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Century Aluminum Company

1st Quarter Earnings Call

April 30, 2020

Cautionary Statement

This presentation and statements made by Century Aluminum Company 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: the future financial and operating performance of Century and its subsidiaries, including financial and operating estimates or projections from the restart of curtailed capacity, as a result of future raw material costs or otherwise; our assessment of the aluminum market and aluminum prices (including premiums); our assessment of alumina pricing and costs associated with our other key raw materials, including power; our ability to successfully manage market risk and to control or reduce costs; our plans and expectations with respect to future operations, including any plans and expectations to curtail or restart production; our plans and ability to bring our Hawesville smelter back to full production and expectations as to the costs and benefits associated with this project, including expected incremental production or earnings and cash flow as well as benefits from investments in new technology and other production improvements; our ability to successfully obtain long-term competitive power arrangements for our operations, including at Mt. Holly; our assessment of global and local financial and economic conditions; the impact of Section 232 relief, including tariffs or other trade remedies, the extent to which any such remedies may be changed, including through exclusions or exemptions, and the duration of any trade remedy; the impact of any new or changed law, regulation, including, without limitation, sanctions or other similar remedies or restrictions; our anticipated tax liabilities, benefits or refunds including the realization of U.S. and certain foreign deferred tax assets and liabilities; 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; our ability to recover losses from our insurance; estimates of our pension and other postretirement liabilities, legal and environmental liabilities and other contingent liabilities; our assessment of any future tax or insurance claims; negotiations with labor unions; the impact of the rapidly evolving COVID-19 pandemic, including any possible impact on our business, operations, financial condition, results of operation, global supply chains or workforce; and our future business objectives, plans, 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 actual 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 presentation, we will use non-GAAP financial measures. Non-GAAP financial measures should not be considered as alternatives to the measures derived in accordance with U.S. GAAP. Non-GAAP financial measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for results as reported under U.S. GAAP. 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
- Peter Trpkovski – Director of Financial Planning and Analysis

Overview

- Strong Q1 financial performance validates cost structure in place before further benefit of recent actions
- All plants continue to operate at normal production levels
- Sudden demand destruction led to precipitous fall in global metal price
  - U.S. price further undermined by surging Canadian imports
- Metal price decline partially offset by drop in value of raw materials combined with cost reduction measures
- Operational preparedness and strong liquidity for navigating foreseeable market conditions

Pandemic Response/Status

Health, Safety, and Operations

Response

- Myriad policies (inside/outside plants) to keep employees healthy
- Cancellation/deferral of non-essential projects/activity
- Contingency plans in event of excessive absenteeism
- Close coordination with suppliers and customers

Current Status

- 1 confirmed diagnosis/handful of quarantines (entire company)
- All plants operating at normal levels and without interruption
- No material supplier/logistic interruptions – maintaining modestly higher levels of key raw materials
- All production being sold essentially as cast – product mix altered due to end sector requirements

