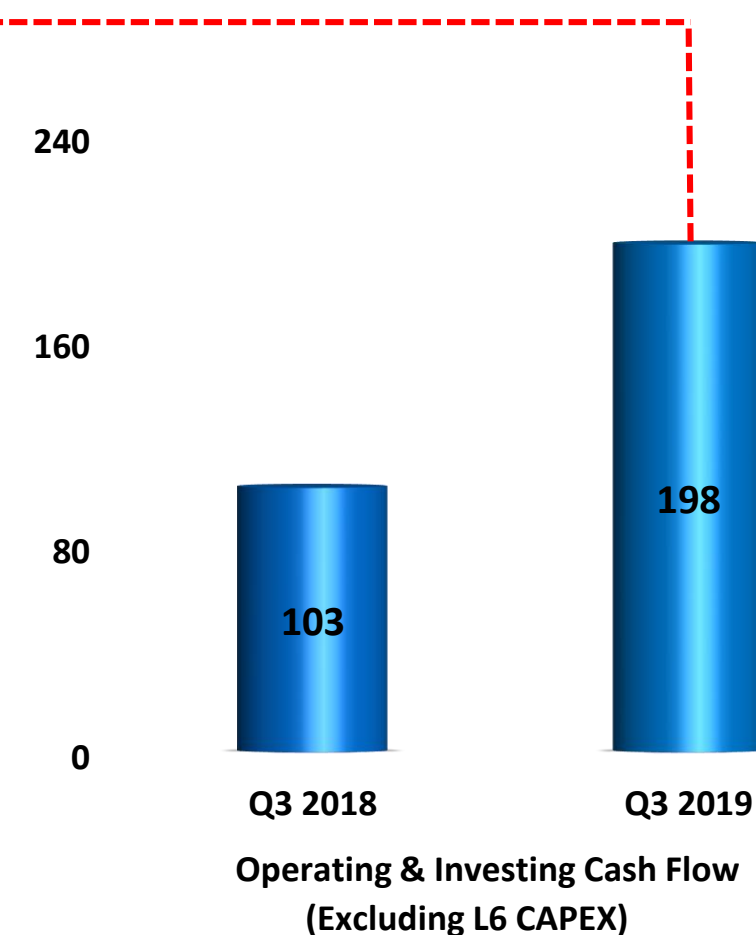
Aluminium Industry: Economic Uncertainty & Lower LME Price

Cash-Flow Bridge – Q2 2019 to Q3 2019: Maintain Sound Cash-Position

Q2 2019 to Q3 2019 Cash-Flow Bridge (US\$M)



Free Cash Flow (US\$M)



Aluminium Industry: Economic Uncertainty & Lower LME Price

Good Financial Performance Partially Offset by Lower LME Prices

| Financial Summary | Q3 2019 | Q3 2018 | YTD 2019 | YTD 2018 |
|------------------------------------|---------|---------|----------|----------|
| Average Cash LME (US\$/MT) | 1,761 | 2,056 | 1,804 | 2,158 |
| Average Alumina Price (US\$/MT) | 300 | 540 | 349 | 483 |
| Total Sales (US\$M) | 736 | 618 | 1,891 | 1,871 |
| EBITDA (US\$M) | 107 | 80 | 166 | 323 |
| EBITDA% | 14.5% | 13.0% | 8.8% | 17.3% |
| Net Income/ (Loss) (US\$M) | 28 | 38 | (22) | 206 |
| Gain/(Loss) Unrealised Derivatives | (4) | 3 | (20) | 16 |
| Adjusted Net Income / (Loss)* | 32 | 35 | (2) | 190 |



04

INDUSTRY PERSPECTIVES IN 2019

Industry Perspectives in 2019

Physical Demand to Grow at Slow Pace

Key factors to be observed:

- Weak economic activity coupled with ongoing trade-tensions between US-China will continue to weigh on the global demand
- Metal consumption to slow-down in major world markets
- Physical premiums to further soften thanks to mild demand in auto and construction sectors
- Alumina oversupply to drag prices lower
- LME price expected to range between US\$1,700/t - US\$1,800/t

