Century ALUMINUM






Century Aluminum Company

4th Quarter Earnings Call

February 24, 2022

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: our assessment of global and local financial and economic conditions; 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 assessment of the supply and availability of key raw materials, including any potential curtailment of power to our operations; the impact of the COVID-19 pandemic, and governmental guidance and regulations aimed at addressing the pandemic, including any possible impact on our business, operations, financial condition, results of operation, global supply chains or workforce; the future financial and operating performance of Century and its subsidiaries; our assessment of forward looking adjusted EBITDA of Century and its respective inputs and potential changes thereto; 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, including the expected impact of any such actions on our future financial and operating performance; our plans and expectations with regards to future operations of our Mt. Holly smelter, including our expectations as to the restart of curtailed production at Mt. Holly, including the timing, costs and benefits associated with this restart project; our plans with regards to future operations of our Hawesville smelter, including our expectations as to the restart of remaining curtailed production at Hawesville and bringing the smelter back to full production and expectations as to the timing, costs and benefits associated with this restart project; our plans and expectations with regards to the Grundartangi casthouse project, including our expectations as to the timing, costs and benefits associated with the Grundartangi casthouse project; our ability to successfully obtain competitive power arrangements for our operations; 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 or regulation, including, without limitation, sanctions or other similar remedies or restrictions or any changes in interpretation of existing laws or regulations; 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; our assessment and estimates of our pension and other postretirement liabilities, legal and environmental liabilities and other contingent liabilities; our assessment of any future tax audits or insurance claims and their respective outcomes; negotiations with labor unions or future representation by a union of our employees; our assessment of any information technology related risks, including the risk from cyberattacks, or other data security breaches, including the cyber incident that occurred on February 16, 2022; 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

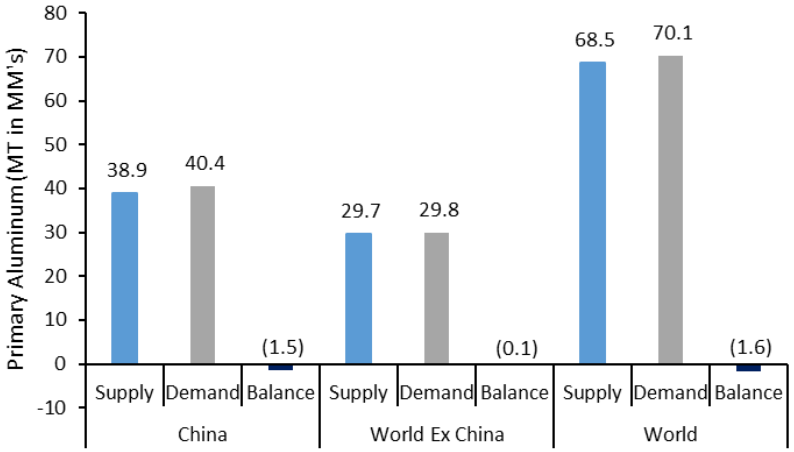
- Jesse Gary – President and Chief Executive Officer
- Craig Conti – Executive Vice President and Chief Financial Officer
- Peter Trpkovski – Director of Financial Planning and Analysis
- Shelly Harrison – Senior Vice President, Finance and Treasurer

Century is Positioned for Long-Term, Sustainable Success

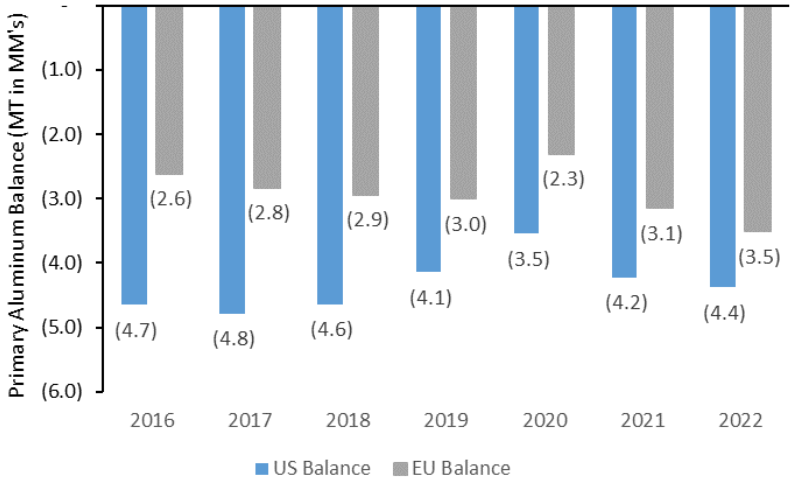
Robust industry fundamentals	■ LME price at ~$3,300/MT, U.S. Midwest Premium at ~$815/MT and European Duty Paid Premium at ~$465/MT ■ Global ~1.6 million tonnes supply deficit and lowest inventory levels since 2008 ■ Value-added premiums now at all time highs in the U.S. and Europe
Stable operations	■ Operational expertise brought to U.S. from Iceland ■ Sebree and Grundartangi are operating at full capacity and running very well ■ Restart projects at Hawesville and Mt. Holly nearly finished with expansion to 80% and 75% of capacity
New and more favorable power contracts	■ 3-year power contract allowed Mt. Holly to increase its production by 50% (resulting in total production of 75% of Mt. Holly's full capacity) ■ Grundartangi power contract extension through 2026 secures 100% renewable energy and provides future growth opportunities in value-added products
Growing sustainability efforts	■ Multi-year agreement with Hammerer Aluminium Industries to supply 150kT of Natur-Al ™, Century's low carbon aluminum ■ Achieved P1020 green premiums in Europe for first time ■ Started construction of Grundartangi casthouse expansion into Natur-Al ™ low-carbon billets
Balance sheet strengthening	■ Refinanced debt, lowering interest rate and extending maturities to 2028 ■ Increased U.S. and Iceland revolver capacities by a combined $70MM ■ Fully financed Grundartangi casthouse at attractive terms

