



KAISER
ALUMINUM

SECOND QUARTER 2021

EARNINGS CONFERENCE CALL

July 22, 2021



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, including but not limited to (i) effectiveness of management’s strategies and decisions, including strategic investments and the execution of those strategies, (ii) the successful integration of the acquired operations and technologies, and (iii) the impact of extraordinary external events, such as the current COVID-19 pandemic, and their collateral consequences. The company cautions that such forward-looking statements are not guarantees of future performance or events and involve significant risks and uncertainties and actual events may vary materially from those expressed or implied in the forward-looking statements as a result of various factors. 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 except as may be required by law.

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 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. Pursuant to the requirements of Regulation G, 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 presentation 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. Reconciliations of certain forward looking non-GAAP financial measures to comparable GAAP measures are not provided because certain items required for such reconciliations are outside of our control and/or cannot be reasonably predicted or provided without unreasonable effort.

SECOND QUARTER 2021 HIGHLIGHTS

KEITH A. HARVEY

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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SECOND QUARTER 2021



Solid second quarter results:

- Commercial aerospace demand improving as recovery of air travel continues
- Demand for general engineering applications remains robust
- Growing demand for Kaiser's food and beverage aluminum packaging applications
- Automotive temporarily impacted by ongoing semiconductor chip shortage
- Higher costs
 - Warrick integration
 - Short term inefficiencies and labor challenges as plants ramp up to meet demand

SECOND QUARTER AND FIRST HALF 2021 FINANCIAL RECAP

NEAL E. WEST

EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER

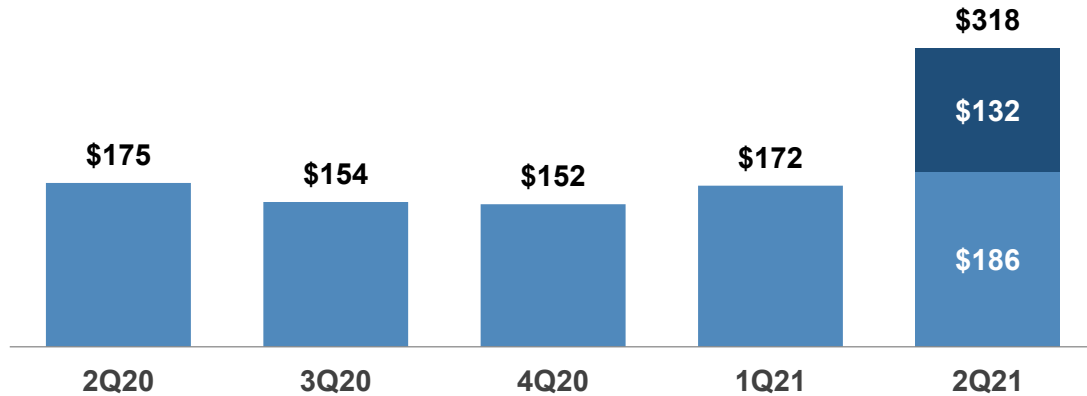
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VALUE ADDED REVENUE

QUARTERLY VALUE ADDED REVENUE ¹

(In \$ millions)

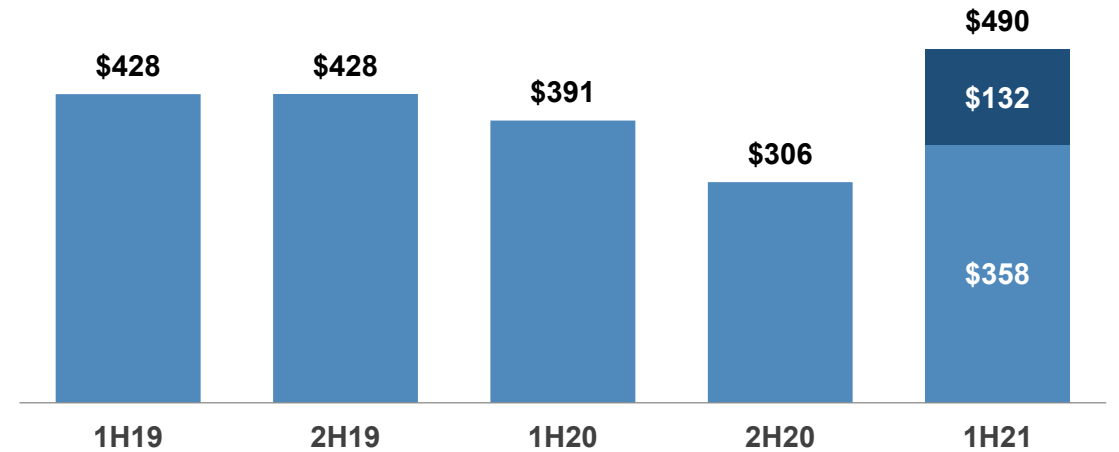
■ Kaiser Ex-Packaging ■ Packaging



6 MONTHS VALUE ADDED REVENUE ¹

(In \$ millions)

■ Kaiser Ex-Packaging ■ Packaging



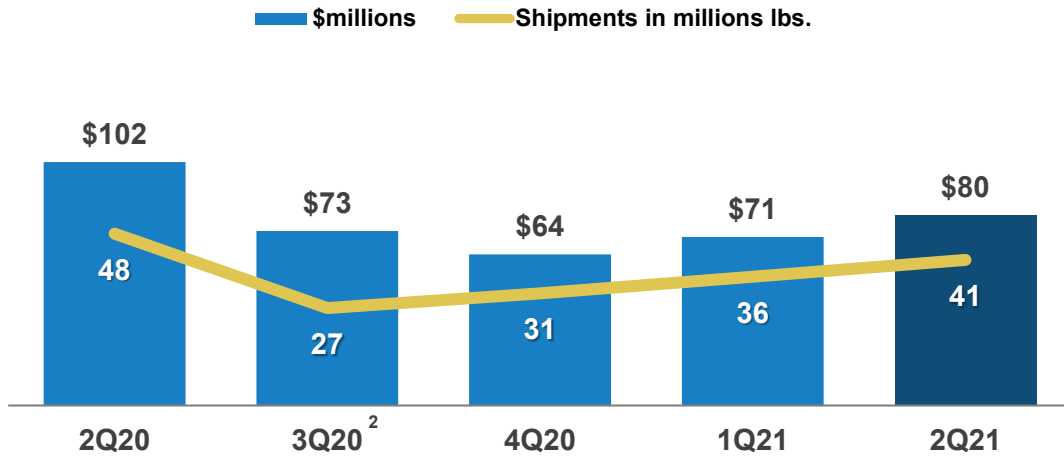
1H21 VAR increased \$184 million, or 60% compared to 2H20 driven primarily by the addition of packaging

- Continued improvements across end market applications
- Demand for packaging applications is robust; strong collaboration with strategic partners and customers