Industry Perspectives in 2019

Raw Materials' Price Trends

- Alumina spot prices to bottom-out at below US\$270/MT amidst a shift to a surplus in world Alumina production
- Green Petroleum Coke (GPC) and Liquid Pitch Prices to remain at current levels on the back of weak market sentiment
- Aluminium Fluoride (ALF3) price to soften on the back of lower Alumina prices



05

2019 ALBA PRIORITIES

2019 Alba Priorities

Safety Focus & Preparation to Become World's Largest Smelter

- 🌐 Continued Focus on 'Think Safety First & Always' Initiative
- 🌐 Deliver on Project Titan - Phase IV [Projected Savings of US\$40 Million by 2019-end]
- 🌐 Focus on Future Upstream Opportunities
- 🌐 Value-Added Sales' Product Qualification Associated with Line 6 commissioning into commercial operations
- 🌐 Roll-out Alba's new Vision, Mission and Values
- 🌐 Preparation ongoing for Line 6 Inauguration on 24 November 2019

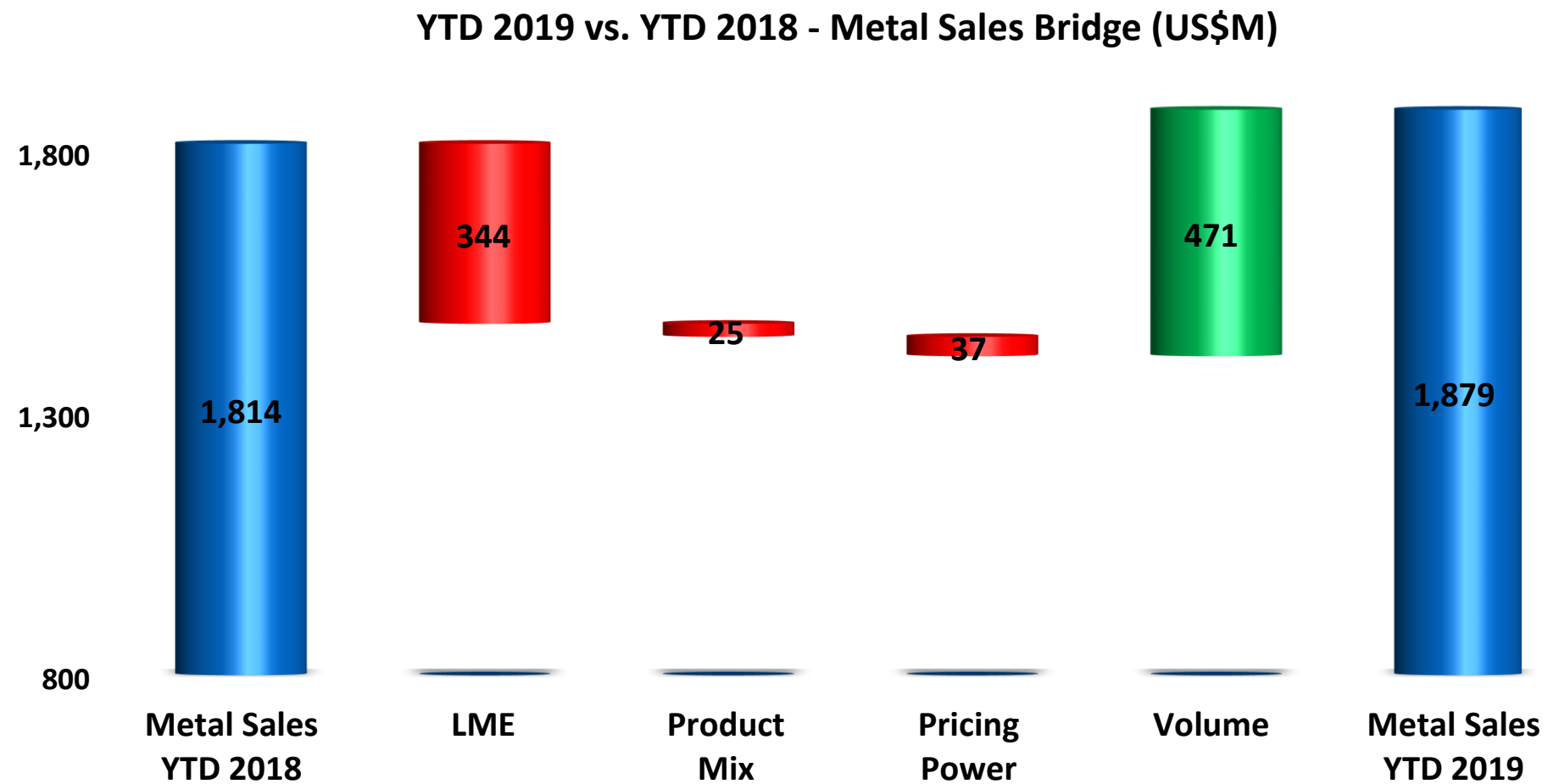


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APPENDIX – YTD 2019

Aluminium Industry: Economic Uncertainty & Lower LME Price

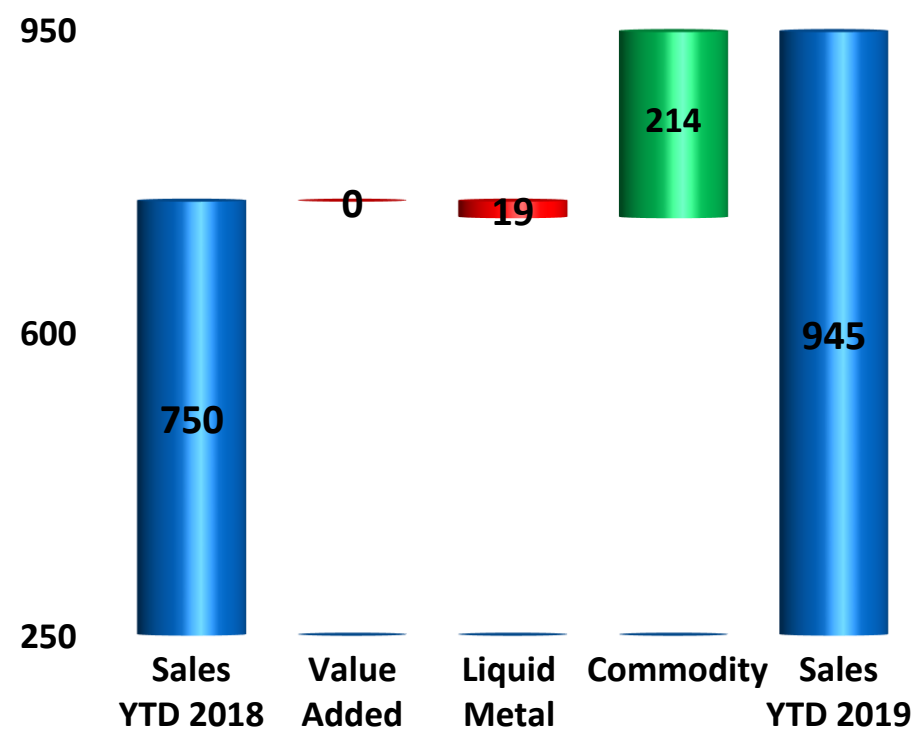
Sales Bridge Analysis YTD 2019 vs. YTD 2018
Higher Metal Sales Offset by Lower LME & Premium Prices