Industry Environment

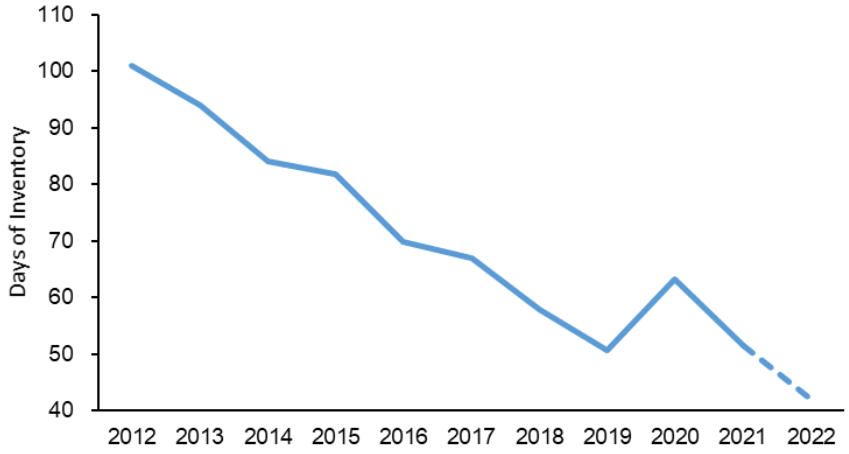
Aluminum Supply and Demand Balance – FY22