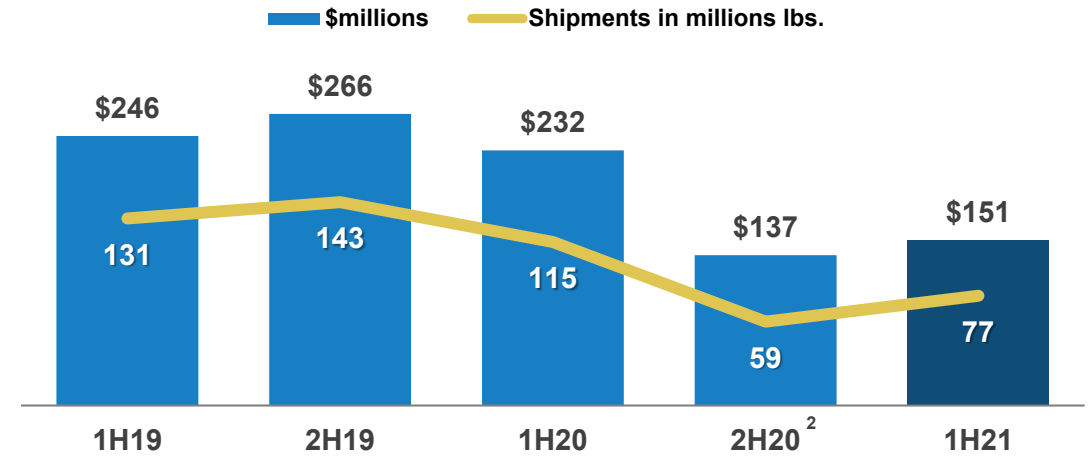
2Q21 y/y improvement driven by GE, Auto and Packaging; offsetting COVID related decrease in Aero

AEROSPACE/HIGH STRENGTH

QUARTERLY VALUE ADDED REVENUE ¹



6 MONTHS VALUE ADDED REVENUE ¹



1H21 Aerospace VAR improved \$14 million, or 10% on a 31% increase in shipments compared to 2H20

- Improving commercial aerospace demand as air travel recovers along with improving demand for business jets
- Continued strength in demand for defense related applications driven largely by higher JSF build rates

2Q21 y/y decline in VAR and shipments reflects COVID related impact on commercial aerospace demand

- Continue to anticipate commercial aerospace recovery to 2019 record levels in 2023/2024

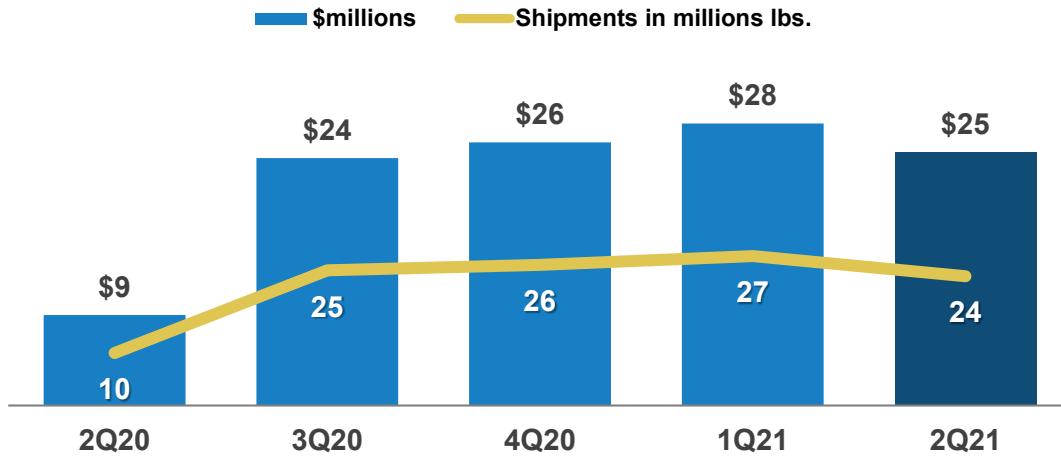
COMMERCIAL AEROSPACE RECOVERY GAINING MOMENTUM

¹ Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 21 and 22

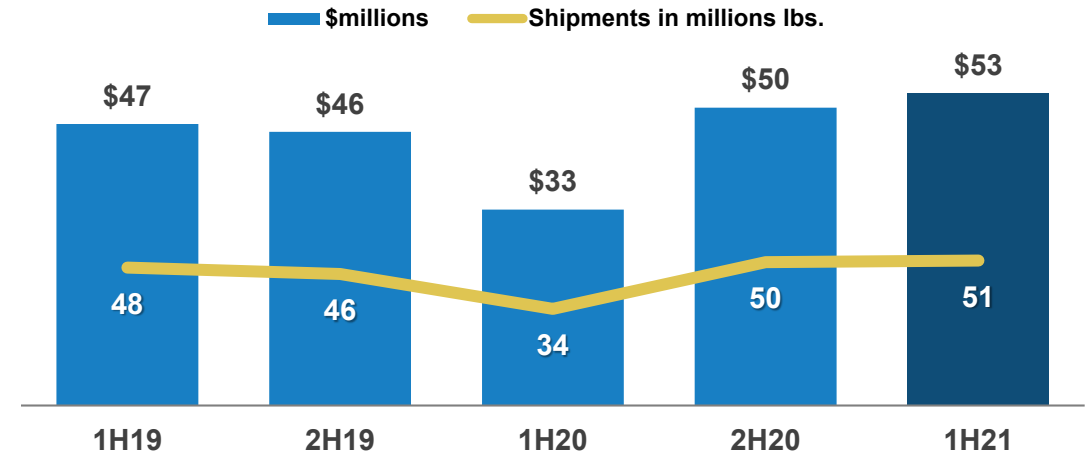
² 3Q20 Value Added Revenue (VAR) inclusive of ~\$15 million related to modifications to 2020 customer declarations

AUTOMOTIVE EXTRUSIONS

QUARTERLY VALUE ADDED REVENUE ¹



6 MONTHS VALUE ADDED REVENUE ¹



1H21 Automotive VAR improved \$2 million, or 5% on a slight increase in shipments compared to 2H20

- New product launches and program ramp-up continues, slightly more favorable mix
- Demand temporarily impacted by semi-conductor shortage, expect volume recovery in 2H21

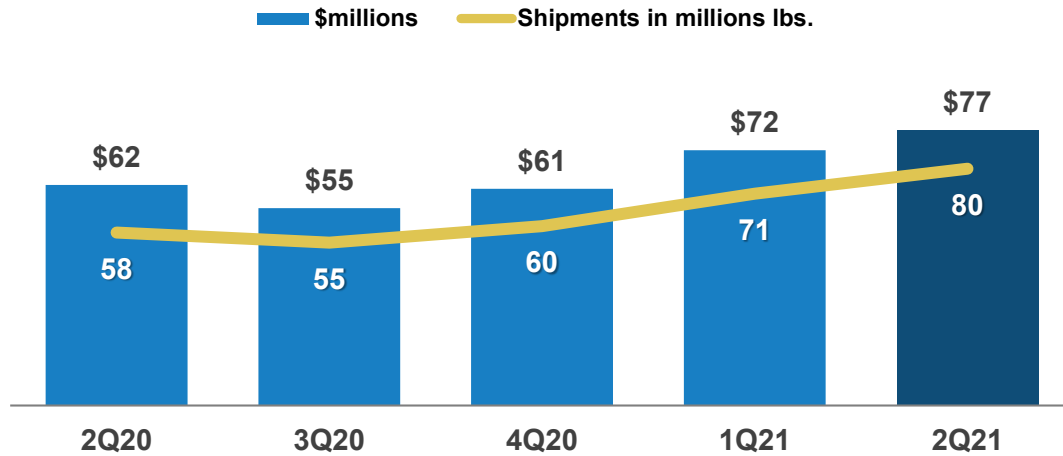
2Q21 y/y increase in VAR and shipments reflects recovery from COVID related OEM supply chain shutdowns in 2Q20

