



First Quarter 2013
Earnings Conference Call

April 24, 2013

Forward Looking Statements

The information contained in this presentation includes statements based on management's current expectations, estimates and projections that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include statements regarding the company's anticipated financial and operating performance, relate to future events and expectations and involve known and unknown risks and uncertainties. For a summary of specific risk factors that could cause results to differ materially from those expressed in the forward-looking statements, please refer to the company's reports filed with the Securities and Exchange Commission, including the company's most recent Forms 10-Q and 10-K. All information in this presentation is as of the date of the presentation. The company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the company's expectations.

Non-Run-Rate Items

Non-run-rate items to us are items that, while they may recur from period to period, (1) are particularly material to results, (2) impact costs as a result of external market factors and (3) may not recur in future periods if the same level of underlying performance were to occur. These are certainly part of our business and operating environment but are worthy of being highlighted for the benefit of the users of our financial statements.

Further, presentations including such terms as net income, operating income, or earnings before interest, tax, depreciation and amortization (“EBITDA”) “before non-run-rate”, “after adjustments” or “adjusted”, are not intended to be (and should not be relied on) in lieu of the comparable caption under generally accepted accounting principles (“GAAP”) to which it is reconciled. Such presentations are solely intended to provide greater clarity of the impact of certain material items on the GAAP measure and are not intended to imply such items should be excluded.

Non-GAAP Financial Measures

This information contains certain non-GAAP financial measures. A “non-GAAP financial measure” is defined as a numerical measure of a company’s financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flow of the company. The Company has provided a reconciliation of non-GAAP financial measures to the most directly comparable financial measure in the accompanying tables.

The non-GAAP financial measures used within this earnings release are value added revenue, EBITDA, Adjusted EBITDA, operating income excluding non-run-rate items, adjusted net income and earnings per diluted share, excluding non-run-rate items and ratios related thereto. These measures are presented because management uses this information to monitor and evaluate financial results and trends and believes this information to also be useful for investors.

Solid Underlying Results

- **Solid underlying results in 1Q**
- **Mild headwinds in 1H13 following demand surge in 2012**
 - Modest inventory overhang in aerospace supply chain
 - Flat year-over-year N.A. automotive build rates
 - Weak economic recovery for industrial applications; deviation from prior 3 years pattern of heavy supply chain restocking in 1st half of year

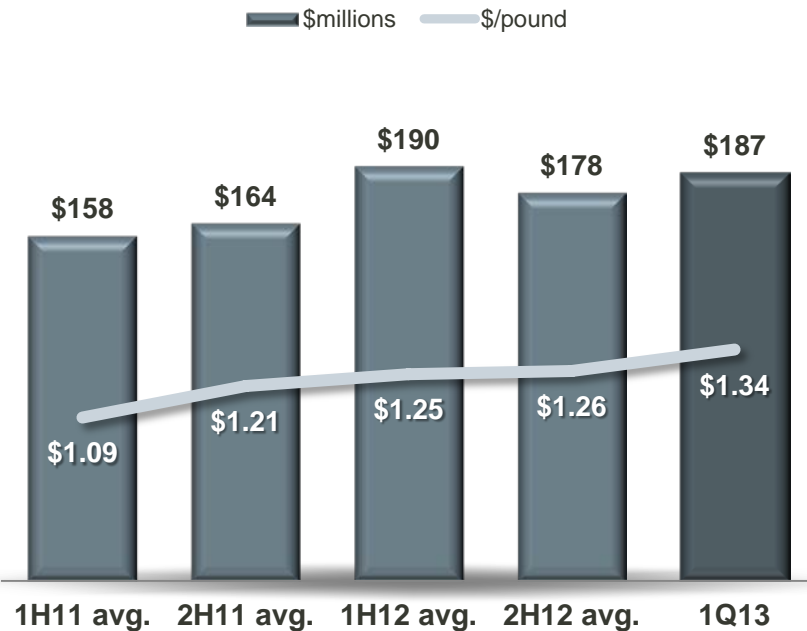
Bright Long-term Outlook

- **Expect secular demand growth in aerospace and automotive**
- **Investing for the future: HT plate**
 - ~\$45 million HT plate projects ~10% capacity, debottlenecking, efficiency
 - Equipment focus: rolling ingot preparation/preheating, HT furnace capacity
 - Timed to meet anticipated demand growth in 2014 and future years
- **Investing for the future: Automotive**
 - ~\$15 million to provide capacity and processing capability for new programs
 - Projects at Bellwood, Sherman, London and Kalamazoo facilities
- **Increasing authorization for share repurchases**
 - Board authorized additional \$75 million
 - ~\$18 million remaining under 2008 Board authorization¹

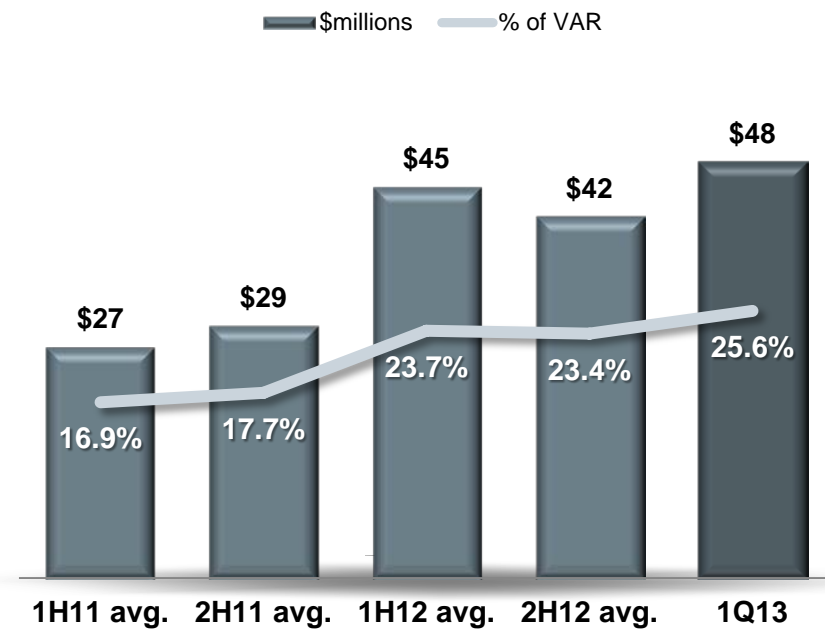
¹ Represents amount remaining under 2008 Board authorization as of April 19, 2013