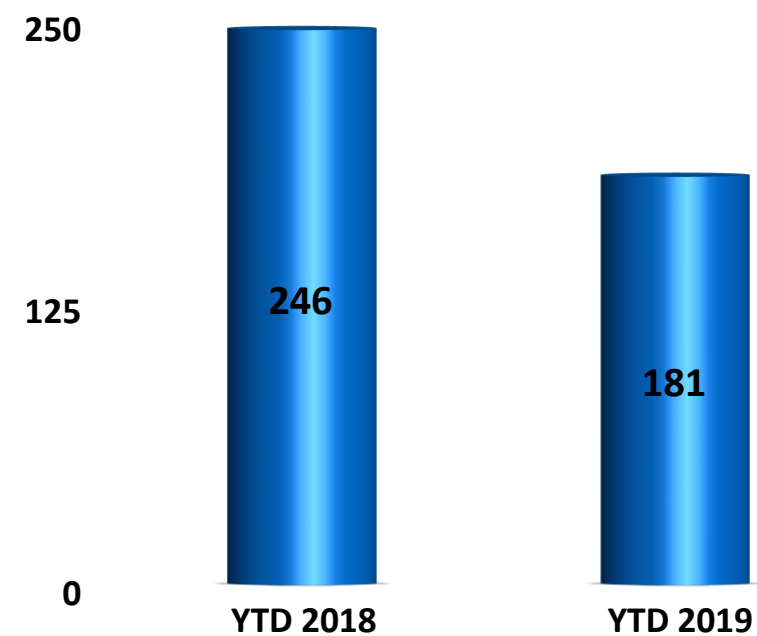
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Higher Sales' Volume Underpinned by Higher Commodities' Volume