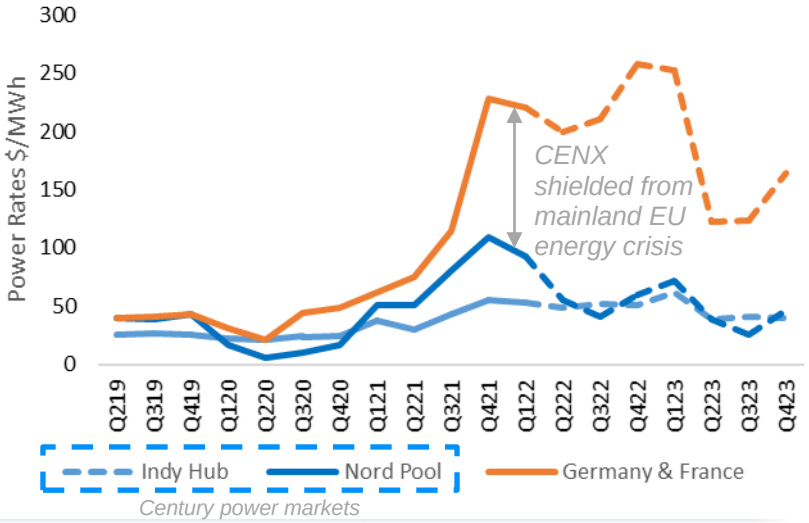
Primary Aluminum Balance – US and EU



Global Inventory Days of Primary Aluminum Consumption



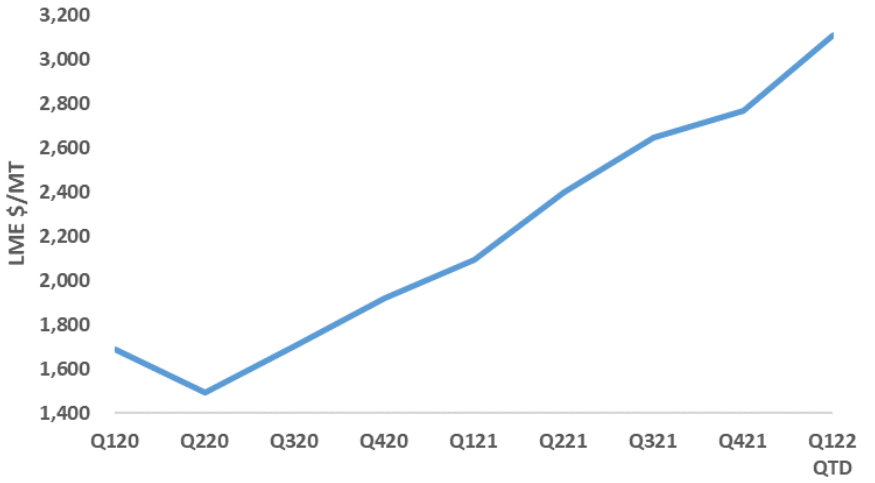
Power Actuals and Forwards



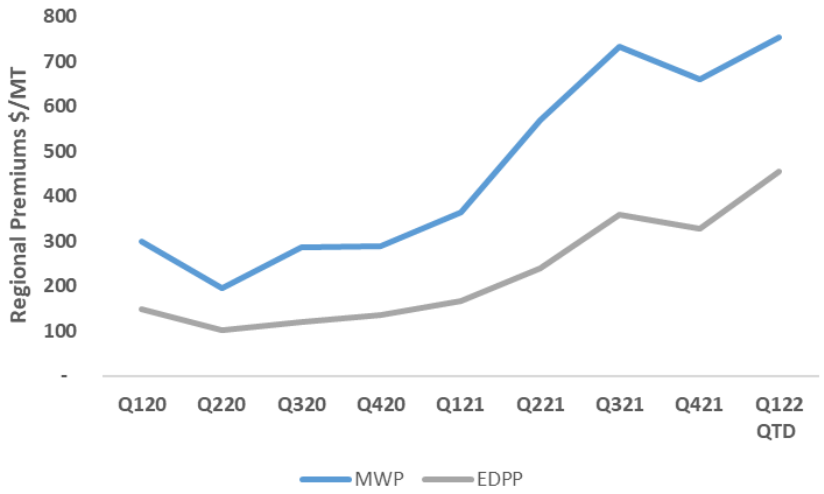
1) Source: CRU Group, Century Aluminum Company