- Long-term secular growth to be driven by increasing aluminum content to achieve light-weighting for greater fuel efficiency

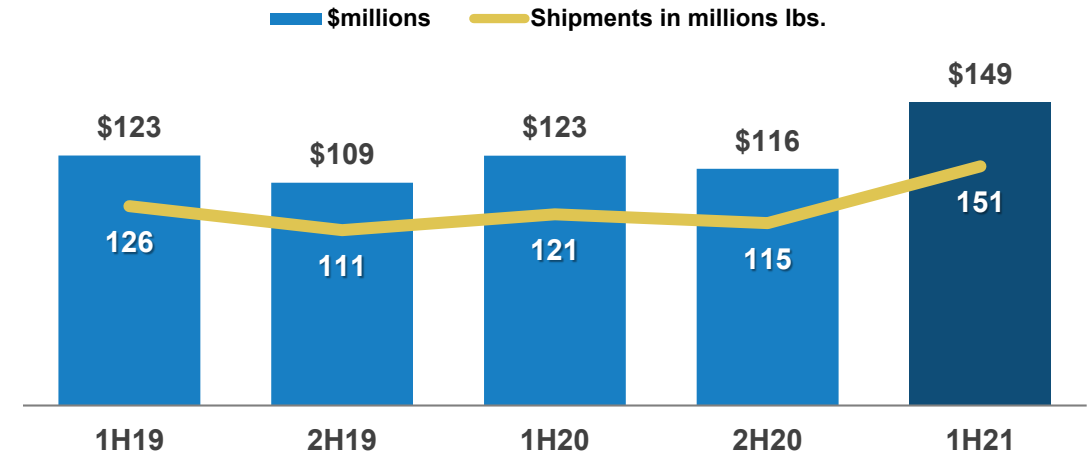
AUTOMOTIVE RAMP-UP IMPACTED BY SEMI-CONDUCTOR SHORTAGE

GENERAL ENGINEERING

QUARTERLY VALUE ADDED REVENUE ¹



6 MONTHS VALUE ADDED REVENUE ¹



1H21 GE VAR increased \$33 million, or 28% on a 31% increase in shipments compared to 2H20

- Strong underlying demand for semi-conductor, industrial and machine tool end market applications
- Service center and supply chain restocking continues

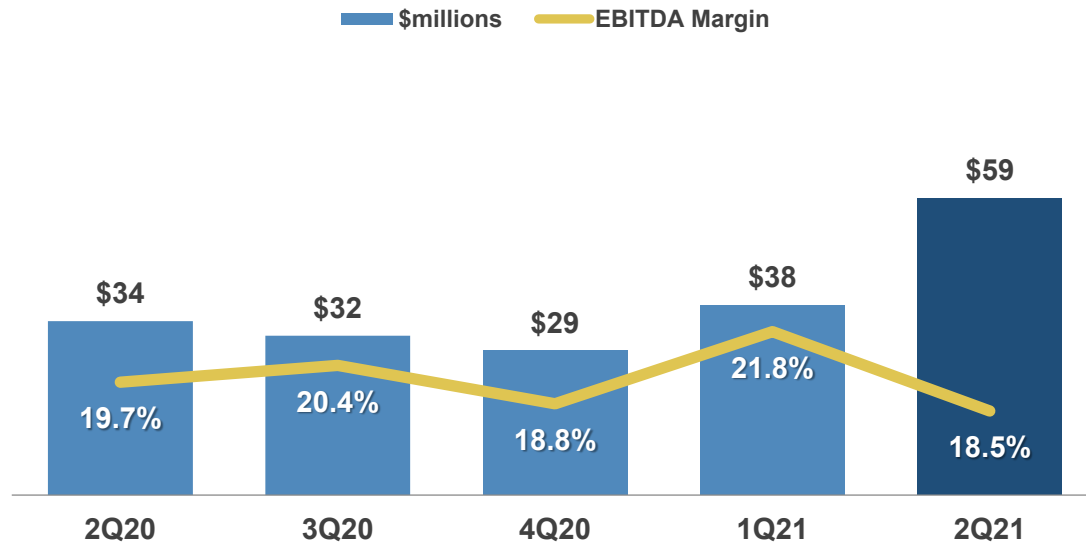
2Q21 y/y increase in VAR and shipments reflects strong service center and end market demand driven by semiconductor and automotive

- Re-shoring continues to drive long-term demand for domestic supply to minimize risk of supply chain disruption

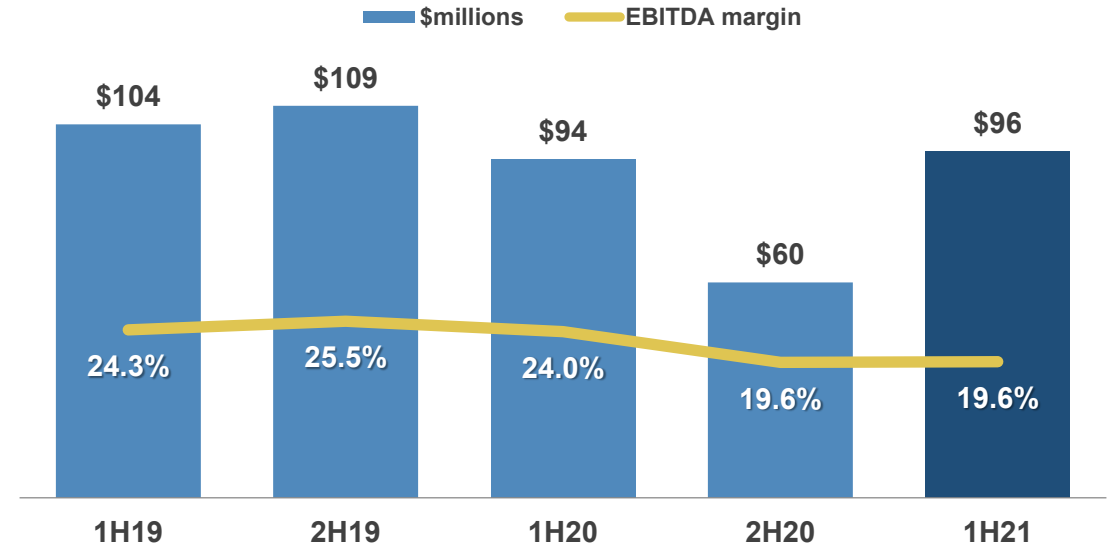
STRONG UNDERLYING DEMAND AND SUPPLY CHAIN RESTOCKING

ADJUSTED EBITDA AND EBITDA MARGIN

QUARTERLY ADJUSTED EBITDA¹ AND EBITDA MARGIN²



6 MONTHS ADJUSTED EBITDA¹ AND EBITDA MARGIN²



1H21 Adjusted EBITDA increased \$36 million or 60% compared to 2H20

- Reflects higher VAR partially offset by higher manufacturing and overhead costs
- Incremental transition, overhead and redundancy costs associated with the Warrick integration
- Margin of 19.6% comparable to 2H20