VAR¹ and Adjusted EBITDA²

Quarterly Value Added Revenue



Quarterly Adjusted EBITDA



Mild demand headwinds; results in line with 1H13 expectations

- Modest inventory overhang in aerospace supply chain
- Flat year-over-year N.A. automotive build rates
- Weak supply chain demand for industrial applications

¹ Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 20-21

² Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23

Consolidated Financial Highlights

<i>(in \$millions except EPS)</i>	Quarterly					Annual		
	<u>1Q12</u>	<u>2Q12</u>	<u>3Q12</u>	<u>4Q12</u>	<u>1Q13</u>	<u>2011</u>	<u>2012</u>	<u>LTM⁷</u>
Net Sales	\$365	\$345	\$336	\$314	\$337	\$1,301	\$1,360	\$1,332
Value Added Revenue ¹	\$195	\$185	\$184	\$172	\$187	\$644	\$736	\$729
Adjusted:								
Operating Income ²	\$38	\$39	\$41	\$29	\$41	\$86	\$147	\$150
EBITDA ³	\$44	\$46	\$48	\$36	\$48	\$111	\$174	\$177
Net Income ⁴	\$21	\$20	\$20	\$13	\$20	\$42	\$74	\$73
EPS ⁵	\$1.09	\$1.06	\$1.02	\$0.65	\$1.03	\$2.20	\$3.82	\$3.76
As Reported:								
Operating Income	\$46	\$40	\$56	\$24	\$50	\$55	\$166	\$170
Net Income	\$27	\$21	\$29	\$9	\$34	\$25	\$86	\$93
EPS ⁶	\$1.38	\$1.09	\$1.51	\$0.47	\$1.73	\$1.32	\$4.45	\$4.80

1 Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 20-21

2 Adjusted Operating Income = Consolidated Operating Income excluding Operating Non-Run-Rate items; refer to slides 22-23

3 Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23

4 Adjusted Net Income = Reported Net Income excluding Total Non-Run-Rate items; refer to slides 24-25

5 Adjusted EPS = Reported Earnings Per Share excluding Total Non-Run-Rate items; refer to slides 24-25

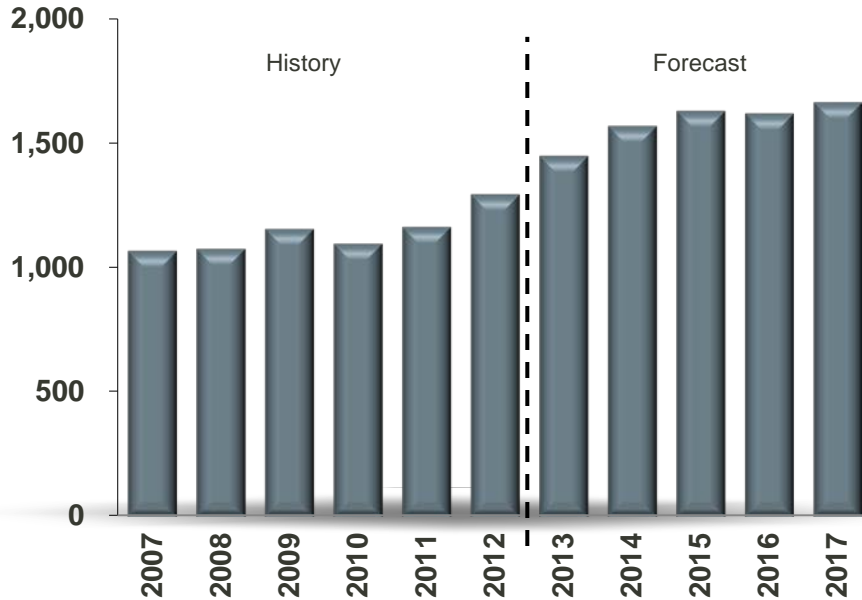
6 As Reported EPS = Reported Earnings Per Share; refer to slides 24-25

7 LTM = Last Twelve Months as of March 31, 2013



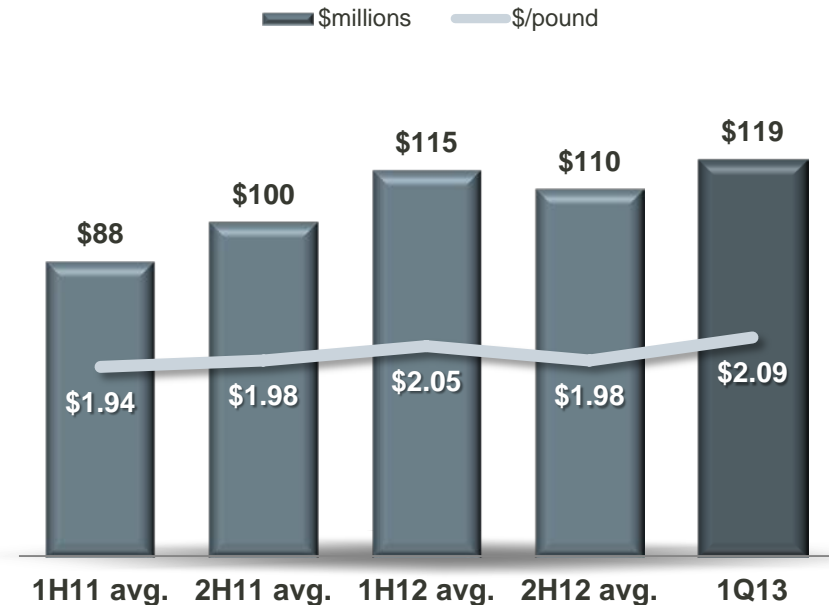
Outlook – Aerospace & High Strength

Global Commercial Airframe Builds



Sources: Airline Monitor, Boeing, Airbus, Kaiser

Quarterly Value Added Revenue¹



Robust long-term aerospace demand...