Industry Environment - Prices

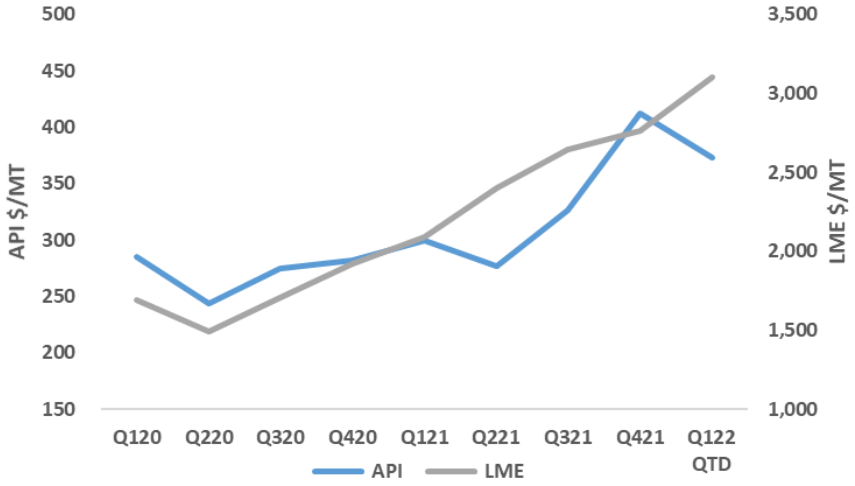
LME Aluminum



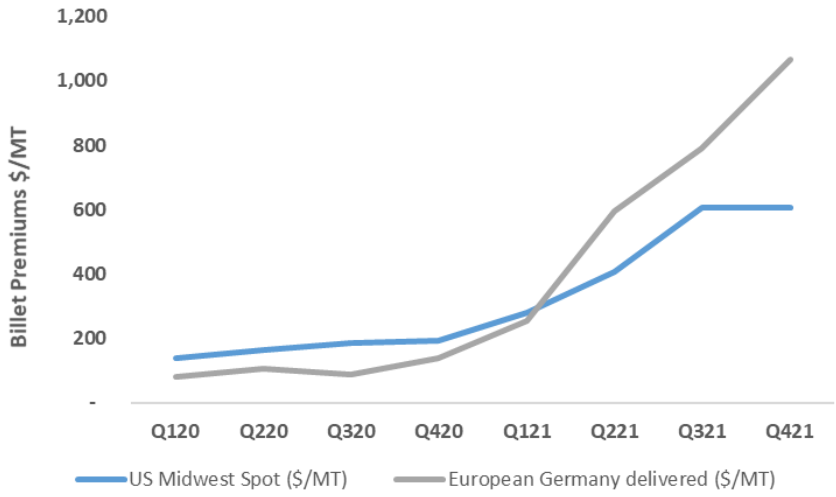
Regional Premiums



Alumina Price Index



Billet Premiums – Upcharge



1) Source: CRU Group, Century Aluminum Company

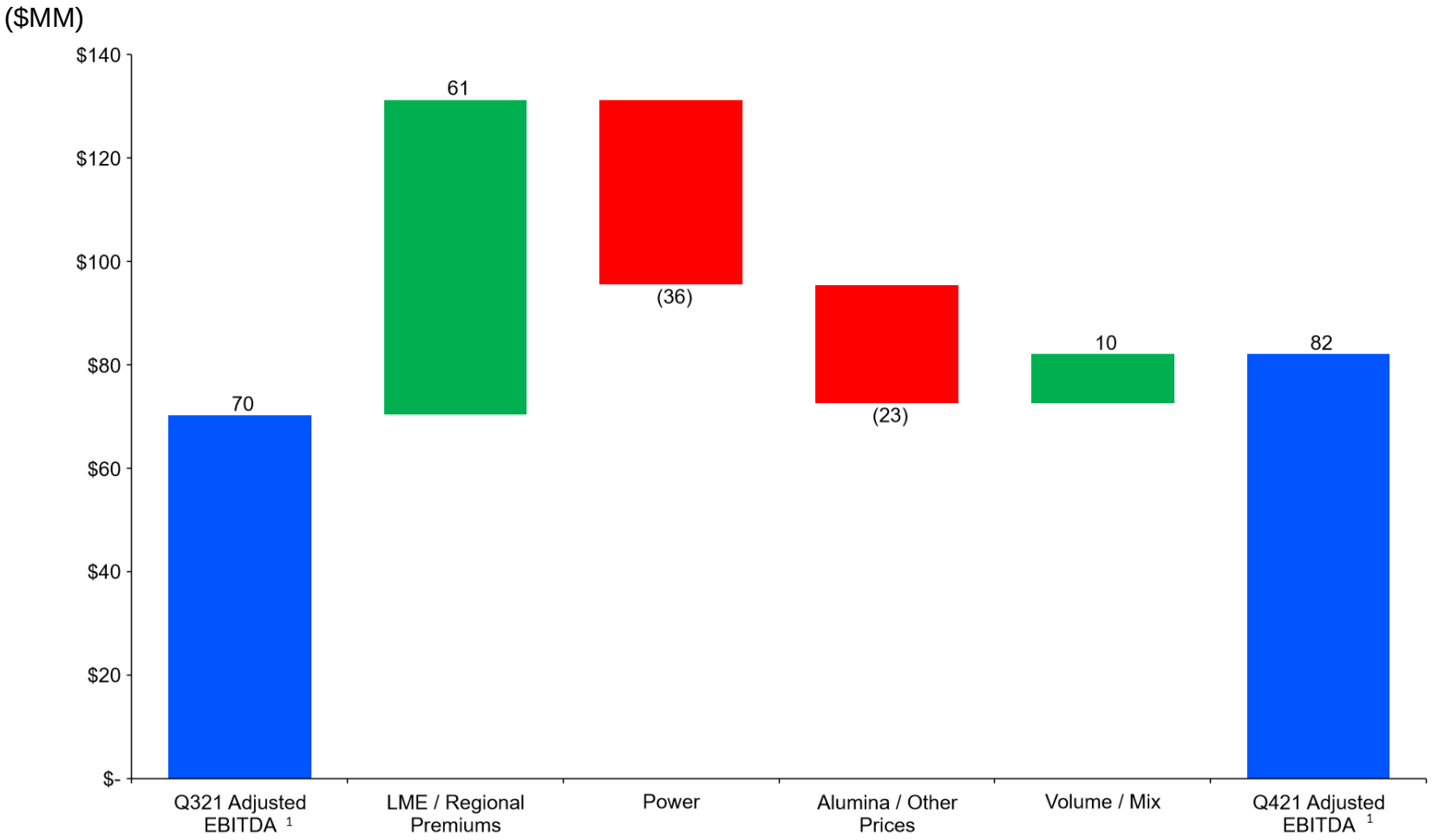
Summary of Financial Results

($MM, except per share and tonne amounts)	Q321	Q421
Income statement		
Shipments (tonnes)	196,095	200,961
Net sales	$ 581	$ 659
Net income/(loss)	(52)	60
Earnings/(loss) per share	(0.58)	0.59
Adjusted net income/(loss)[1]	(6)	17
Adjusted earnings/(loss) per share[1]	(0.06)	0.17
Adjusted EBITDA	70	82
Liquidity		
Cash	$ 58	$ 29
Revolver availability	69	70
Total	$ 127	$ 100
Total debt [2]	$ 396	$ 458
Net debt [3]	339	429

