Century ALUMINUM






Century Aluminum 1st Quarter Earnings Call

April 30, 2019

Cautionary Statement

This presentation and comments made by Century Aluminum management on the quarterly conference call contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements about future events and are based on our current expectations. These forward-looking statements may be identified by the words "believe," "expect," "hope," "target," "anticipate," "intend," "plan," "seek," "estimate," "potential," "project," "scheduled," "forecast" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," "might," or "may." Our forward-looking statements include, without limitation, statements with respect to: future global and local financial and economic conditions; our assessment of the aluminum market and aluminum prices (including premiums); our ability to procure alumina, carbon products and other raw materials and our assessment of pricing and costs and other terms relating thereto; the future impact of any Section 232 relief, including tariffs or other trade remedies, to Century, on aluminum prices or more generally, the extent to which any such remedies may be changed, including through exclusions or exemptions, and the duration of any trade remedy; the future impact of any new or changed law, regulation or other action affecting our business, including, without limitation, the impact of any trade actions, sanctions or other similar remedies or restrictions implemented by the U.S. or foreign governments; our assessment of power pricing and our ability to successfully obtain and/or implement long-term competitive power arrangements for our operations and projects; our ability to successfully manage transmission issues and market power price risk and to control or reduce power costs; our plans and expectations with respect to the future operation of our smelters and our other operations, including any plans and expectations to curtail or restart production at any of our operations; our plans and ability to bring our Hawesville smelter back to full production and any plans, expectations, costs or assumptions with respect thereto; future investments in new technology or other production improvements; any future impact of the May 2018 equipment failure at Sebree and related events on our financial and operating performance, including our expectations with respect to our insurance coverage relating thereto; our ability to hire and retain qualified employees for our operations; the future financial and operating performance of Century, its subsidiaries and its projects, including EBITDA projections or estimates from the restart of curtailed production, as a result of future raw material costs or otherwise; future inventory, production, sales, cash costs and capital expenditures; future impairment charges or restructuring costs; our anticipated tax liabilities, benefits or refunds including the realization of U.S. and certain foreign deferred tax assets and liabilities and the impact of recent tax reform in the U.S. and foreign jurisdictions; the anticipated impact of recent accounting pronouncements or changes in accounting principles; our assessment of the ultimate outcome of our outstanding litigation; our plans and expectations with respect to the sale or other disposition of our 40% interest in BHH; our ability to access existing or future financing arrangements and the terms of any such future financing arrangements; our ability to repay or refinance debt in the future; future construction, investment and development; and our future business objectives, strategies and initiatives, including our competitive position and prospects.

Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, our forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from future results expressed, projected or implied by those forward-looking statements. Important factors that could cause actual results and events to differ from those described in such forward-looking statements can be found in the risk factors and forward-looking statements cautionary language contained in our Annual Report on Form 10-K, quarterly reports on Form 10-Q and in other filings made with the Securities and Exchange Commission. Although we have attempted to identify those material factors that could cause actual results or events to differ from those described in such forward-looking statements, there may be other factors that could cause results or events to differ from those anticipated, estimated or intended. Many of these factors are beyond our ability to control or predict. Given these uncertainties, investors are cautioned not to place undue reliance on our forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

In addition, throughout this conference call, we will use non-GAAP financial measures. Reconciliations to the most comparable GAAP financial measures can be found in the Appendix of today's presentation.