Sales by Product-Line Bridge (MT'000)
YTD 2019 vs. YTD 2018



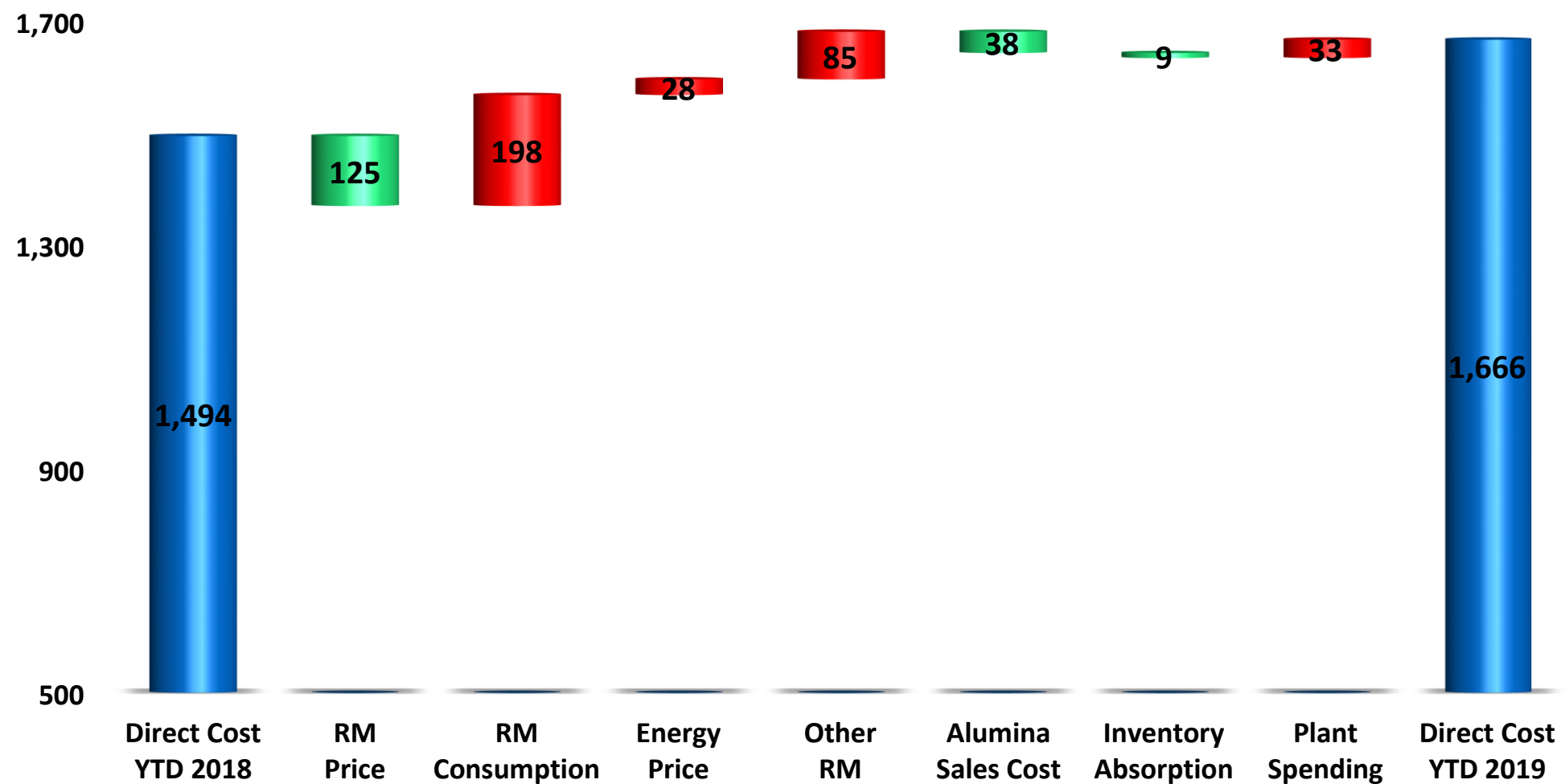
Premium Above LME Trend US\$ Per MT



Aluminium Industry: Economic Uncertainty & Lower LME Price