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

Q321 vs. Q421 Adjusted EBITDA

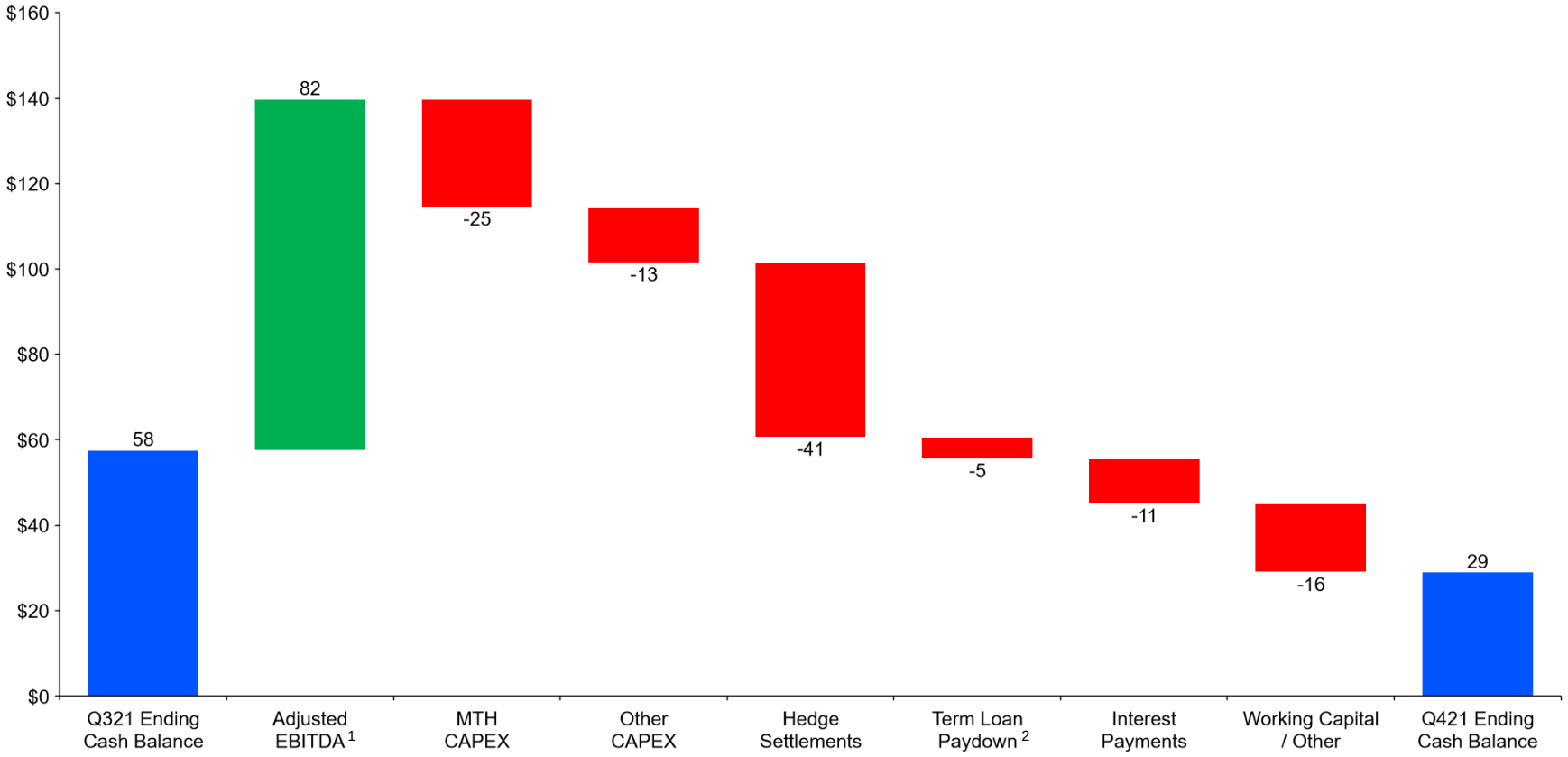


1) See reconciliation to comparable GAAP financial measure in appendix

Financial Results

Q321 vs. Q421 Cash Flow

($MM)



1) See reconciliation to comparable GAAP financial measure in appendix
2) Hawesville term loan now fully repaid

2022 Financial Outlook

Income Statement	FY21	FY22 Outlook
Shipments	783,000	885,000
D&A	$89MM	$80-$90MM
SGA	$55MM	~$50MM
Interest Expense	$30MM	~$30MM
Realized Hedge Loss	$111MM	Varies based on market
Tax	U.S. < $1MM (~$1.5B Federal NOLs); Iceland 20% statutory rate	

Cash Flow	FY21	FY22 Outlook
Capex (ex. MH)	$21MM	$30-$35MM[1]
MH restart	$62MM	~$15MM
Term loan	$20MM	-
Interest	$37MM	~$30MM
Hedge settlements	$108MM	Varies based on market
Tax	$3MM	< $5MM

Shipments (MT)	FY21	FY22 Outlook
Sebree	207,000	215,000
Hawesville	166,000	195,000
Mt. Holly	95,000	160,000
Grundartangi	315,000	315,000
Total	783,000	885,000

1) Primarily sustaining; excludes Grundartangi casthouse capex of ~$60MM this year, which is fully financed and cash neutral