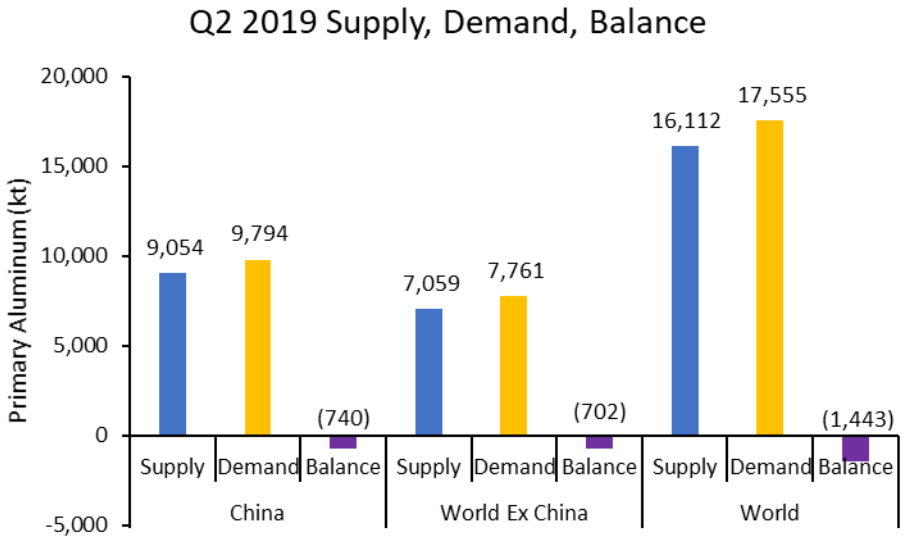
Speakers

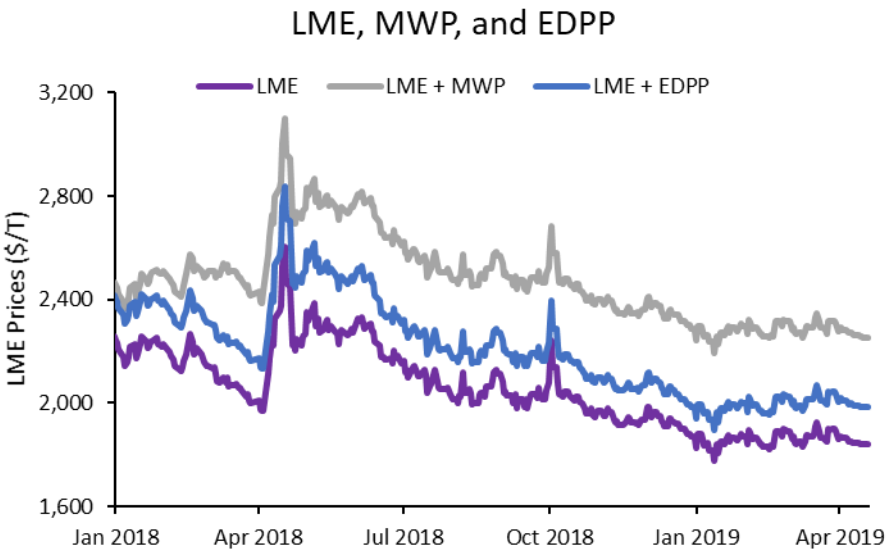
- Mike Bless, President and Chief Executive Officer
- Craig Conti, Executive Vice President and Chief Financial Officer
- Shelly Harrison, Senior Vice President, Finance and Treasurer
- Peter Trpkovski, Director of Financial Planning and Analysis