2Q21 y/y Adjusted EBITDA reflects the addition of packaging and growth in other end market applications, offset by higher costs

- 2Q21 margin of 18.5% impacted by higher cost and portfolio mix

¹ EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 27 and 28

² EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)

CONSOLIDATED FINANCIAL HIGHLIGHTS

(in \$millions except Shipments & EPS)

	<u>2Q20</u>	<u>3Q20</u>	<u>4Q20</u>	<u>1Q21</u>	<u>2Q21</u>	<u>2H20</u>	<u>1H21</u>
Shipments (in millions of lbs.)	119	109	119	137	337	228	474
Net Sales	\$276	\$256	\$272	\$324	\$741	\$528	\$1,065
Value Added Revenue ¹	\$175	\$154	\$152	\$172	\$318	\$306	\$490
As Reported:							
Operating Income	\$5	\$12	\$19	\$17	\$11	\$31	\$28
Net Income (Loss)	(\$7)	\$0.4	\$6	\$5	(\$22)	\$6	(\$18)
EPS ²	(\$0.41)	\$0.02	\$0.37	\$0.28	\$ (1.42)	\$0.39	(\$1.13)
Adjusted:							
Operating Income	\$21	\$19	\$15	\$24	\$33	\$34	\$57
EBITDA ³	\$34	\$32 ⁷	\$29	\$38	\$59	\$60	\$96
EBITDA margin ⁴	19.7%	20.4%	18.8%	21.8%	18.5%	19.6%	19.6%
Net Income ⁵	\$6	\$6	\$6	\$10	\$16	\$12	\$26
EPS ⁶	\$0.36	\$0.39	\$0.35	\$0.64	\$1.00	\$0.74	\$1.64

¹ Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 21 and 22

² As Reported EPS = Reported Earnings Per diluted Share; refer to slides 30 and 31

³ EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 27 and 28

⁴ EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)

⁵ Adjusted Net Income = Reported Net Income excluding non-run-rate items; refer to slides 30 and 31

⁶ Adjusted EPS = Reported Earnings Per diluted Share excluding non-run-rate items; refer to slides 30 and 31

⁷ Adjusted 3Q20 results recast to reflect \$1.3 million of Warrick acquisition related costs as NRR items

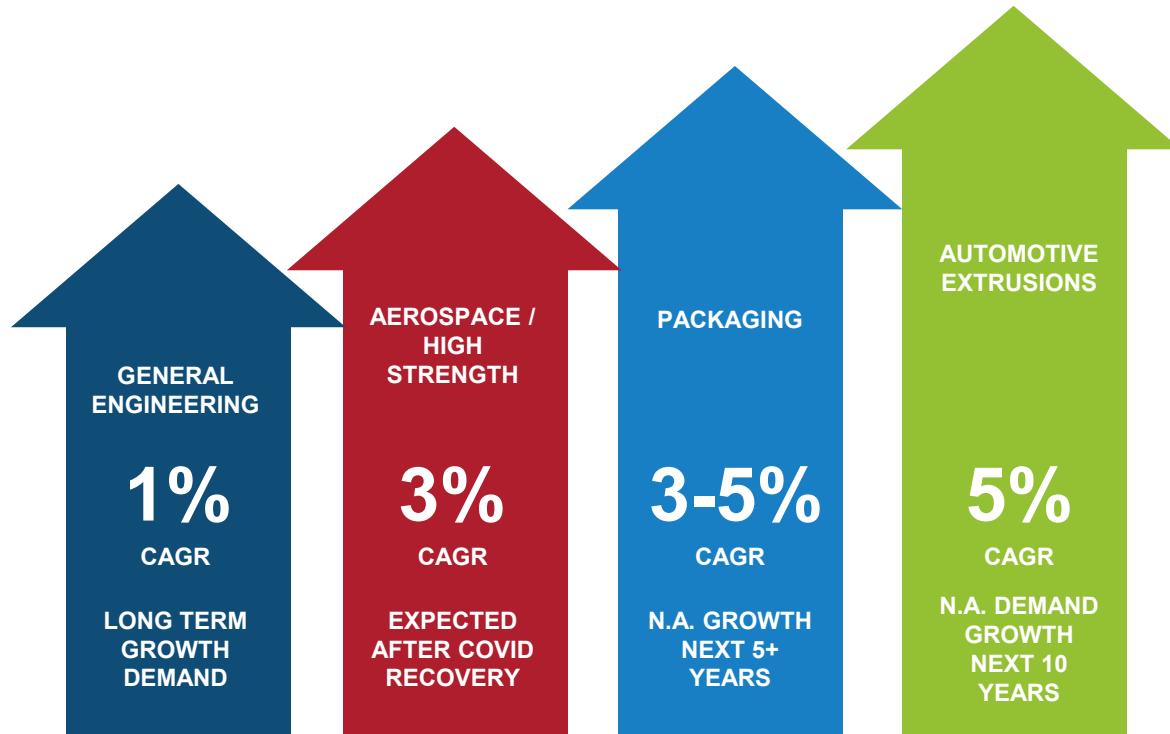
OUTLOOK

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PRESIDENT AND CHIEF EXECUTIVE OFFICER

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END MARKET OUTLOOK AND GROWTH POTENTIAL



GENERAL ENGINEERING

- North American industrial demand and continued trend to re-shoring for domestic supply

AEROSPACE

- Secular growth in global passenger air travel

PACKAGING

- Sustainability-driven conversion from plastic to aluminum beverage and food cans