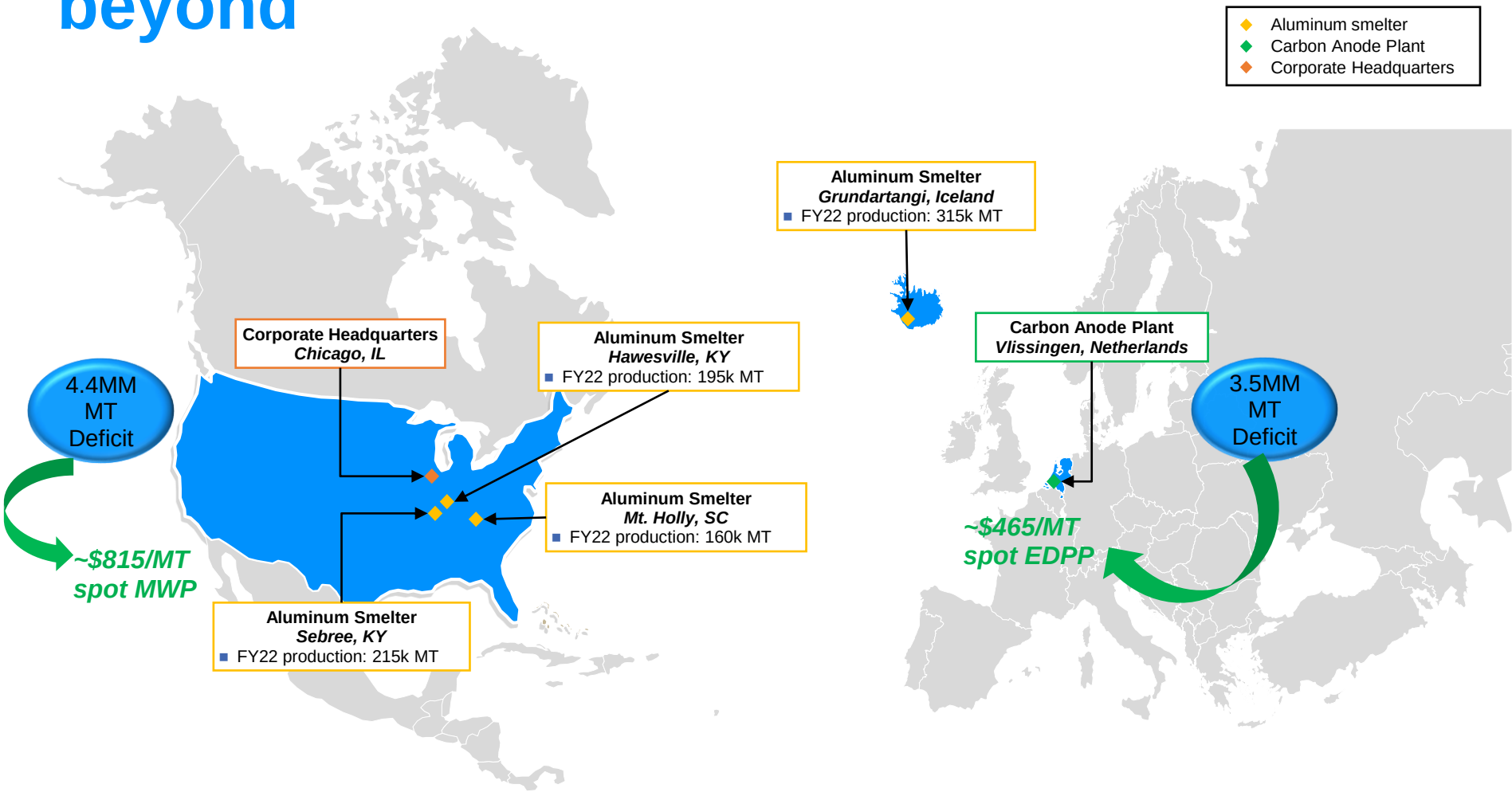
Q1 Outlook at Lagged Prices

Adjusted EBITDA	$MM	CENX Price Lag	Spot [2]
Q4 Actual Adjusted EBITDA	**$82**		
Lagged LME & Delivery Premiums	$15-20		
LME +$165/MT to $2,770/MT		Primarily ~3-month lag	~ $3,300/MT
US Midwest Premiums -$15/MT to $705/MT		~1-month lag	~ $815/MT
European Premiums -$10/MT to $335/MT		~3-month lag	~ $465/MT
Lagged Alumina	~$(25)		
API +90/MT to $415/MT		3-4 month lag	~ $425/MT
Power	~$10		
Nord Pool -$15/MWh to $95/MWh		Day ahead spot	~ $85/MWh
Indy Hub -$5/MWh to $50/MWh		Day ahead spot	~ $50/MWh
Coke & Pitch	~$(15)		
Coke +$100/MT to $590/MT		Quarterly	~ $590/MT
Pitch +$170/MT to $1,020/MT		Quarterly	~ $1,020/MT
Value Added Premiums	~$15		
Volume/Other	$5-10		
Q1 Outlook @ Estimated Lagged Prices[1]	**$90-100**		