Cost Analysis YTD 2019 vs. YTD 2018
Higher Direct Cost Thanks to Higher Production

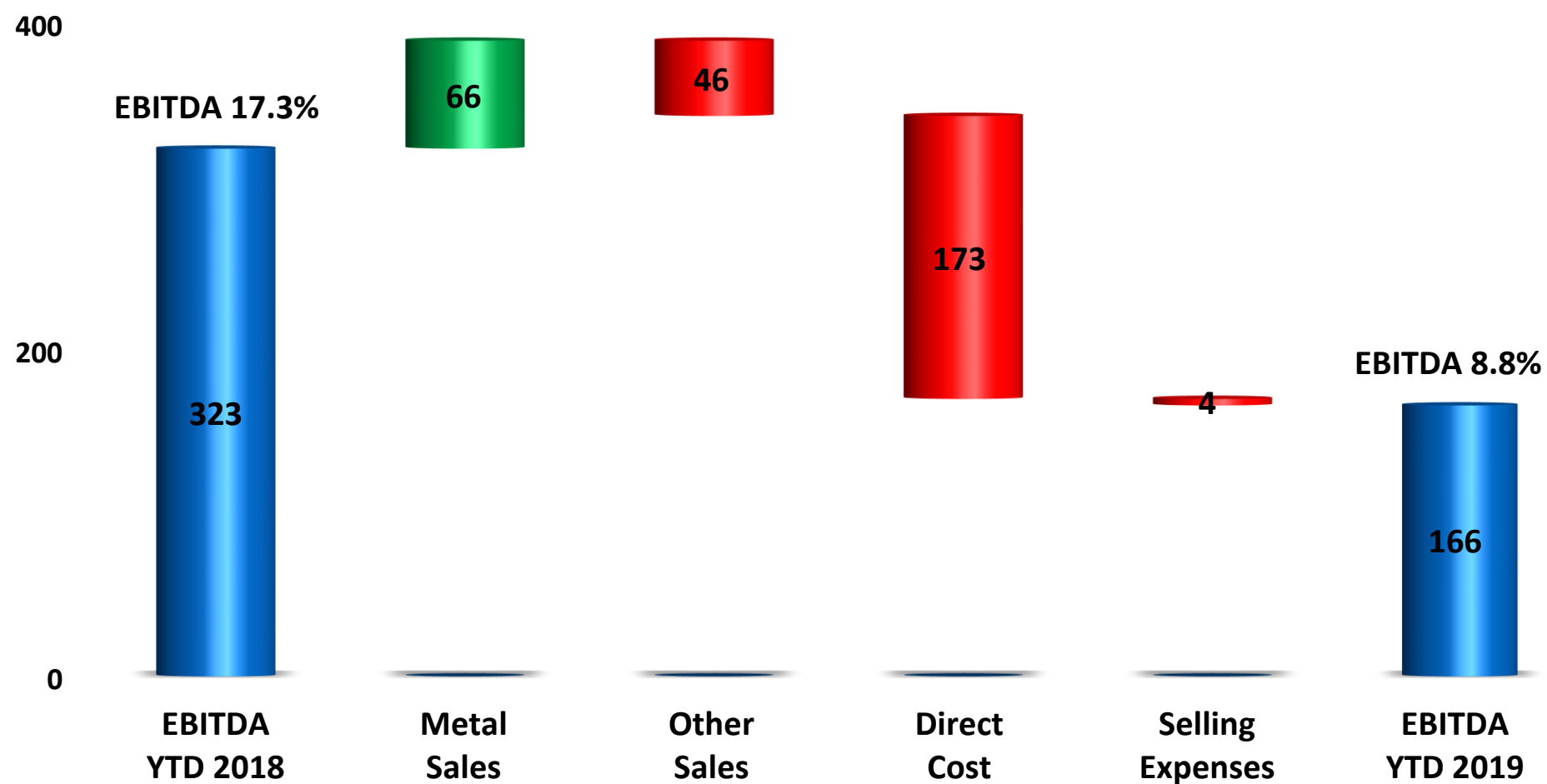
Direct Cost Bridge (US\$M) – YTD 2019 vs. YTD 2018