- Strong Boeing/Airbus backlog, new orders
- Increasing build rates
- Larger airframes
- Increasing use of monolithic design

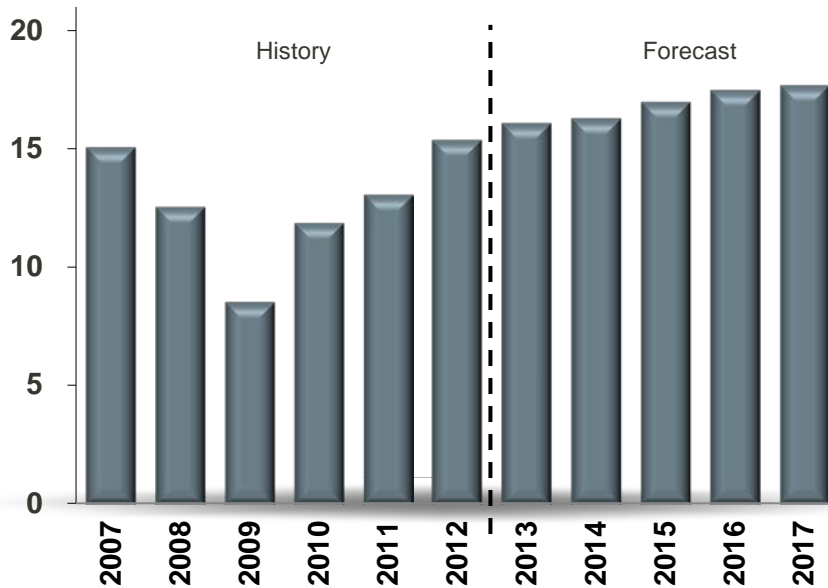
... expect 2Q13 headwinds

- Inventory overhang in supply chain following strong demand surge in 2012
- Taking advantage of temporary demand lull with equipment outages for HT plate investments

Outlook – Automotive

N.A. Light Vehicle Production

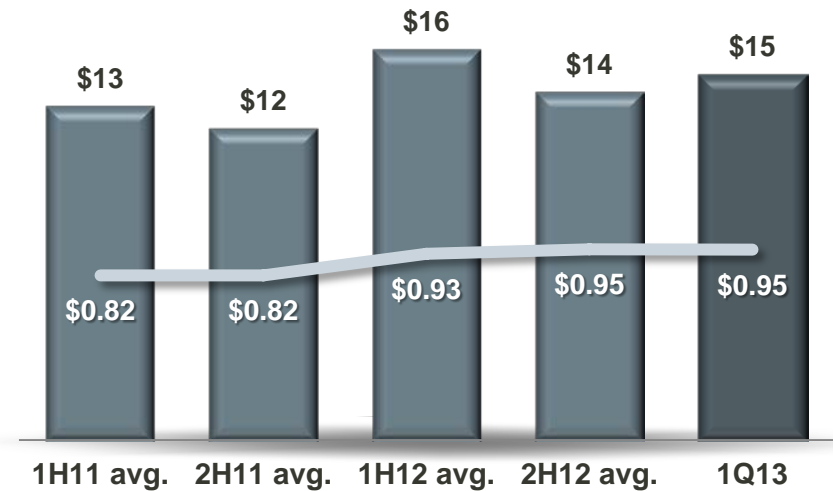
(Millions of vehicles)



Source: IHS Automotive

Quarterly Value Added Revenue¹

■ \$millions — \$/pound



Growing automotive demand...

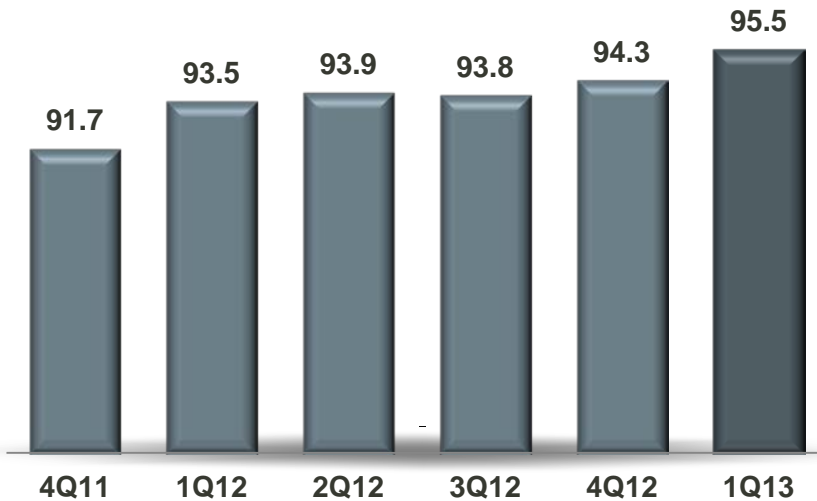
- Increasing long-term build rates
- Increasing aluminum extrusion content