Adjusted Net Income	$MM
Q1 estimated hedge impact - Realized P&L	$(25)-(20)
Q1 estimated tax impact - Realized P&L	~$(5)

1) Changes in the LME, regional premiums, power and other raw materials will affect actual results, perhaps by material amounts.
2) Spot prices as of 2/23/22

Century well positioned for 2022 and beyond



- Duty free access for U.S. and EU regional delivery premiums
- Reliable supply to customers in short markets

1) Source: CRU Group, Century Aluminum Company

Capital Allocation

Capital Allocation Framework

Maintain Liquidity Through the Cycle

- $250-$300MM liquidity target
- $300MM net debt target

Sustaining Capital Projects

- $30-35MM in historical sustaining capex per year

Capital Allocation

- Organic growth/Investment capex
- Opportunistic M&A
- Return to shareholders

Current Status Update

	Q4 '21	Target
Liquidity	$100	$250-300
Net Debt	$429	$300[1]

- Organic growth/Investment capex
  - Hawesville and Mt. Holly restart projects nearing completion
  - Iceland casthouse expansion to be completed by end of 2023
- Opportunistic M&A
  - Limited opportunities, but will evaluate individual assets on an ongoing basis

When liquidity and net debt targets are met:

- Return to shareholders (repurchases/dividend)
  - Existing share repurchase program in place
  - Compare returns of repurchases against organic growth or M&A opportunities

1) Excludes Iceland casthouse expansion project



Appendix

Non-GAAP Financial Measures

Adjusted EBITDA, adjusted net income (loss), 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.

This presentation also provides forward-looking adjusted EBITDA. We do not provide a reconciliation of forward-looking adjusted EBITDA because the most closely comparable GAAP financial measure is not accessible on a forward-looking basis and reconciling information is not available without unreasonable effort due to the inherent difficulty of forecasting and quantifying certain amounts that are necessary for such a reconciliation.

Adjusted Net Income (Loss) Non-GAAP Reconciliation

	Q321		Q421	
	$MM	EPS	$MM	EPS
Net income (loss) as reported[1]	**$ (52.4)**	**$ (0.58)**	**$ 57.2**	**$ 0.59**
Unrealized (gain) loss on forward and derivative contracts, net of tax	35.0	0.39	(53.8)	(0.56)
Legal settlements, net of tax	7.7	0.09	-	-
Share-based compensation	4.0	0.04	9.9	0.10
Impact of preferred and convertible shares	-	-	3.9	0.04
Adjusted net income (loss)	**$ (5.7)**	**$ (0.06)**	**$ 17.2**	**$ 0.17**

Weighted Average # Shares Outstanding (applicable to Adj. EPS)	Q321	Q421
Common	90.1	90.5
Preferred	6.3	6.2
Convertible	4.8	4.8
Total	**101.3**	**101.4**

1) In periods of positive earnings, this represents earnings allocated to participating dilutive shares. For the three months ended December 31, 2021, this includes earnings allocated to common stockholders plus an add-back of $0.7MM net interest expense related to the convertible notes.

Adjusted EBITDA Non-GAAP Reconciliation

$MM	Q321	Q421
Net income (loss) as reported	**$ (52.4)**	**$ 60.4**
Interest expense	6.1	6.2
Interest expense - Hawesville term loan	0.6	0.5
Interest income	0.0	(0.6)
Net (gain) loss on forward and derivative contracts	76.7	(26.8)
Other (income) expense - net	2.5	(2.4)
Income tax expense (benefit)	6.8	13.2
Equity in JVs	-	0.1
Operating income (loss)	**$ 40.3**	**$ 50.6**
Share-based compensation	4.0	9.9
Legal settlement	4.0	-
Depreciation and amortization	22.0	21.7
Adjusted EBITDA	**$ 70.3**	**$ 82.2**
Supplemental Information		
Pot Relining Expense [1]	$ 8.2	$ 10.6

1) The Company expenses its pot relining costs through Costs of Goods Sold as incurred rather than capitalizing and amortizing over a period of years. For informational purposes, we have provided the amount of pot relining expense incurred for each period. Our calculation of Adjusted EBITDA above does not make any adjustment to exclude these charges.