Pandemic Response/Status

Cost Reduction, Cash Flow, and Liquidity Enhancement

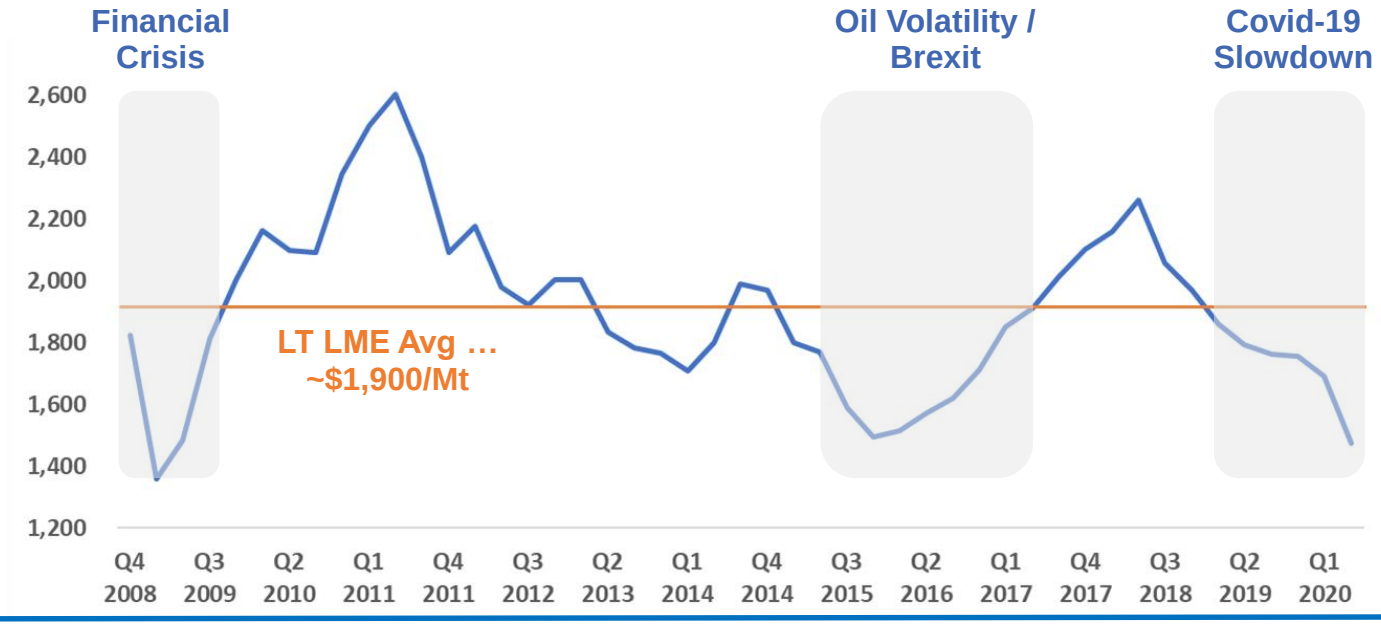
Response

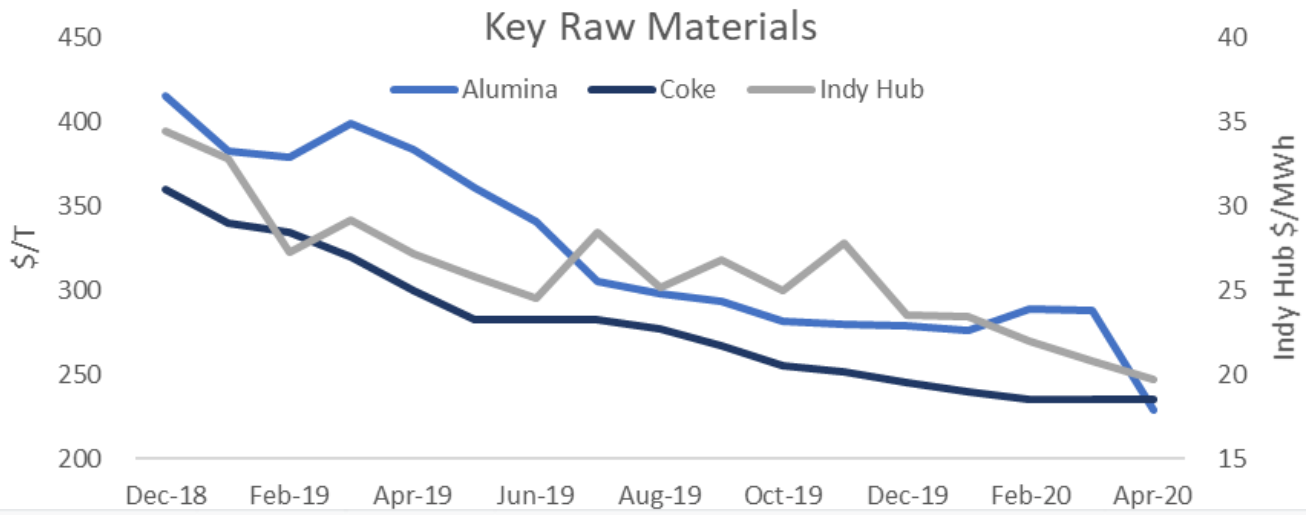
- Discretionary spending and hiring frozen, salary increases cancelled and similar measures
- Significant capex reduction; Hawesville fifth potline rebuild on hold
- Drawdown under revolving credit facilities out of abundance of caution
- Additional actions ready for implementation based on assessment of near/mid-term conditions

Current Status

- Q1 performance provides strong foundation
- 2H20 plant costs down by $180/T from already reduced levels
- Cash flow breakeven reduced to $1,550/T
- Total liquidity > $200MM