...and positive outlook

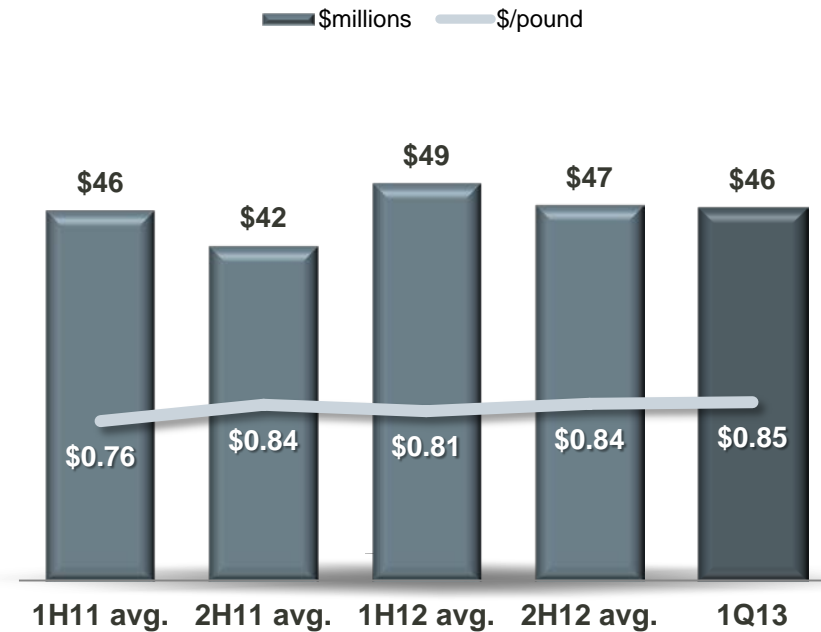
- 1H13 build rates similar to 1H12 rates
- Expect growing aluminum extrusion content throughout 2013 and beyond
- Investing to accommodate growth

Outlook – General Engineering

Index of Industrial Production – Manufacturing¹



Quarterly Value Added Revenue²



Continued weak U.S. industrial demand...

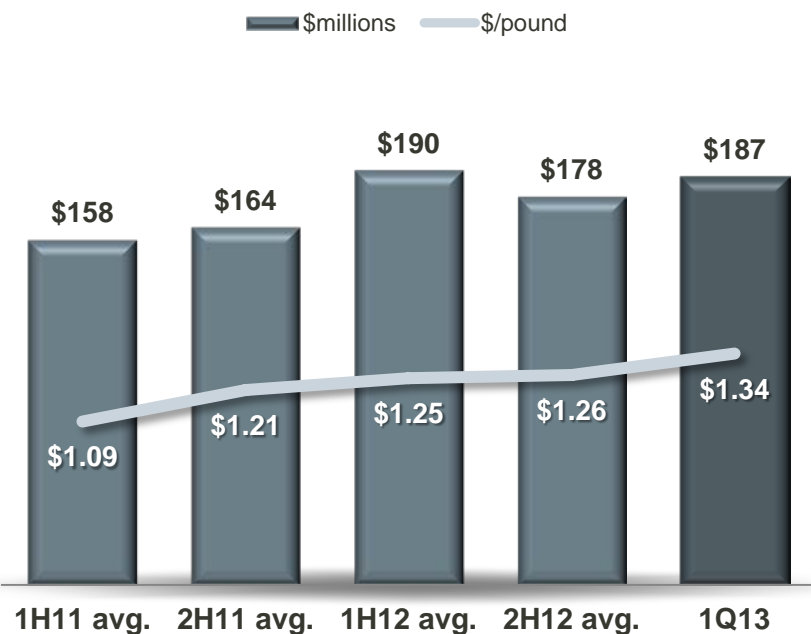
...economic uncertainty clouds visibility

¹ Represents Quarterly Averages (2007 base year = 100); Source: Federal Reserve statistics for U.S. manufacturing

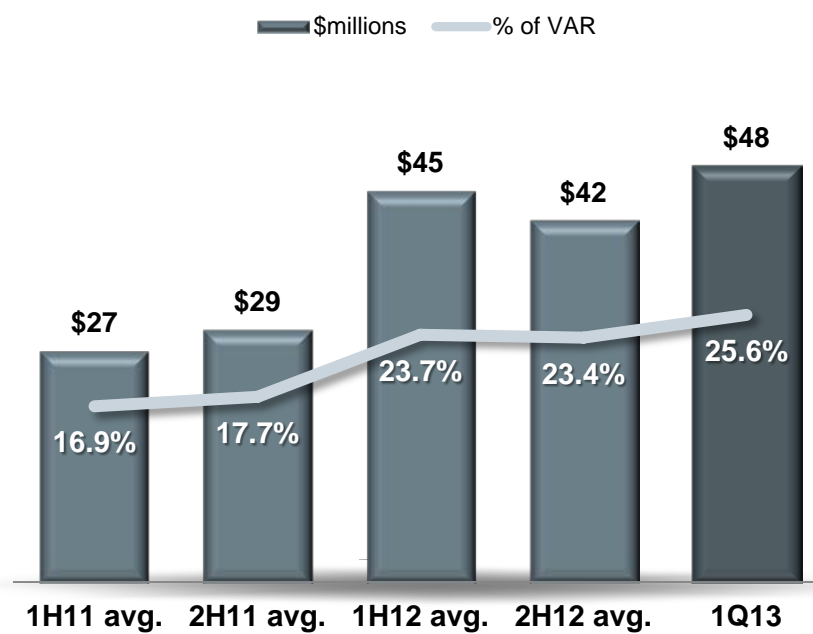
² Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 20-21

Short-term Outlook Summary

Quarterly Value Added Revenue¹



Quarterly Adjusted EBITDA²



Expect 1st half 2013 similar to 1st half 2012

1 Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 20-21

2 Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23

3 Adjusted EBITDA margin = Adjusted EBITDA as a percent of Value Added Revenue (VAR)

Summary

- **Mild headwinds continue**
- **Positioned for long-term growth**
 - Robust growth prospects for aerospace and automotive applications
 - Additional benefits from previous investments in capacity, quality, efficiency
 - Anticipate significant organic investments in next five years
 - Financial flexibility for additional organic & acquisition growth opportunities

KAISEER
ALUMINUM

A collection of various aluminum extrusions, including a long cylindrical rod, several rectangular bars of different sizes, and a large L-shaped profile, all arranged in a stack. The metal has a brushed finish and is set against a white background with soft shadows.