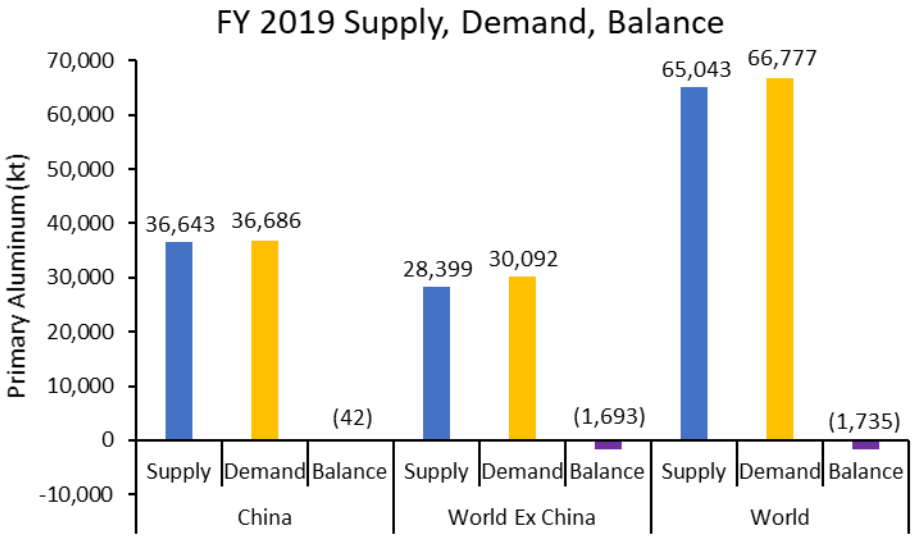
Overview

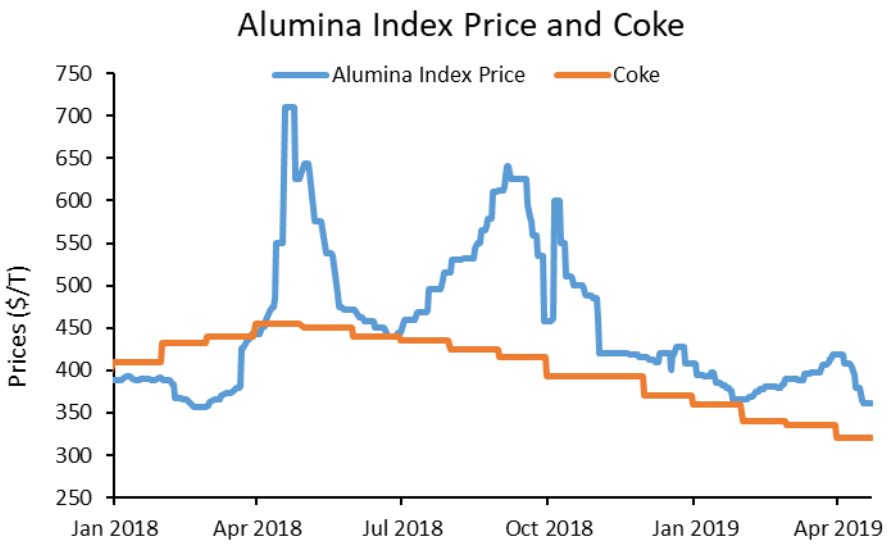
- Market conditions improving
- Operations safe and stable
- Hawesville idled capacity restart completed on time and budget
- Next phase of Hawesville investment project commenced
- U.S. trade policy continues to drive intended results
- COO appointment

Industry Environment









1) Source: CRU Group, Century Aluminum Company

Q1 2019 vs. Q4 2018 Operations

	Hawesville	Sebree	Mt. Holly	Grundartangi
Safety				
Production[(1)]	9%	2%	0%	-1%
KPIs			Flat	Flat
Controllable cost[(2)]	-24%	-9%	-10%	8%

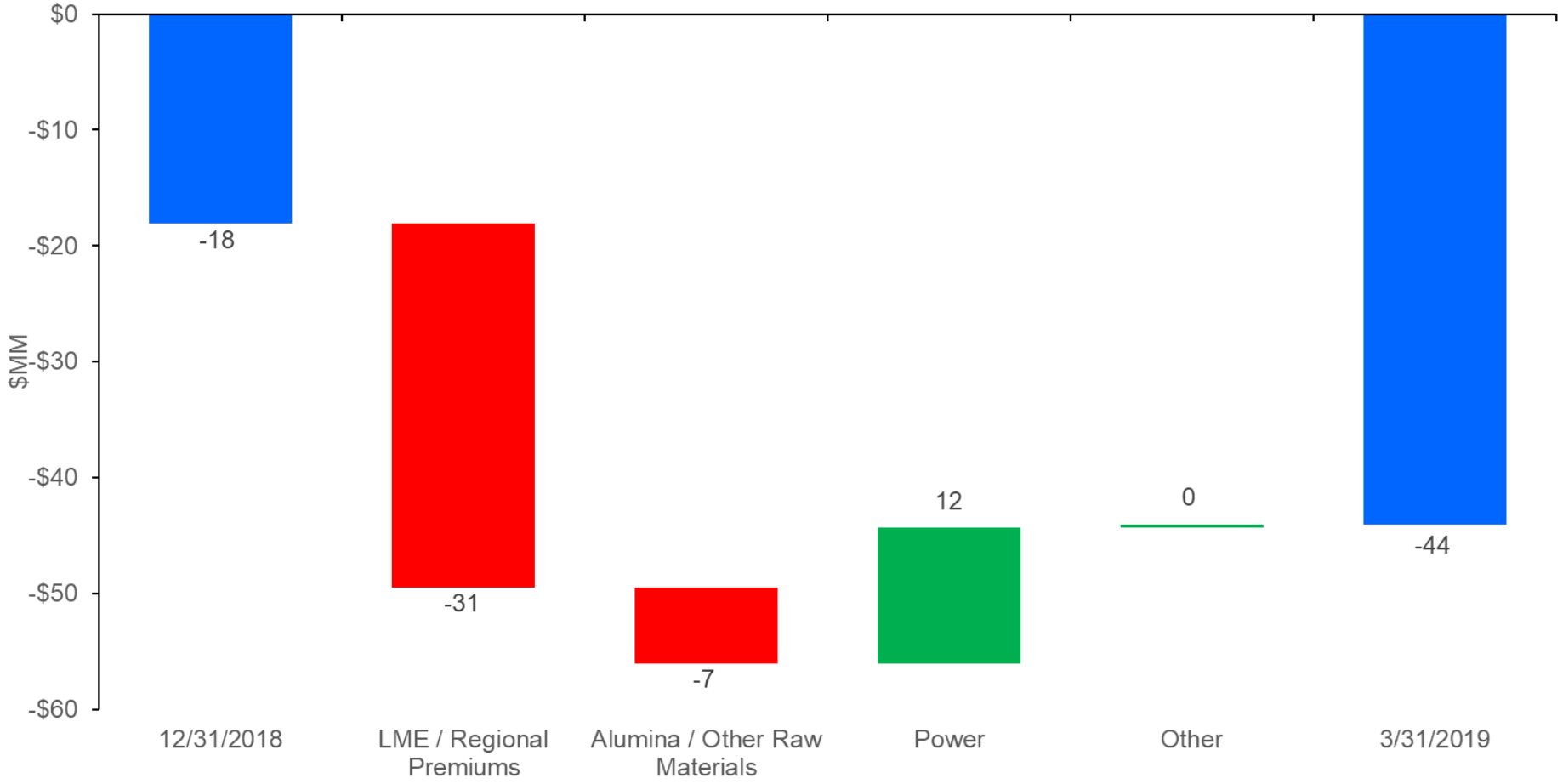
1) Production on a tonnes per day basis
2) Excludes raw materials and casting