Aluminium Industry: Economic Uncertainty & Lower LME Price

EBITDA Bridge Gap Analysis – YTD 2019 vs. YTD2018
EBITDA Margin at 8.8%

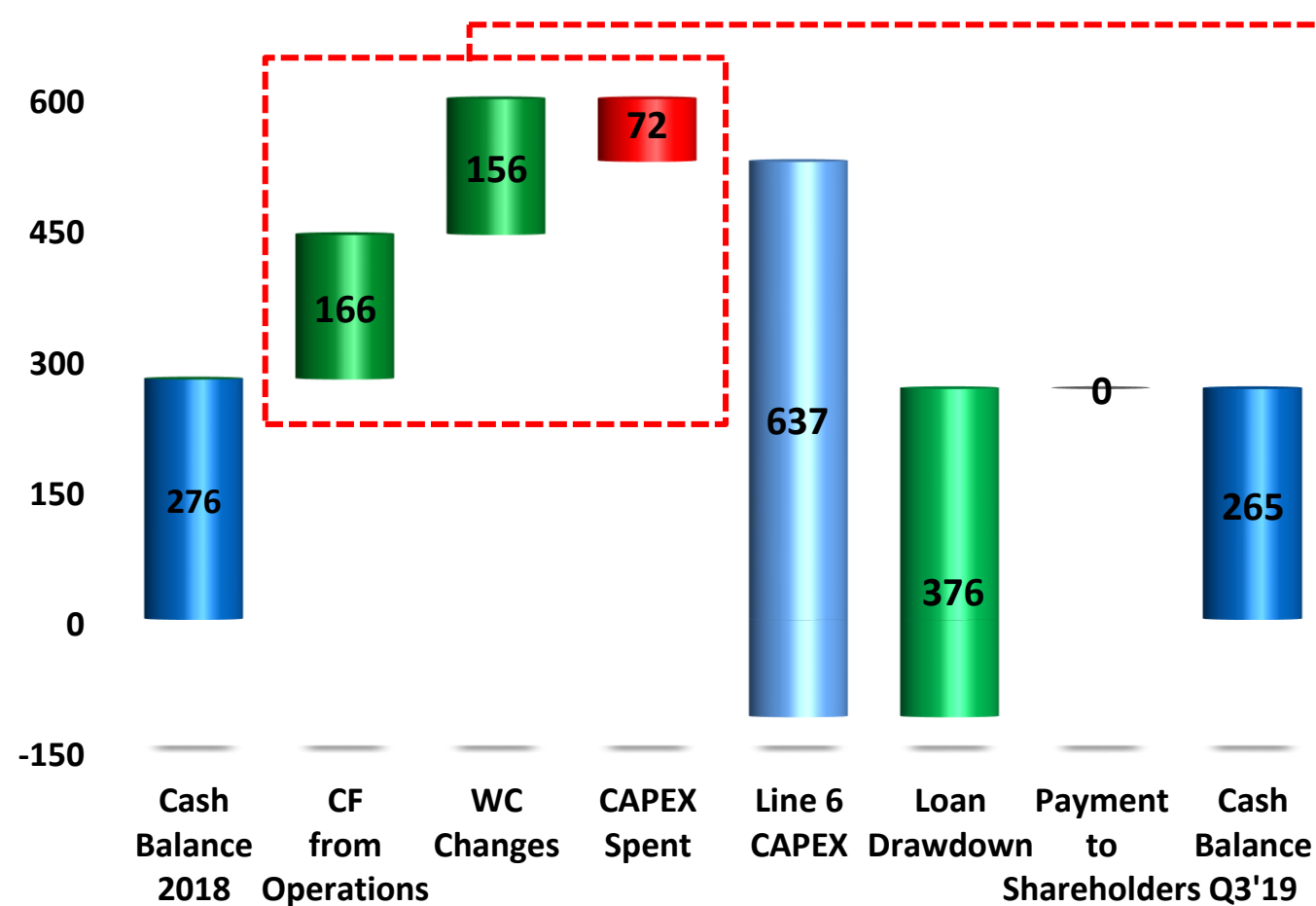
EBITDA Bridge (US\$M) - YTD 2019 vs. YTD 2018