Appendix

Company Summary

A leader in fabricated aluminum products

- Leading North American semi-fabricated specialty aluminum products manufacturing company serving global markets
- Emphasis on highly engineered specifications for aerospace, defense, automotive, and general engineering applications
- Broad product offering of sheet, plate, rod, bar, wire, tube, and custom extrusions
- Reputation for Best In Class customer satisfaction
- Financial strength and flexibility
- More than \$400 million invested for organic and acquisition growth since 2006
- Solid platform and market presence for further value creation in strategic end market applications

Mark-to-market

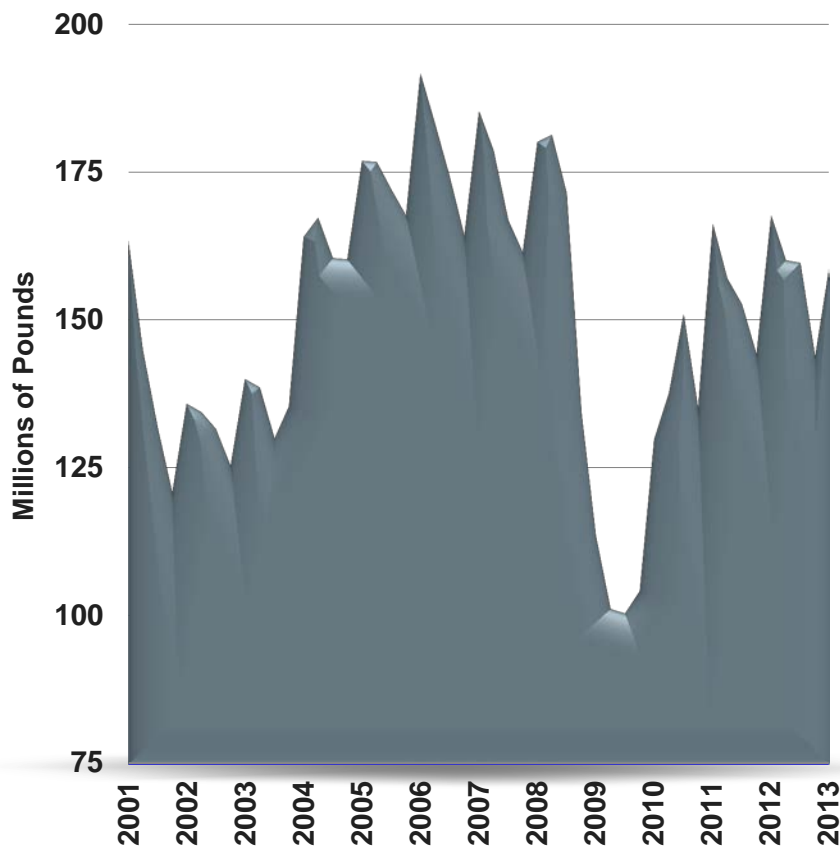
- Hedging-related derivatives are marked-to-market with non-cash gains and losses recognized in income (versus recognized in income on the cash settlement date of the derivative contracts). These are predominately related to:
 - Metal
 - Energy (Natural Gas, Electricity)
 - Options in financing transactions

Consolidated LIFO to Plant LIFO Adjustment

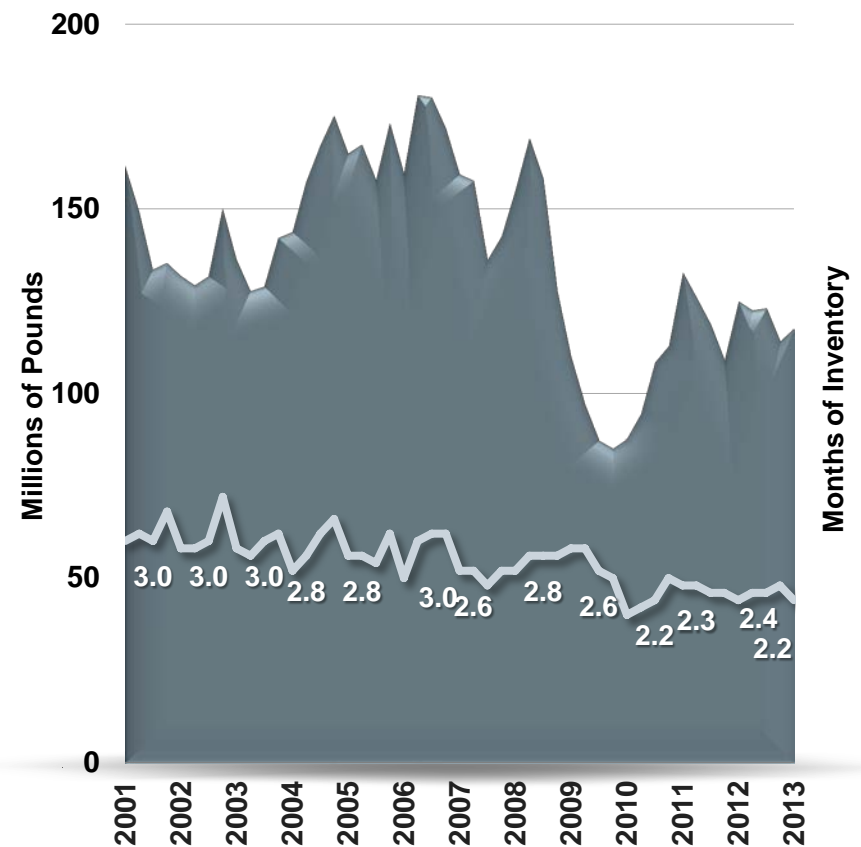
- We report externally using the LIFO inventory valuation method on a *consolidated* basis
- We manage our business using the LIFO inventory valuation method on a *plant-by-plant* basis
- The adjustment from consolidated to plant LIFO adjusts our COGS to the LIFO methodology we use to manage our business