Q1 2019 Summary Results

($MM, except per share and tonne amounts)	Q418	Q119
Income statement		
Shipments (tonnes)	199,466	206,451
Net sales	$ 487	$ 490
Net income/(loss)	(65)	(35)
Earnings/(loss) per share	(0.74)	(0.39)
Adjusted net income/(loss)[1]	(41)	(67)
Adjusted earnings / (loss) per share[1]	(0.43)	(0.70)
Adjusted EBITDA[1]	(18)	(44)
Liquidity		
Cash	$ 39	$ 22
Revolver availability	157	152
Total	$ 196	$ 174
Total debt[2]	$ 281	$ 296
Net debt[3]	242	274

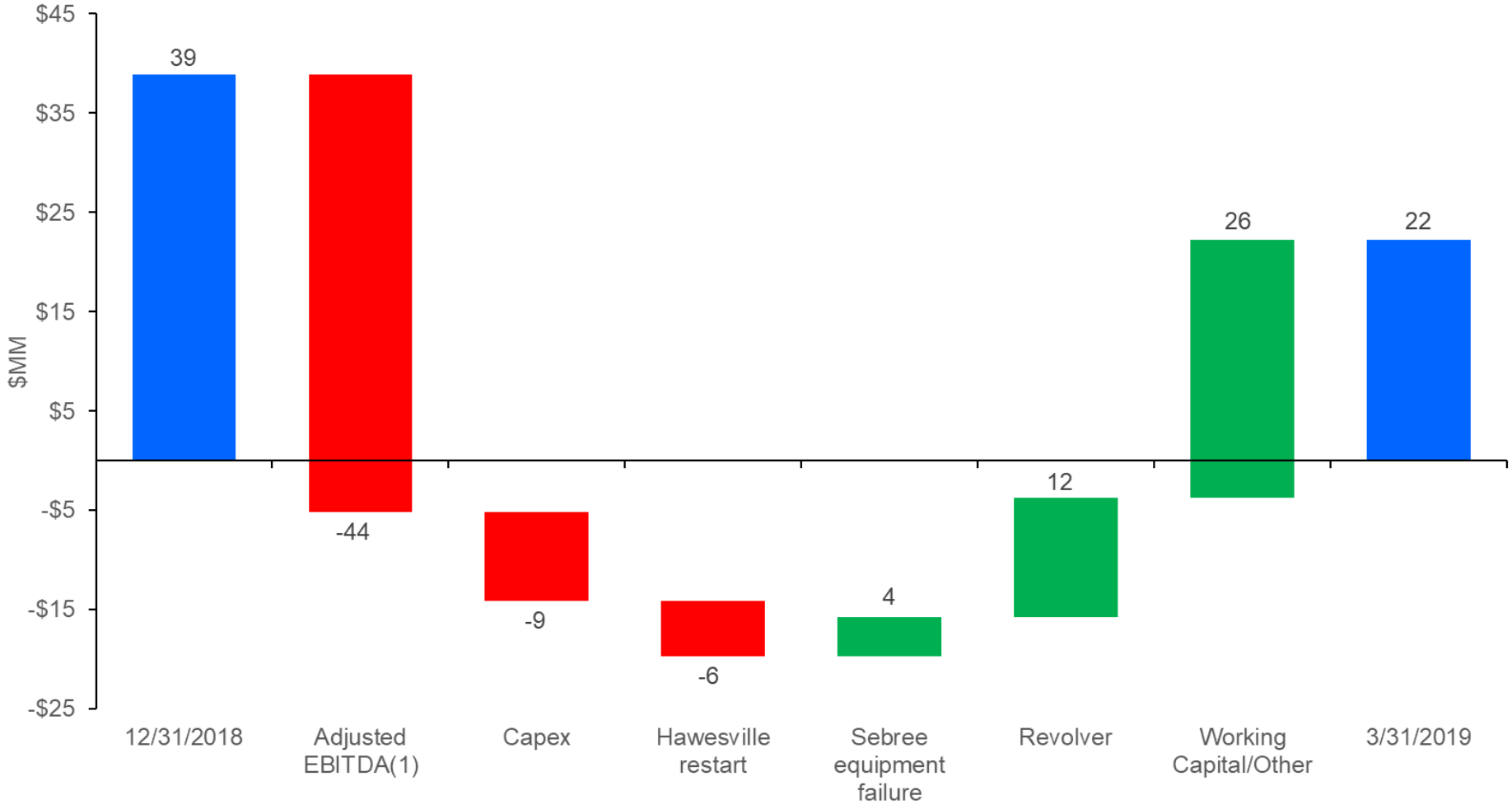
1) See reconciliation to comparable GAAP financial measure in appendix
2) Principal amount
3) Net debt is a non-GAAP financial measure equal to total debt minus cash