Industry Environment





1) Source: CRU Group, Century Aluminum Company

Summary of Financial Results

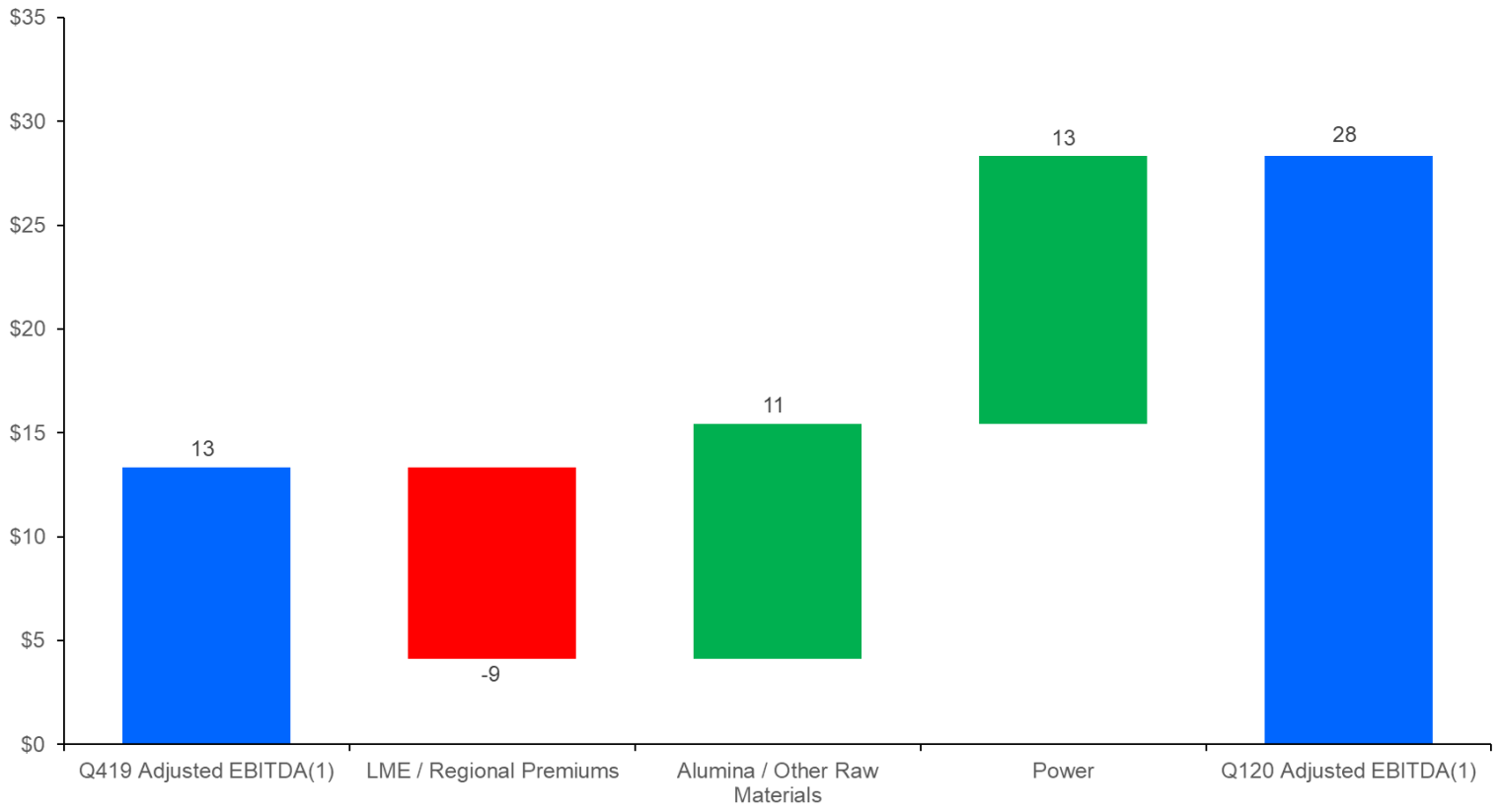
($MM, except per share and tonne amounts)	Q419	Q120
Income statement		
Shipments (tonnes)	202,870	202,905
Net sales	$ 436	$ 421
Net income/(loss)	(5)	(3)
Earnings/(loss) per share	(0.05)	(0.03)
Adjusted net income/(loss)[1]	(9)	1
Adjusted earnings / (loss) per share[1]	(0.09)	0.01
Adjusted EBITDA[1]	13	28
Liquidity		
Cash	$ 39	$ 148
Revolver availability	162	56
Total	$ 201	$ 203
Total debt[2]	$ 302	$ 383
Net debt[3]	263	235

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

Financial Results

Q419 vs. Q120 Adjusted EBITDA

($MM)