MSCI Aluminum Rod & Bar Shipments & Inventory

Quarterly MSCI Shipments

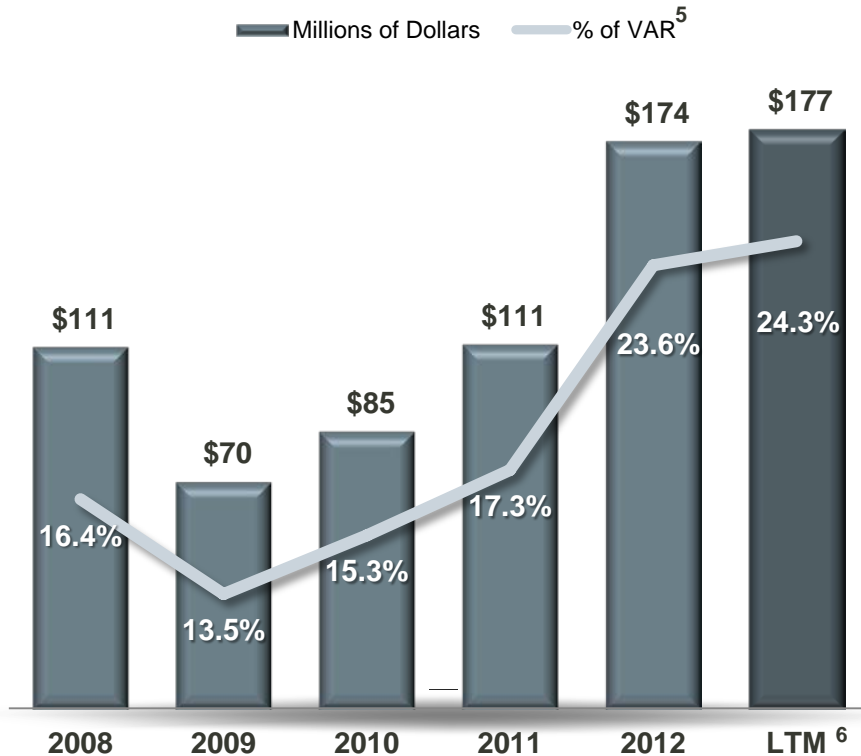


Quarterly MSCI Inventory

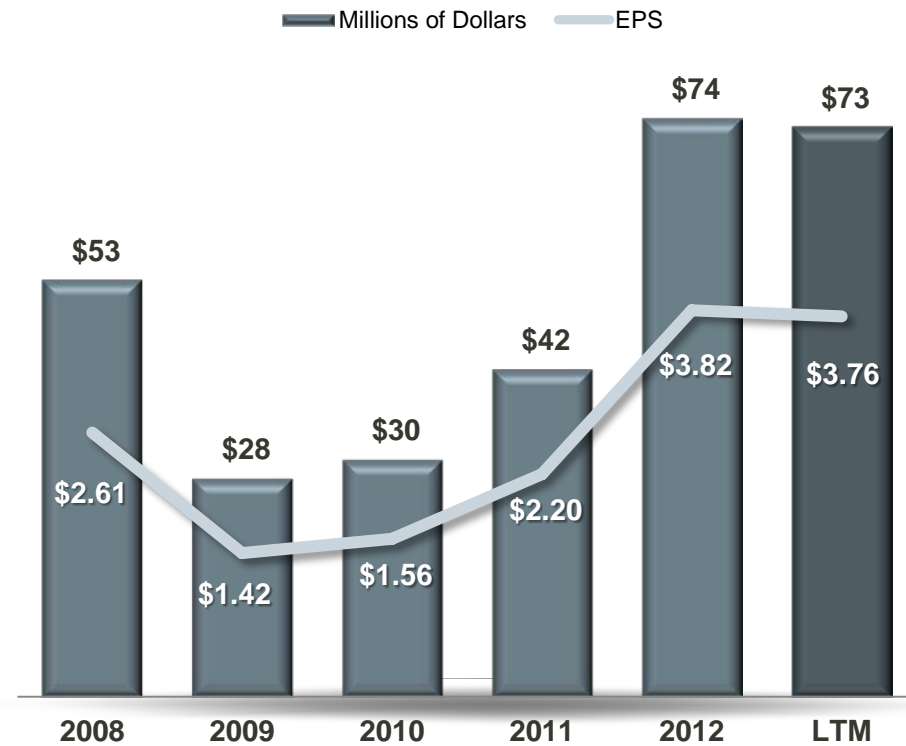


Annual Financial Results

Adjusted EBITDA¹ and EBITDA margin²



Adjusted Net Income³ and EPS⁴



1 Adjusted EBITDA = For comparability, prior to 2010 defined as Fabricated Products and Corporate Operating Income before non-run-rate, excluding metal and GBP hedging, plus Consolidated Depreciation and Amortization. For 2010 and later, defined as Consolidated Operating Income before non-run-rate plus Consolidated Depreciation and Amortization; for details refer to the reconciliation to Consolidated Operating Income at the end of this presentation. 2 Adjusted EBITDA margin = Adjusted EBITDA as a percent of Value Added Revenue (VAR). 3 Adjusted Net Income = Reported Net Income, excluding Total non-run-rate items (net of tax) and excluding Anglesey and Hedging from 2008-2009. 4 Adjusted EPS = Earnings per diluted share, excluding Total non-run-rate items and excluding Anglesey and Hedging from 2008-2009. 5 Value Added Revenue (VAR) = net sales less hedged cost of alloyed metal. 6 LTM = Last Twelve Months as of March 31, 2013.