Q1 2019 Adjusted EBITDA[(1)]



1) See reconciliation to comparable GAAP financial measure in appendix

Q1 2019 Cash Flow



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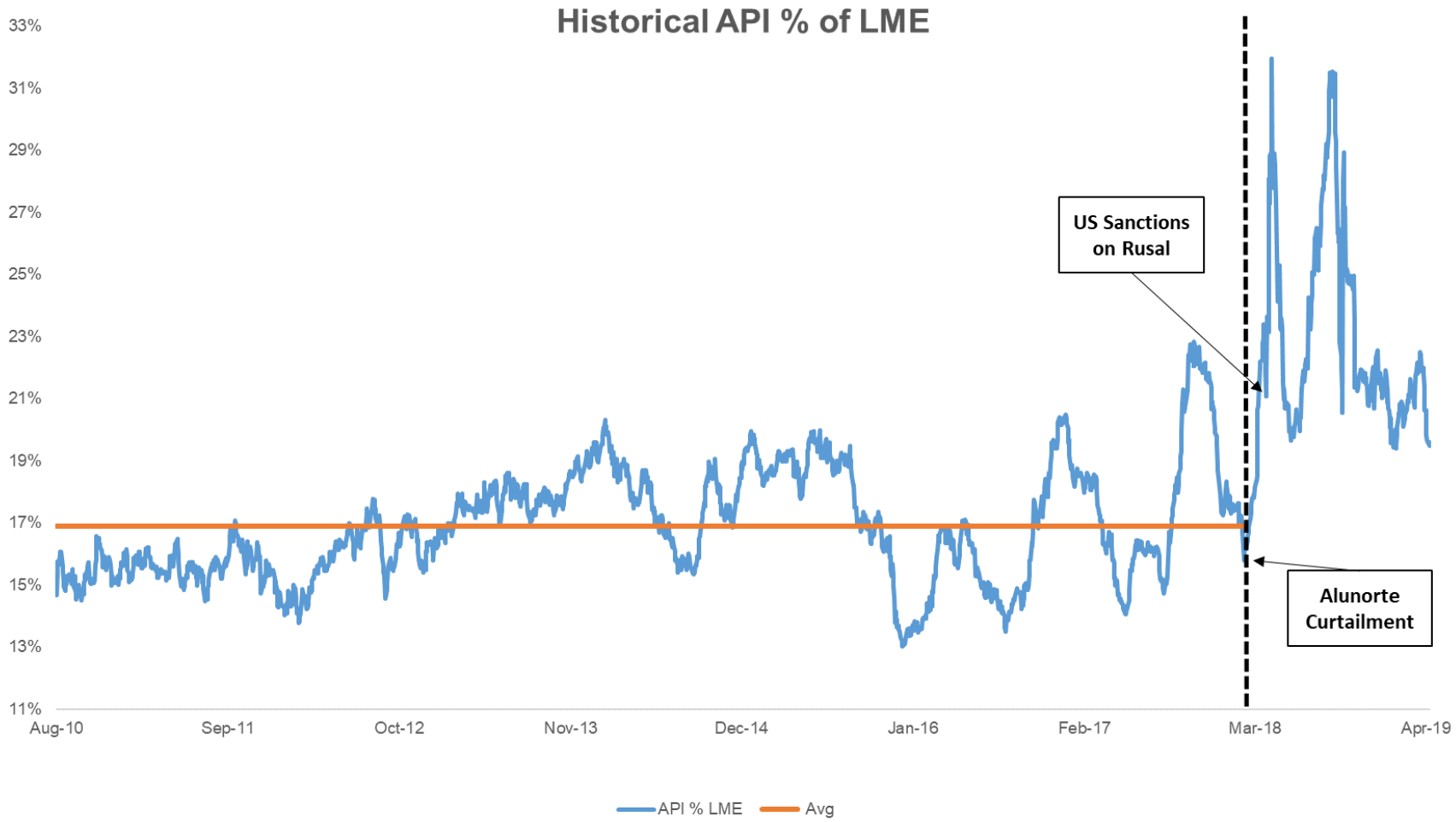
Historical Alumina Price