AUTOMOTIVE EXTRUSIONS

- Light weighting of vehicles to achieve increased fuel economy

INVESTING TO SUPPORT STRONG AND RECOVERING END-MARKET GROWTH

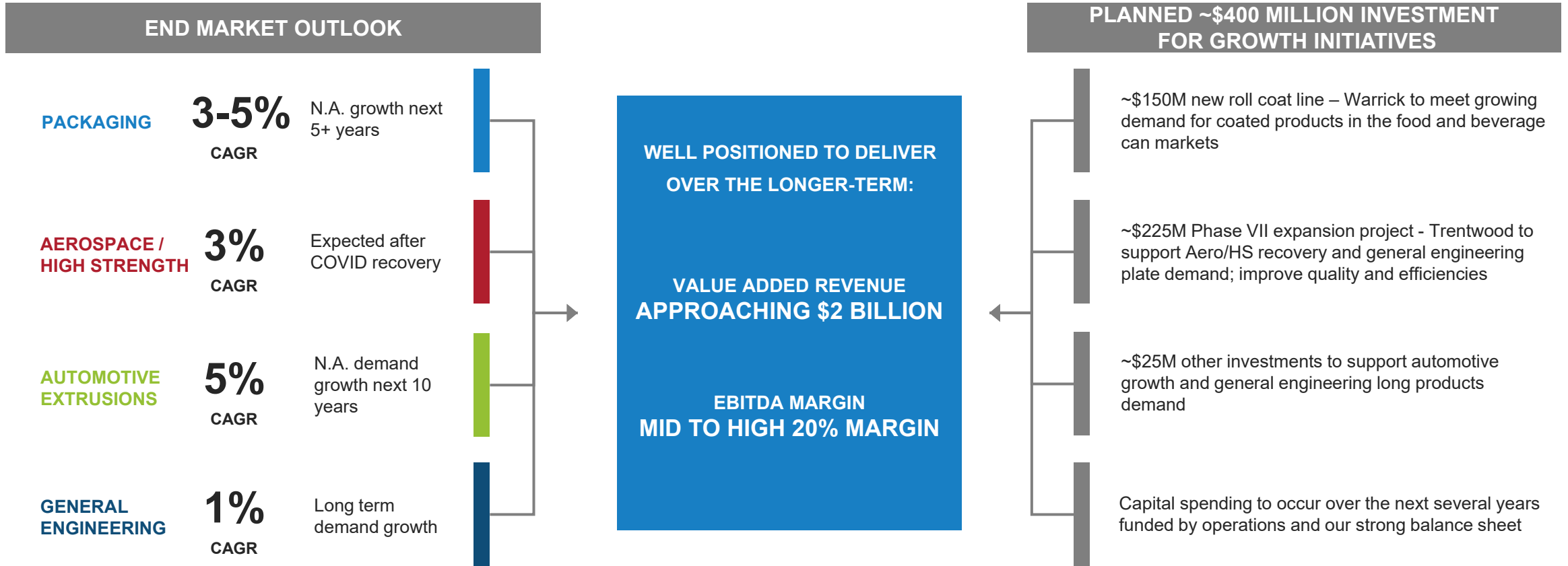
CAPITAL INVESTMENT FOR LONG-TERM GROWTH

PLANNED ~\$400 MILLION INVESTMENT FOR GROWTH INITIATIVES

- ~\$150M new roll coat line – Warrick to meet growing demand for coated products in the food and beverage can markets
- ~\$225M Phase VII expansion project - Trentwood to support Aero/HS recovery and general engineering plate demand; also to further improve quality and efficiencies
- ~\$25M other investments to support automotive growth and general engineering long products demand
- Capital spending to occur over the next several years funded by operations and strong balance sheet

CAPITAL INVESTMENT TO SUSTAIN LONG-TERM GROWTH

END MARKET OUTLOOK AND GROWTH POTENTIAL



INVESTING TO SUPPORT STRONG AND RECOVERING END-MARKET GROWTH

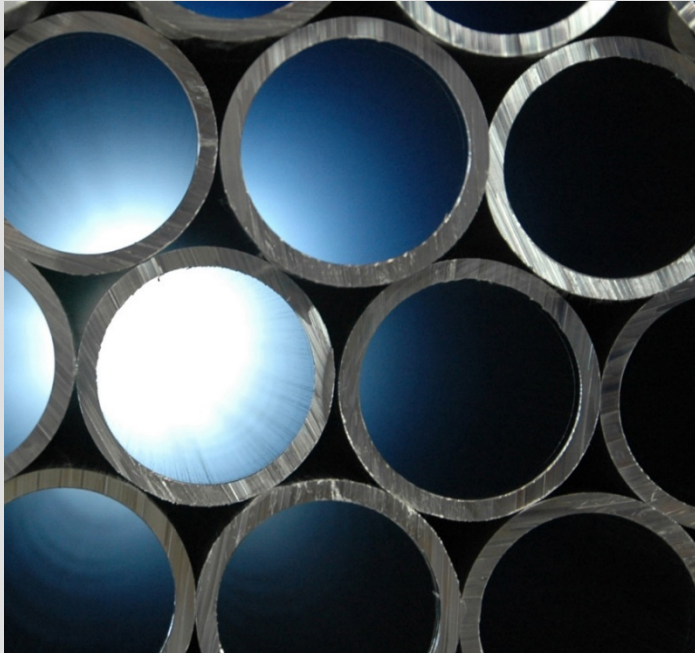
CLOSING REMARKS

KEITH A. HARVEY

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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SUMMARY



- Improving trends across Kaiser's end markets; automotive temporarily impacted by semiconductor chip shortage but expected to recover in 2H21
- Strong secular demand growth for aerospace, packaging, and automotive with solid market dynamics continuing to support growth in general engineering applications
- Planned capital investments of ~\$400 million over the next several years to support customer demand and capitalize on end market growth opportunities
- Capital allocation priorities remain unchanged:
 - organic growth
 - opportunistic inorganic growth
 - sustaining and growing the quarterly dividend
 - returning excess cash to shareholders
- Ongoing commitment to prudent liquidity management and leverage guidelines
- Longer-term potential to deliver Value Added Revenue¹ of ~\$2 billion; mid-to-high 20% EBITDA margin²

STRONG DIVERSIFIED PORTFOLIO WELL POSITIONED FOR LONG-TERM GROWTH



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APPENDIX

SALES ANALYSIS BY APPLICATION - QUARTERLY

	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Shipments (lbs, mm)										
Aero & High Strength	67.0	64.0	67.1	75.5	66.4	48.2	27.3	31.4	36.1	40.8
Packaging	-	-	-	-	-	-	-	-	-	185.9
General Engineering	63.0	62.7	57.7	52.9	62.4	58.2	54.7	60.3	71.2	79.7
Automotive Extrusions	25.6	22.7	23.5	22.5	24.3	9.5	24.7	25.6	27.2	23.6
Other Applications ¹	7.0	6.3	5.9	1.6	2.5	2.7	2.2	2.0	2.4	6.6
Total	162.6	155.7	154.2	152.5	155.6	118.6	108.9	119.3	136.9	336.6
Value Added Revenue ² (\$mm)										
Aero & High Strength	\$ 124.9	\$ 120.7	\$ 127.6	\$ 138.0	\$ 130.1	\$ 102.3	\$ 73.3	\$ 63.6	\$ 70.8	\$ 80.1
Packaging	-	-	-	-	-	-	-	-	-	131.9
General Engineering	61.5	61.2	57.7	51.6	60.7	61.8	55.4	60.7	71.5	77.2
Automotive Extrusions	25.7	21.6	23.8	22.2	24.0	9.0	24.2	25.8	27.7	24.8
Other Applications	6.3	5.7	5.7	1.3	1.8	1.5	1.5	1.4	1.7	3.9
Total	\$ 218.4	\$ 209.2	\$ 214.8	\$ 213.1	\$ 216.6	\$ 174.6	\$ 154.4	\$ 151.5	\$ 171.7	\$ 317.9
Value Added Revenue (\$/lb.)										
Aero & High Strength	\$ 1.86	\$ 1.89	\$ 1.90	\$ 1.83	\$ 1.96	\$ 2.12	\$ 2.68	\$ 2.03	\$ 1.96	\$ 1.96
Packaging	-	-	-	-	-	-	-	-	-	0.71
General Engineering	0.98	0.98	1.00	0.97	0.97	1.06	1.01	1.01	1.00	0.97
Automotive Extrusions	1.00	0.95	1.01	0.99	0.99	0.95	0.98	1.01	1.02	1.05
Other Applications	0.90	0.90	0.97	0.81	0.72	0.56	0.68	0.70	0.71	0.59
Overall ³	\$ 1.34	\$ 1.34	\$ 1.39	\$ 1.40	\$ 1.39	\$ 1.47	\$ 1.42	\$ 1.27	\$ 1.25	\$ 0.94