Sales Analysis By Application - Quarterly

	<u>1Q11</u>	<u>2Q11</u>	<u>3Q11</u>	<u>4Q11</u>	<u>1Q12</u>	<u>2Q12</u>	<u>3Q12</u>	<u>4Q12</u>	<u>1Q13</u>
Shipments (lbs, mm)									
Aero & High Strength	45.8	45.0	49.0	52.2	59.0	53.7	54.5	56.7	56.7
General Engineering	61.2	59.8	50.4	48.8	63.3	58.8	61.4	49.2	54.8
Automotive Extrusions	16.1	16.4	15.7	14.6	17.0	16.6	15.2	14.0	15.3
Other Applications ¹	<u>21.0</u>	<u>24.0</u>	<u>19.7</u>	<u>21.2</u>	<u>17.4</u>	<u>18.1</u>	<u>16.4</u>	<u>14.6</u>	<u>13.2</u>
Total	144.1	145.2	134.8	136.8	156.7	147.2	147.5	134.5	140.0
Value Added Revenue ² (\$mm)									
Aero & High Strength	\$88.4	\$88.1	\$96.3	\$103.7	\$119.0	\$111.8	\$109.7	\$110.0	\$118.7
General Engineering	\$45.7	\$46.3	\$41.6	\$41.6	\$49.9	\$48.8	\$51.8	\$41.5	\$46.4
Automotive Extrusions	\$13.1	\$13.6	\$13.2	\$11.7	\$16.0	\$15.2	\$14.6	\$13.2	\$14.6
Other Applications	<u>\$9.3</u>	<u>\$11.8</u>	<u>\$9.9</u>	<u>\$9.9</u>	<u>\$9.9</u>	<u>\$9.6</u>	<u>\$7.9</u>	<u>\$7.3</u>	<u>\$7.7</u>
Total	\$156.5	\$159.8	\$161.0	\$166.9	\$194.8	\$185.4	\$184.0	\$172.0	\$187.4
Value Added Revenue (\$/lb.)									
Aero & High Strength	\$1.93	\$1.96	\$1.97	\$1.99	\$2.02	\$2.08	\$2.01	\$1.94	\$2.09
General Engineering	\$0.75	\$0.77	\$0.83	\$0.85	\$0.79	\$0.83	\$0.84	\$0.84	\$0.85
Automotive Extrusions	\$0.81	\$0.83	\$0.84	\$0.80	\$0.94	\$0.92	\$0.96	\$0.94	\$0.95
Other Applications	<u>\$0.44</u>	<u>\$0.49</u>	<u>\$0.50</u>	<u>\$0.47</u>	<u>\$0.57</u>	<u>\$0.53</u>	<u>\$0.48</u>	<u>\$0.50</u>	<u>\$0.58</u>
Overall ³	\$1.09	\$1.10	\$1.19	\$1.22	\$1.24	\$1.26	\$1.25	\$1.28	\$1.34

1 Includes custom industrial products and billet

2 Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal

3 Total VAR / Total Shipments

Sales Analysis By Application - Annual

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>LTM⁴</u>
Shipments (lbs, mm)						
Aero & High Strength	158	145	159	192	224	222
General Engineering	258	189	217	220	233	224
Automotive Extrusions	50	36	54	63	63	61
Other Applications ¹	93	59	84	86	67	62
Total	559	429	514	561	586	569
Value Added Revenue² (\$mm)						
Aero & High Strength	\$324	\$278	\$295	\$377	\$451	\$450
General Engineering	\$249	\$165	\$174	\$175	\$192	\$189
Automotive Extrusions	\$42	\$31	\$46	\$52	\$59	\$58
Other Applications	\$58	\$39	\$41	\$41	\$35	\$33
Total	\$673	\$513	\$556	\$644	\$736	\$729
Value Added Revenue (\$/lb.)						
Aero & High Strength	\$2.05	\$1.92	\$1.86	\$1.96	\$2.01	\$2.03
General Engineering	\$0.96	\$0.87	\$0.80	\$0.80	\$0.83	\$0.84
Automotive Extrusions	\$0.84	\$0.86	\$0.84	\$0.82	\$0.94	\$0.94
Other Applications	\$0.63	\$0.67	\$0.49	\$0.48	\$0.52	\$0.52
Overall³	\$1.20	\$1.20	\$1.08	\$1.15	\$1.26	\$1.28

1 Includes custom industrial products and billet

2 Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal

3 Total VAR / Total Shipments

4 LTM = Last Twelve Months as of March 31, 2013

Reconciliation of Reported Operating Income to Adjusted EBITDA

(in \$ millions)