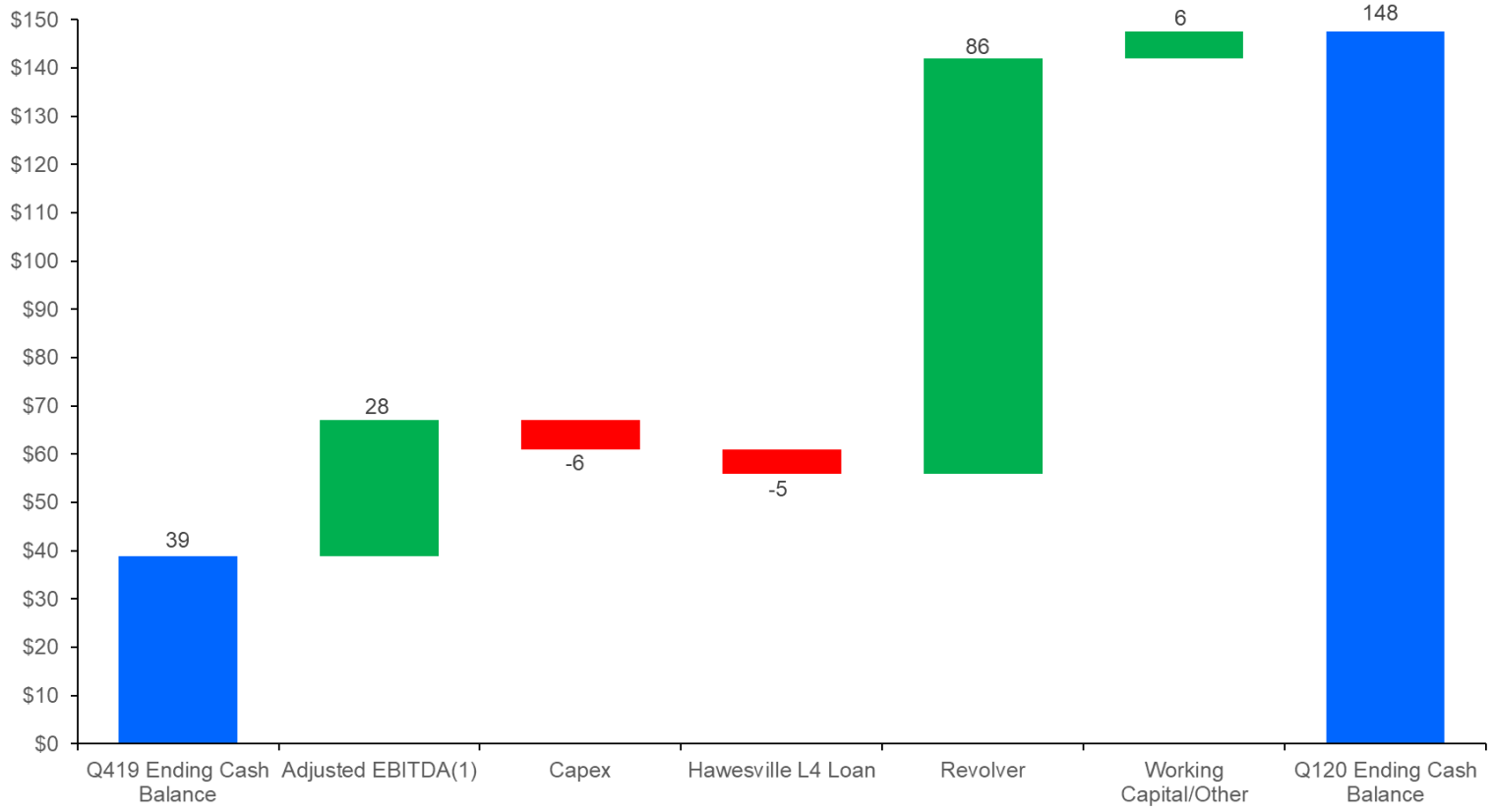


1) See reconciliation to comparable GAAP financial measure in appendix

Financial Results

Q419 vs. Q120 Cash Flow

($MM)



1) See reconciliation to comparable GAAP financial measure in appendix

Updated 2020 Items – Price Assumptions

2H 2020

Key Assumption	Units	Price
Midwest Premium	$/T	$ 220
European Duty Paid Premium	$/T	100
Alumina Price Index	$/T	225
MISO Indiana Hub	$/MWh	22.00
NYMEX Henry Hub Nat Gas	$/MMBtu	1.90
Nord Pool System Price[1]	$/MWh	13.75
Coke	$/T	240
Pitch[2]	$/T	790