¹ Includes custom industrial products and billet

² Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slide 24

³ Total VAR / Total Shipments

Totals may not sum due to rounding

SALES ANALYSIS BY APPLICATION - HALF

	1H19	2H19	1H20	2H20	1H21
Shipments (lbs, mm)					
Aero & High Strength	131.0	142.6	114.6	58.7	76.9
Packaging	-	-	-	-	185.9
General Engineering	125.7	110.6	120.6	115.0	150.9
Automotive Extrusions	48.3	46.0	33.8	50.3	50.8
Other Applications ¹	13.3	7.5	5.2	4.2	9.0
Total	318.3	306.7	274.2	228.2	473.5

Value Added Revenue ² (\$mm)					
Aero & High Strength	\$ 245.6	\$ 265.6	\$ 232.4	\$ 136.9	\$ 150.9
Packaging	-	-	-	-	131.9
General Engineering	122.7	109.3	122.5	116.1	148.7
Automotive Extrusions	47.3	46.0	33.0	50.0	52.5
Other Applications	12.0	7.0	3.3	2.9	5.6
Total	\$ 427.6	\$ 427.9	\$ 391.2	\$ 305.9	\$ 489.6

Value Added Revenue (\$/lb.)					
Aero & High Strength	\$ 1.87	\$ 1.86	\$ 2.03	\$ 2.33	\$ 1.96
Packaging	-	-	-	-	0.71
General Engineering	0.98	0.99	1.02	1.01	0.99
Automotive Extrusions	0.98	1.00	0.98	0.99	1.03
Other Applications	0.90	0.94	0.63	0.69	0.62
Overall ³	\$ 1.34	\$ 1.40	\$ 1.43	\$ 1.34	\$ 1.03

¹ Includes custom industrial products and billet

² Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slide 25

³ Total VAR / Total Shipments

Totals may not sum due to rounding

SALES ANALYSIS BY APPLICATION - ANNUAL

	FY 2017	FY 2018	FY 2019	FY 2020	LTM ⁴
Shipments (lbs, mm)					
Aero & High Strength	233.0	248.8	273.6	173.3	135.6
Packaging	-	-	-	-	185.9
General Engineering	264.7	266.9	236.3	235.6	265.9
Automotive Extrusions	101.0	104.4	94.3	84.1	101.1
Other Applications ¹	27.0	32.3	20.8	9.4	13.2
Total	625.7	652.4	625.0	502.4	701.7
Value Added Revenue ² (\$mm)					
Aero & High Strength	\$ 430.3	\$ 455.0	\$ 511.2	\$ 369.3	\$ 287.8
Packaging	-	-	-	-	131.9
General Engineering	215.0	232.5	232.0	238.6	264.8
Automotive Extrusions	117.7	116.7	93.3	83.0	102.5
Other Applications	23.3	23.7	19.0	6.2	8.5
Total	\$ 786.3	\$ 827.9	\$ 855.5	\$ 697.1	\$ 795.5
Value Added Revenue (\$/lb.)					
Aero & High Strength	\$ 1.85	\$ 1.83	\$ 1.87	\$ 2.13	\$ 2.12
Packaging	-	-	-	-	0.71
General Engineering	0.81	0.87	0.98	1.01	1.00
Automotive Extrusions	1.17	1.12	0.99	0.99	1.01
Other Applications	0.86	0.73	0.91	0.66	0.64
Overall ³	\$ 1.26	\$ 1.27	\$ 1.37	\$ 1.39	\$ 1.13

¹ Includes custom industrial products and billet

² Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slide 26

³ Total VAR / Total Shipments

⁴ Last Twelve Months as of June 30, 2021

Totals may not sum due to rounding

RECONCILIATION OF NET SALES TO VALUE ADDED REVENUE – QUARTERLY

	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Net Sales (\$mm)										
Aero & High Strength Packaging	\$ 198.5	\$ 189.4	\$ 198.9	\$ 216.4	\$ 196.0	\$ 144.6	\$ 100.9	\$ 96.4	\$ 111.7	\$ 133.9
General Engineering	-	-	-	-	-	-	-	-	-	358.8
Automotive Extrusions	130.0	128.2	117.1	104.8	121.7	110.8	105.1	121.2	150.4	180.9
Other Applications ¹	53.0	45.5	47.5	44.5	47.4	16.7	46.2	51.1	57.6	55.6
Total	13.7	12.2	11.4	3.0	4.2	3.6	3.5	3.3	4.3	11.8
	\$ 395.2	\$ 375.3	\$ 374.9	\$ 368.7	\$ 369.3	\$ 275.7	\$ 255.7	\$ 272.0	\$ 324.0	\$ 741.0
Hedged Cost of Alloyed Metal ² (\$mm)										
Aero & High Strength Packaging	\$ 73.6	\$ 68.7	\$ 71.3	\$ 78.4	\$ 65.9	\$ 42.3	\$ 27.6	\$ 32.8	\$ 40.9	\$ 53.8
General Engineering	-	-	-	-	-	-	-	-	-	226.9
Automotive Extrusions	68.5	67.0	59.4	53.2	61.0	49.0	49.7	60.5	78.9	103.7
Other Applications	27.3	23.9	23.7	22.3	23.4	7.7	22.0	25.3	29.9	30.8
Total	7.4	6.5	5.7	1.7	2.4	2.1	2.0	1.9	2.6	7.9
	\$ 176.8	\$ 166.1	\$ 160.1	\$ 155.6	\$ 152.7	\$ 101.1	\$ 101.3	\$ 120.5	\$ 152.3	\$ 423.1
Value Added Revenue ³ (\$mm)										
Aero & High Strength Packaging	\$ 124.9	\$ 120.7	\$ 127.6	\$ 138.0	\$ 130.1	\$ 102.3	\$ 73.3	\$ 63.6	\$ 70.8	\$ 80.1
General Engineering	-	-	-	-	-	-	-	-	-	131.9
Automotive Extrusions	61.5	61.2	57.7	51.6	60.7	61.8	55.4	60.7	71.5	77.2
Other Applications	25.7	21.6	23.8	22.2	24.0	9.0	24.2	25.8	27.7	24.8
Total	6.3	5.7	5.7	1.3	1.8	1.5	1.5	1.4	1.7	3.9
	\$ 218.4	\$ 209.2	\$ 214.8	\$ 213.1	\$ 216.6	\$ 174.6	\$ 154.4	\$ 151.5	\$ 171.7	\$ 317.9

¹ Includes custom industrial products and billet

² Hedged cost of alloyed metal is our Midwest transaction price of aluminum plus the price of alloying elements plus any realized gains and/or losses on settled hedges, related to the metal sold in the referenced period.

³ Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal

Totals may not sum due to rounding

RECONCILIATION OF NET SALES TO VALUE ADDED REVENUE – HALF

	1H19	2H19	1H20	2H20	1H21
Net Sales (\$mm)					
Aero & High Strength	\$ 387.9	\$ 415.3	\$ 340.6	\$ 197.3	\$ 245.6
Packaging	-	-	-	-	358.8
General Engineering	258.2	221.9	232.5	226.3	331.3
Automotive Extrusions	98.5	92.0	64.1	97.3	113.2
Other Applications ¹	25.9	14.4	7.8	6.8	16.1
Total	\$ 770.5	\$ 743.6	\$ 645.0	\$ 527.7	\$ 1,065.0
Hedged Cost of Alloyed Metal ² (\$mm)					
Aero & High Strength	\$ 142.3	\$ 149.7	\$ 108.2	\$ 60.4	\$ 94.7
Packaging	-	-	-	-	226.9
General Engineering	135.5	112.6	110.0	110.2	182.6
Automotive Extrusions	51.2	46.0	31.1	47.3	60.7
Other Applications	13.9	7.4	4.5	3.9	10.5
Total	\$ 342.9	\$ 315.7	\$ 253.8	\$ 221.8	\$ 575.5
Value Added Revenue ³ (\$mm)					
Aero & High Strength	\$ 245.6	\$ 265.6	\$ 232.4	\$ 136.9	\$ 150.9
Packaging	-	-	-	-	131.9
General Engineering	122.7	109.3	122.5	116.1	148.7
Automotive Extrusions	47.3	46.0	33.0	50.0	52.5
Other Applications	12.0	7.0	3.3	2.9	5.6
Total	\$ 427.6	\$ 427.9	\$ 391.2	\$ 305.9	\$ 489.6

¹ Includes custom industrial products and billet

² Hedged cost of alloyed metal is our Midwest transaction price of aluminum plus the price of alloying elements plus any realized gains and/or losses on settled hedges, related to the metal sold in the referenced period.

³ Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal

Totals may not sum due to rounding

RECONCILIATION OF NET SALES TO VALUE ADDED REVENUE – ANNUAL

	FY 2017	FY 2018	FY 2019	FY 2020	LTM ⁴
Net Sales (\$mm)					
Aero & High Strength	\$ 653.7	\$ 739.4	\$ 803.2	\$ 537.9	\$ 442.9
Packaging	-	-	-	-	358.8
General Engineering	476.2	546.0	480.1	458.8	557.6
Automotive Extrusions	217.3	239.3	190.5	161.4	210.5
Other Applications ¹	50.3	61.2	40.3	14.6	22.9
Total	\$ 1,397.5	\$ 1,585.9	\$ 1,514.1	\$ 1,172.7	\$1,592.7
Hedged Cost of Alloyed Metal ² (\$mm)					
Aero & High Strength	\$ 223.4	\$ 284.4	\$ 292.0	\$ 168.6	\$ 155.1
Packaging	-	-	-	-	226.9
General Engineering	261.2	313.5	248.1	220.2	292.8
Automotive Extrusions	99.6	122.6	97.2	78.4	108.0
Other Applications	27.0	37.5	21.3	8.4	14.4
Total	\$ 611.2	\$ 758.0	\$ 658.6	\$ 475.6	\$ 797.2
Value Added Revenue ³ (\$mm)					
Aero & High Strength	\$ 430.3	\$ 455.0	\$ 511.2	\$ 369.3	\$ 287.8
Packaging	-	-	-	-	131.9
General Engineering	215.0	232.5	232.0	238.6	264.8
Automotive Extrusions	117.7	116.7	93.3	83.0	102.5
Other Applications	23.3	23.7	19.0	6.2	8.5
Overall	\$ 786.3	\$ 827.9	\$ 855.5	\$ 697.1	\$ 795.5

¹ Includes custom industrial products and billet

² Hedged cost of alloyed metal is our Midwest transaction price of aluminum plus the price of alloying elements plus any realized gains and/or losses on settled hedges, related to the metal sold in the referenced period.

³ Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal

⁴ Last Twelve Months as of June 30, 2021

Totals may not sum due to rounding

RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED EBITDA - QUARTERLY

(in \$ millions)

	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21
Consolidated - Reported Net Income (Loss)	\$28.0	\$19.2	\$25.4	(\$10.6)	\$29.1	(\$6.6)	\$0.4	\$5.9	\$4.5	(\$22.4)
Interest Expense	5.7	5.8	5.8	7.3	6.1	10.5	12.1	12.2	12.3	12.4
Other (Income) Expense	(0.5)	0.1	0.8	20.3	0.8	(0.5)	0.5	0.6	0.4	36.6
Income Tax Provision (Benefit)	9.8	7.3	8.7	(7.4)	9.6	1.3	(0.7)	(0.2)	(0.3)	(15.5)
Consolidated - Reported Operating Income	\$43.0	\$32.4	\$40.7	\$9.6	\$45.6	\$4.7	\$12.3	\$18.5	\$16.9	\$11.1
Operating NRR ¹ items:										
Mark-to-Market Loss (Gain) ²	2.4	1.5	1.1	0.8	0.1	0.5	(1.7)	(1.5)	(0.3)	0.4
Consolidated LIFO to Plant LIFO Adjustment	(1.8)	1.0	2.1	2.1	(0.7)	2.7	1.2	(0.8)	(2.9)	14.1
Workers' Compensation Discount Rate Effect	0.3	0.4	0.2	(0.1)	0.7	-	0.7	0.4	-	-
Goodwill Impairment	-	-	-	25.2	-	-	-	-	-	-
Restructuring Charges (Benefits)	-	-	-	-	-	11.9	0.5	(4.9)	(0.7)	(0.1)
Impairment Loss	-	0.1	-	0.8	-	-	0.5	-	-	-
Legacy Environmental	0.4	-	0.3	1.0	0.5	1.6	3.8	(0.6)	-	-
Acquisition Costs ³	-	-	-	-	-	-	1.3	4.2	11.0	7.4
VEBA Net Periodic Benefit Cost	-	-	-	0.1	-	-	-	0.1	-	-
Total Operating NRR Items	1.3	3.0	3.7	29.9	0.6	16.7	6.3	(3.1)	7.1	21.8
Consolidated Operating Income before operating NRR	44.3	35.4	44.4	39.5	46.2	21.4	18.6	15.4	24.0	32.9
Depreciation & Amortization - Consolidated	11.9	12.1	12.3	12.8	13.2	13.0	12.9	13.1	13.5	25.8
Consolidated - Adjusted EBITDA	\$56.2	\$47.5	\$56.7	\$52.3	\$59.4	\$34.4	\$31.5	\$28.5	\$37.5	\$58.7

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

² Mark-to-market loss (gain) on derivative instruments for 2019, 2020, and 2021 represents the reversal of mark-to-market loss (gain) on hedges entered into prior to the adoption of ASU 2017-12 and settled in 2019, 2020, and 2021. Operating income excluding non-run-rate items reflects the realized loss (gain) of such settlements.