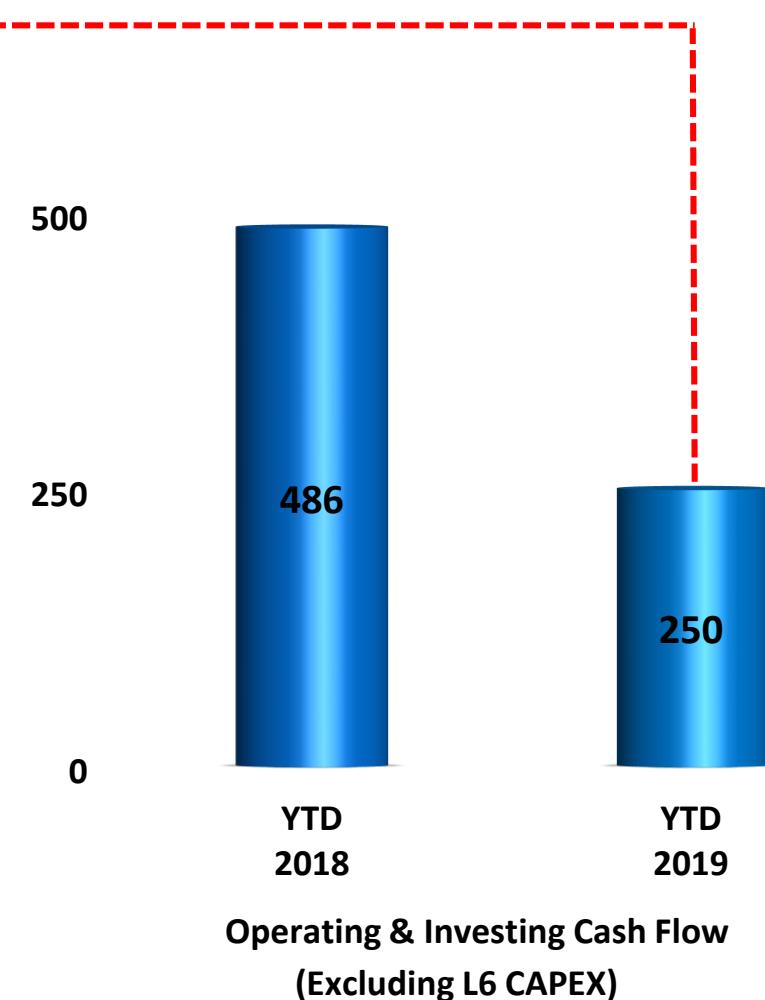
Aluminium Industry: Economic Uncertainty & Lower LME Price

Cash-Flow Bridge – 2018 to YTD 2019: Maintain Sound Cash-Position

FY 2018 to YTD 2019 Cash Flow Bridge (US\$M)



Free Cash Flow (US\$M)





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