Average API% of LME is 16.9% prior to unprecedented last twelve months



Appendix

Non-GAAP Financial Measures

Adjusted EBITDA, adjusted net income / (loss) and adjusted earnings / (loss) per share and net debt are non-GAAP financial measures that management uses to evaluate Century's financial performance. These non-GAAP financial measures facilitate comparisons of this period's results with prior periods on a consistent basis by adjusting for items that management does not believe are indicative of Century's ongoing operating performance and ability to generate cash. Management believes these non-GAAP financial measures enhance an overall understanding of Century's performance and our investors' ability to review Century's business from the same perspective as management.

The following slides provide a reconciliation of adjusted EBITDA, adjusted net income / (loss) and adjusted earnings / (loss) to the most directly comparable GAAP financial measure. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. In addition, because not all companies use identical calculations, adjusted EBITDA, adjusted net income / (loss) and adjusted earnings / (loss) per share included in the following slides may not be comparable to similarly titled measures of other companies. Investors are encouraged to review the reconciliations in conjunction with the presentation of these non-GAAP financial measures.

Adjusted Net Income/(Loss) Non-GAAP Reconciliation

	Q418		Q119	
	$MM	EPS	$MM	EPS
Net income (loss) as reported	**$ (65.0)**	**$ (0.74)**	**$ (34.6)**	**$ (0.39)**
Lower of cost or NRV inventory adjustment, net of tax	29.1	0.33	(35.0)	(0.40)
Unrealized (gain) loss on derivative instruments	(3.2)	(0.04)	5.6	0.06
Sebree equipment failure	(4.3)	(0.05)	(4.3)	(0.05)
Hawesville restart project	2.7	0.03	1.7	0.02
Impact of preferred shares	-	0.04	-	0.06
Adjusted net income (loss)	**$ (40.7)**	**$ (0.43)**	**$ (66.6)**	**$ (0.70)**

Adjusted EBITDA Non-GAAP Reconciliation

($MM)	Q418	Q119
Net income (loss) as reported	**$ (65.0)**	**$ (34.6)**
Interest expense	5.7	5.8
Interest income	(0.2)	(0.2)
Net (gain) loss on forward and derivative contracts	(3.6)	5.7
Other (income) expense - net	(1.1)	(1.1)
Income tax (benefit) expense	(3.2)	(2.9)
Equity in earnings of joint ventures	(1.0)	(0.5)
Operating income (loss)	**$ (68.4)**	**$ (27.8)**
Lower of cost or NRV inventory adjustment	30.6	(36.3)
Sebree equipment failure	(4.3)	(4.3)
Hawesville restart project	0.6	-
Depreciation and amortization	23.4	24.3
Adjusted EBITDA	**$ (18.1)**	**$ (44.1)**

For Additional Information

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