



## **Kaiser Aluminum Reaches Agreement In Principle With USWA**

HOUSTON, Texas, January 29, 2004 - Kaiser Aluminum & Chemical Corporation and the United Steelworkers of America today reached an agreement in principle on the terms and conditions of certain modifications to their master labor agreement. Among other things, the agreement modifies the company's obligations with respect to current and future pension and retiree medical benefits and addresses certain other matters. The complete terms and conditions are currently subject to a confidentiality agreement among the parties.

The agreement is subject to ratification, approvals within the company, and approval by the Bankruptcy Court.

Jack Hockema, the company's president and chief executive officer, said "The company is pleased to have reached a mutually satisfactory agreement which continues the long-standing relationship with the Steelworkers." Hockema added that "this agreement is another significant step in enabling the company to achieve its goal of emerging from chapter 11 by mid-2004."

Kaiser Aluminum & Chemical Corporation is a leading producer of fabricated aluminum products, alumina, and primary aluminum. It is the operating subsidiary of Kaiser Aluminum Corporation (OTCBB: KLUCQ).

Company press releases may contain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The company cautions that any such forward-looking statements are not guarantees of future performance and involve significant risks and uncertainties, and that actual results may vary materially from those expressed or implied in the forward-looking statements as a result of various factors. Actual events could differ materially from those reflected in the forward-looking statements contained in this press release as a result of various factors, including but not limited to those relating to approvals required as outlined above. No assurances can be given that all such approvals will be obtained.