2022 Financial Information

Sensitivities ($MM)	Variance	Annual EBITDA[6]	Annual Cash[7]
LME	+/- $100/MT	$ 62	$ 60
MWP[1]	+/- $22.04/MT	13	8
EDPP[2]	+/- $22.04/MT	7	7
Alumina Price Index	+/- $10/MT	9	9
MISO Indiana Hub[3]	+/- $1/MWh	7	7
Nord Pool[4]	+/- $1/MWh	1	0.5
Coke[5]	+/- $10/MT	4	4
Pitch[5]	+/- $10/MT	1	1

Pricing Convention	
LME	U.S.: 50% ~1-month lag / 50% ~3-month lag Iceland: primarily ~3-month lag
MWP	~1-month lag
EDPP	Primarily ~3-month lag
Alumina	Income stmt: 3-4 month lag Cash flow: ~1 month lag
Indiana Hub	MISO Day ahead Indiana Hub ATC
Nord Pool	Day ahead system price
Coke/Pitch	Income stmt: Quarterly Cash flow: ~1-month lag

Cash costs	
Alumina	% LME (~40%), API (~50%) and fixed (~10%)
Power	KY – Market-based power (Indiana Hub) plus delivery SC – Cost of service-based rates Iceland - ~70% LME dependent / ~30% market-based power (Nord Pool) plus transmission
Carbon	Coke – Index, direct counterparty pricing Pitch – Direct counterparty pricing
Conversion	Labor, pot relining, maintenance, supplies, other

Pricing Formula	
Revenue	P1020: LME + Regional Premium VAP: LME + Regional Premium + Value added product premiums
Value added premiums	Primarily fixed annual contracts

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 30% of Grundartangi operations
5) Raw materials for carbon anodes
6) Excludes impact of outstanding hedges
7) Reflects impact of outstanding hedges

Financial Hedge Landscape

Volume (unit) / % Hedged / Price/unit

Commodity (unit)	Q2-Q4 FY22			FY23			FY24		
	Volume	% Hedged	Price	Volume	% Hedged	Price	Volume	% Hedged	Price
LME (MT)	44,000	7%	$ 2,110	45,000	5%	$ 2,285	29,000	3%	$ 2,230
MWP (MT)	150,000	35%	$ 325	-	-	-	-	-	-
EDPP (MT)	-	-	-	-	-	-	-	-	-
Indiana Hub (MWh)	132,000	3%	$ 33	175,000	3%	$ 33	-	-	-
Nord Pool (MWh)	660,000	62%	€ 24	1,095,000	78%	€ 30	n/a	n/a	n/a

Related to Mt. Holly restart

1) Hedges in place as of 2/24/2022

Capacity and Production Information

Aluminum operating facilities (kMT)

Plant	Country	Capacity	% Operating
Sebree	U.S.	220	100
Hawesville	U.S.	250	80
Mt. Holly	U.S.	230	75
Grundartangi	Iceland	320	100
Total		1,020	90

Carbon anode operating facility (kMT)

Plant	Country	Capacity	% Operating
Vlissingen	Netherlands	150	100
Total		150	100

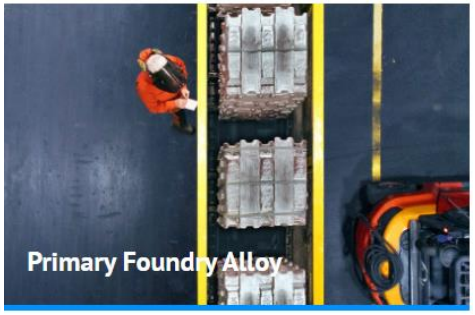
Value-Added Products

Value added products (MT)	FY22 Outlook
Sebree – Billet	155,000
Hawesville – Purity[1]	35,000
Mt. Holly – Billet	110,000
Grundartangi – Primary Foundry Alloy	60,000
Grundartangi – Natur-Al™ and other low carbon metal	105,000
Total	465,000









1) Excludes molten product

Low-Carbon Billet Casthouse Expansion Project

Will produce 150,000 tonnes of Natur-Al™ and 60,000 tonnes of incremental primary foundry alloy to short EU market



- Commenced building new billet casthouse at Grundartangi, Iceland
- Investment will allow Iceland to shift more production to Value-Added Products (billet, foundry alloy)
- Green billet capacity of 150,000 tonnes and incremental 60,000 tonnes primary foundry alloy replaces standard-grade ingot increasing premiums
- Natur-Al™ billet Scope 1, 2 and 3 emissions expected to be less than 4t CO_2/t AL, less than 25% of industry average



- $120MM investment
- 100% Green financing; 8-year term facility
- No near-term cash flow needs other than interest due on principal
- Billet premiums have historically been $200 – 250/MT over EDDP (spot ~$1,200/MT)
- Growing green premium on low carbon value-added products



- The European market for billet is short approximately 1.0 million tonnes per year
- In 2022 – 2023 there are more than 20+ new presses coming on-line, representing expected 5% annual consumption growth
- European CBAM places increasing focus on carbon emissions
- Building & Construction and Automotive end markets are driving demand for green metal
- The European extrusion market will need new green sources to emerge in order to prevent carbon leakage

1) Source: CRU Group, Century Aluminum Company

Century ALUMINUM

natur-Al™

"Natur-Al™ products are made with energy from 100% renewable sources"

Low-Carbon Aluminum
Made in Iceland



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