1) Assumes EURUSD of 1.10
2) Delivered

Updated 2020 Items

2H 2020

Shipments[1]	Hawesville – 100k tonnes Sebree – 105k tonnes Mt. Holly – 60k tonnes Grundartangi – 160k tonnes
Plant Cash Costs[2]	U.S. - $1,840 - $1,890/T Iceland - $1,425 - $1,475/T
Net Plant Cash Costs[2,3]	U.S. - $1,555 - $1,605/T Iceland - $1,335 - $1,385/T

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1) Assumes ~180K of value add premium tonnes, of which 150K in the U.S. and 30K in Iceland
2) See assumptions on pg. 10; assumes LME price of ~$1,500/T. Excludes interest, capex, and corporate SG&A.
3) Net of all premiums. Direct comparative to LME. See reconciliation in appendix.

Updated 2020 Items

2H 2020

SG&A	Book ~$20MM Cash ~$16MM
Interest	Book ~$13MM Cash ~$12MM
Hawesville term loan paydown	~$10MM
Capex	$5MM - $10MM All investment capex deferred
Cash flow breakeven[1]	~$1,550

1) Consolidated cash flow break-even is direct LME comparative, net of all premiums and based on assumptions found on pg. 10. This includes maintenance capex, SG&A, interest, taxes and other corporate cash outflows. Excludes investment capex and term loan paydown.



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

	Q419		Q120	
	$MM	EPS	$MM	EPS
Net income (loss) as reported	**$ (4.8)**	**$ (0.05)**	**$ (2.7)**	**$ (0.03)**
Lower of cost or NRV inventory adjustment, net of tax	(3.3)	(0.04)	12.1	0.13
Unrealized (gain) loss on forward and derivative contracts, net of tax	0.7	0.01	(8.3)	(0.09)
Sebree equipment failure, net of insurance proceeds	(1.7)	(0.02)	(0.1)	(0.00)
Hawesville restart project	0.1	0.00	-	-
Impact of preferred shares	-	0.01	-	-
Adjusted net income (loss)	**$ (9.0)**	**$ (0.09)**	**$ 1.0**	**$ 0.01**

Adjusted EBITDA Non-GAAP Reconciliation

($MM)	Q419	Q120
Net income (loss) as reported	**$ (4.8)**	**$ (2.7)**
Interest expense	5.7	6.0
Interest expense - term loan	0.8	0.7
Interest income	(0.2)	(0.1)
Net (gain) loss on forward and derivative contracts	(1.3)	(3.8)
Other (income) expense - net	(0.5)	(1.7)
Income tax expense (benefit)	(2.7)	(2.8)
Equity in earnings of joint ventures	0.1	-
Operating income (loss)	**$ (2.9)**	**$ (4.4)**
Lower of cost or NRV inventory adjustment	(3.3)	12.1
Sebree equipment failure, net of insurance proceeds	(1.7)	(0.1)
Hawesville restart project	0.1	-
Depreciation and amortization	21.1	20.5
Adjusted EBITDA	**$ 13.3**	**$ 28.1**

Updated 2020 Items Net Plant Cash Cost Reconciliation

2H 2020 ($/T)	U.S.		Iceland	
Plant operating cash costs ($/T)	$ 1,840	$ 1,890	$ 1,425	$ 1,475
Regional premium	(240)	(240)	(100)	(100)
Other[1]	(45)	(45)	10	10
Net plant operating cash costs ($/T)	$ 1,555	$ 1,605	$ 1,335	$ 1,385

1) Product premium on average across all tonnes, net of freight and other adjustments

Updated 2020 Sensitivities

2H 2020

($MM)	Variance	2H20 EBITDA[7]
LME	+/- $100/T	$ 32
MWP[1]	+/- $22.04/T	5
EDPP[2]	+/- $22.04/T	4
Alumina Price Index	+/- $10/T	2
MISO Indiana Hub[3]	+/- $1/MWh	3
NYMEX Henry Hub Nat Gas[4]	+/- $0.10/MMBtu	0.5
Nord Pool[5]	+/- $1/MWh	1
Coke[6]	+/- $10/T	2
Pitch[6]	+/- $10/T	0.4

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1) Midwest Premium for all U.S. operations
2) European Duty Paid Premium for Grundartangi operations
3) Power market for Hawesville and Sebree operations
4) Power market for Mt. Holly operations
5) Power market for Grundartangi operation
6) Raw materials for carbon anodes
7) Excludes impact of outstanding hedges

For Additional Information

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