	Quarterly								
	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13
Consolidated - Reported Operating Income	\$19.8	\$14.7	\$4.9	\$15.6	\$46.2	\$39.6	\$56.2	\$23.9	\$50.0
Operating NRR ¹ items:									
Mark-to-Market Gains (Losses)	4.3	(9.5)	(16.8)	(7.9)	3.1	(0.1)	12.3	(0.1)	(0.7)
Consolidated LIFO to Plant LIFO Adjustment	(2.5)	1.0	(1.6)	2.9	2.0	(1.5)	0.4	(3.2)	4.7
Workers' Compensation Discount Rate Effect	—	—	—	(3.8)	0.2	(0.4)	—	—	—
Legacy Environmental	(0.2)	(2.5)	(0.1)	(1.1)	—	(0.7)	(0.3)	(0.3)	(0.6)
Restructuring Charges	—	—	0.3	—	—	—	—	(4.4)	—
VEBA Benefit (Expense)	1.5	1.5	1.5	1.4	3.0	3.0	2.9	3.0	5.6
Other Operating Benefits, Net	—	0.3	—	—	—	—	—	—	—
Total Operating NRR Items	3.1	(9.2)	(16.7)	(8.5)	8.3	0.3	15.3	(5.0)	9.0
Consolidated Operating Income before operating NRR	16.7	23.9	21.6	24.1	37.9	39.3	40.9	28.9	41.0
Depreciation & Amortization - Consolidated	6.3	6.4	6.2	6.3	6.3	6.6	6.7	6.9	7.0
Consolidated - Adjusted EBITDA	\$23.0	\$30.3	\$27.8	\$30.4	\$44.2	\$45.9	\$47.6	\$35.8	\$48.0

Reconciliation of Reported Operating Income to Adjusted EBITDA

(in \$ millions)

	Annual					
	2008	2009	2010	2011	2012	LTM ²
Consolidated - Reported Operating Income	(\$91.0)	\$118.7	\$41.1	\$55.0	\$165.9	\$169.7
Operating NRR ¹ items:						
Mark-to-Market Gains (Losses)	(87.1)	80.5	(0.7)	(29.9)	15.2	11.4
Consolidated LIFO to Plant LIFO Adjustment	(3.9)	(3.2)	(0.6)	(0.2)	(2.3)	0.4
Workers' Compensation Discount Rate Effect	—	—	—	(3.8)	(0.2)	(0.4)
Legacy Environmental	(5.5)	(2.4)	(13.9)	(3.9)	(1.3)	(1.9)
Restructuring Charges	(8.8)	(5.4)	(3.6)	0.3	(4.4)	(4.4)
VEBA Benefit (Expense)	0.6	(5.3)	(5.1)	6.0	11.9	14.5
Lower of Cost or Market Write-down	(65.5)	(9.3)	—	—	—	—
Anglesey Impairment	(37.8)	—	—	—	—	—
Other Operating Benefits, Net	1.4	0.9	(0.1)	0.3	—	—
Total Operating NRR Items	(206.6)	55.8	(24.0)	(31.2)	18.9	19.6
Consolidated Operating Income before operating NRR	115.6	62.9	65.1	86.2	147.0	150.1
Depreciation & Amortization - Consolidated	14.7	16.4	19.8	25.2	26.5	27.2
Consolidated - Adjusted EBITDA	130.3	79.3	\$84.9	\$111.4	\$173.5	\$177.3
Less Anglesey JV, Anglesey related, metal & GBP hedging Oper. Inc. before NRR	19.6	9.8				
Fab. Prod. & Corp. OI before oper. NRR, excluding metal & GBP hedging						
+ Consolidated Depreciation & Amortization	\$110.7	\$69.5				

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

2 LTM = Last Twelve Months as of March 31, 2013

Adjusted Net Income and EPS

(in \$ millions except EPS)

	Quarterly								
	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13
GAAP net income	\$10.8	\$ 4.1	\$ 4.1	\$ 6.1	\$26.5	\$21.0	\$29.2	\$ 9.1	\$33.5
Operating NRR ¹ Items	(3.1)	9.2	16.7	8.5	(8.3)	(0.3)	(15.3)	5.0	(9.0)
NRR mark-to-market on convertible bond & related call option	(1.7)	3.6	(4.1)	(1.8)	(0.5)	(0.7)	0.1	0.3	(0.4)
Tax impact of NRR items	1.9	(4.9)	(4.8)	(2.9)	3.2	0.4	5.7	(1.9)	3.6
Canadian tax benefit	-	-	-	-	-	-	-	-	(7.8)
Adjusted net income	\$ 7.9	\$12.0	\$11.9	\$ 9.9	\$20.9	\$20.4	\$19.7	\$12.5	\$19.9
GAAP earnings per diluted share ²	\$0.57	\$0.22	\$0.21	\$0.33	\$1.38	\$1.09	\$1.51	\$0.47	\$1.73
Adjusted earnings per diluted share²	\$0.42	\$0.63	\$0.63	\$0.52	\$1.09	\$1.06	\$1.02	\$0.65	\$1.03

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

2 Diluted shares for EPS calculated using treasury method for 2012 and 2013; 2011 calculated using two-class method

Adjusted Net Income and EPS

(in \$ millions except EPS)

	Annual					
	2008	2009	2010	2011	2012	LTM ³
GAAP net income	\$(68.5)	\$70.5	\$12.0	\$25.1	\$85.8	\$92.8
Operating NRR ¹ Items	206.6	(55.8)	24.0	31.2	(18.9)	(19.6)
NRR mark-to-market on convertible bond and related call option	-	-	4.9	(4.0)	(0.8)	(0.7)
Less Anglesey JV, Anglesey related, Hedging Oper. Inc. before NRR ('08-'09 only)	(19.6)	(9.8)	-	-	-	-
Tax impact of NRR items and Anglesey items	(65.4)	23.0	(10.6)	(10.6)	7.5	7.8
Canadian tax benefit	-	-	-	-	-	(7.8)
Adjusted net income	\$ 53.1	\$27.9	\$30.3	\$41.7	\$73.6	\$72.5
GAAP earnings per diluted share ²	\$(3.45)	\$3.51	\$0.61	\$1.32	\$4.45	\$4.80
Adjusted earnings per diluted share²	\$ 2.61	\$1.42	\$1.56	\$2.20	\$3.82	\$3.76

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

2 Diluted shares for EPS calculated using treasury method for 2012 and 2013; 2011 and prior calculated using two-class method

3 LTM = Last Twelve Months as of March 31, 2013

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ALUMINUM