³ Non-run rate acquisition costs are acquisition-related transaction costs, which include legal and consulting fees, as well as non-cash hedging charges recorded in

connection with our Warrick acquisition

Totals may not sum due to rounding

RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED EBITDA - HALF

(in \$ millions)

	1H19	2H19	1H20	2H20	1H21
Consolidated - Reported Net Income (Loss)	\$47.2	\$14.8	\$22.5	\$6.3	(\$17.9)
Interest Expense	11.5	13.1	16.6	24.3	24.7
Other (Income) Expense	(0.4)	21.1	0.3	1.1	37.0
Income Tax Provision (Benefit)	17.1	1.3	10.9	(0.9)	(15.8)
Consolidated - Reported Operating Income	\$75.4	\$50.3	\$50.3	\$30.8	\$28.0
Operating NRR ¹ items:					
Mark-to-Market Loss (Gain) ²	3.9	1.9	0.6	(3.2)	0.1
Consolidated LIFO to Plant LIFO Adjustment	(0.8)	4.2	2.0	0.4	11.2
Workers' Compensation Discount Rate Effect	0.7	0.1	0.7	1.1	-
Goodwill Impairment	-	25.2	-	-	-
Restructuring Charges (Benefits)	-	-	11.9	(4.4)	(0.8)
Impairment Loss	0.1	0.8	-	0.5	-
Legacy Environmental	0.4	1.3	2.1	3.2	-
Acquisition Costs ³	-	-	-	5.5	18.4
VEBA Net Periodic Benefit Cost	-	0.1	-	0.1	-
Total Operating NRR Items	4.3	33.6	17.3	3.2	28.9
Consolidated Operating Income before operating NRR	79.7	83.9	67.6	34.0	56.9
Depreciation & Amortization - Consolidated	24.0	25.1	26.2	26.0	39.3
Consolidated - Adjusted EBITDA	\$103.7	\$109.0	\$93.8	\$60.0	\$96.2

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

² Mark-to-market loss (gain) on derivative instruments for 2019, 2020, and 2021 represents the reversal of mark-to-market loss (gain) on hedges entered into prior to the adoption of ASU 2017-12 and settled in 2019, 2020, and 2021. Operating income excluding non-run-rate items reflects the realized loss (gain) of such settlements.

³ Non-run rate acquisition costs are acquisition-related transaction costs, which include legal and consulting fees, as well as non-cash hedging charges recorded in connection with our Warrick acquisition

Totals may not sum due to rounding

RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED EBITDA - ANNUAL

(in \$ millions)

	Annual				
	2017	2018	2019	2020	LTM ⁵
Consolidated - Reported Net Income (Loss)	\$45.4	\$91.7	\$62.0	\$28.8	(\$11.6)
Interest Expense	22.2	22.7	24.6	40.9	49.0
Other Expense	-	0.9	20.7	1.4	38.1
Income Tax Provision (Benefit)	87.6	28.3	18.4	10.0	(16.7)
Consolidated - Reported Operating Income¹	\$155.2	\$143.6	\$125.7	\$81.1	\$58.8
Operating NRR ² items:					
Mark-to-Market (Gain) Loss ³	(19.4)	17.7	5.8	(2.6)	(3.1)
Consolidated LIFO to Plant LIFO Adjustment	3.8	(3.1)	3.4	2.4	11.6
Workers' Compensation Discount Rate Effect	-	(0.5)	0.8	1.8	1.1
Goodwill Impairment	18.4	-	25.2	-	-
Restructuring Charge	-	-	-	7.5	(5.2)
Impairment Loss	0.8	1.4	0.9	0.5	0.5
Legacy Environmental	0.3	1.7	1.7	5.3	3.2
Acquisition Costs ⁴	-	-	-	5.5	23.9
VEBA Net Periodic Benefit Cost ¹	-	0.1	0.1	0.1	0.1
Total Operating NRR Items	3.9	17.3	37.9	20.5	32.1
Consolidated Operating Income before operating NRR	159.1	160.9	163.6	101.6	90.9
Depreciation & Amortization - Consolidated	39.7	43.9	49.1	52.2	65.3
Consolidated - Adjusted EBITDA	\$198.8	\$204.8	\$212.7	\$153.8	\$156.2

¹ 2017 restated to reflect the retrospective adoption of ASU 2017-07

² NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

³ Mark-to-market (gain) loss on derivative instruments for 2018, 2019, 2020, and LTM represents the reversal of mark-to-market loss (gain) on hedges entered into prior to the adoption of ASU 2017-12 and settled in 2018, 2019, 2020, and LTM. Operating income excluding non-run-rate items reflects the realized loss (gain) of such settlements.

⁴ Non-run rate acquisition costs are acquisition-related transaction costs, which include legal and consulting fees, as well as non-cash hedging charges recorded in connection with our Warrick acquisition

⁵ Last Twelve Months as of June 30, 2021

Totals may not sum due to rounding

ADJUSTED NET INCOME AND EPS - QUARTERLY

(in \$ millions except EPS)

	<u>1Q19</u>	<u>2Q19</u>	<u>3Q19</u>	<u>4Q19</u>	<u>1Q20</u>	<u>2Q20</u>	<u>3Q20</u>	<u>4Q20</u>	<u>1Q21</u>	<u>2Q21</u>
Reported Net Income (Loss)	\$ 28.0	\$ 19.2	\$ 25.4	\$ (10.6)	\$ 29.1	\$ (6.6)	\$ 0.4	\$ 5.9	\$ 4.5	\$ (22.4)
Operating NRR ¹ Items ²	1.3	3.0	3.7	29.9	0.6	16.7	6.3	(3.1)	7.1	21.8
Non-Operating NRR Items ³	1.7	1.6	1.6	22.0	1.2	1.2	1.1	1.2	0.6	36.4
Tax impact of above NRR items	(0.7)	(1.1)	(1.5)	(12.5)	(0.5)	(5.6)	(1.7)	1.6	(1.9)	(19.9)
Adjusted Net Income	\$ 30.3	\$ 22.7	\$ 29.2	\$ 28.8	\$ 30.4	\$ 5.7	\$ 6.1	\$ 5.6	\$ 10.3	\$ 15.9
Reported net income (loss) per diluted share	\$ 1.71	\$ 1.18	\$ 1.57	\$ (0.66)	\$ 1.81	\$ (0.41)	\$ 0.02	\$ 0.37	\$ 0.28	\$ (1.42)
Adjusted earnings per diluted share⁴	\$ 1.85	\$ 1.40	\$ 1.82	\$ 1.79	\$ 1.90	\$ 0.36	\$ 0.39	\$ 0.35	\$ 0.64	\$ 1.00

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

² Includes adjusted 3Q20 results recast to reflect \$1.3 million of Warrick acquisition related costs as NRR items

³ Non-Operating NRR Items do not contribute to Reported Operating Income and represent the non-service-cost component of the net periodic benefit cost relating to the Salaried VEBA and Debt refinancing charges

⁴ Diluted shares for EPS calculated using treasury stock method

Totals may not sum due to rounding

ADJUSTED NET INCOME AND EPS - HALF

(in \$ millions except EPS)

	1H19	2H19	1H20	2H20	1H21
Reported Net Income (Loss)	\$ 47.2	\$ 14.8	\$ 22.5	\$ 6.3	\$ (17.9)
Operating NRR ^{1,2} Items	4.3	33.6	17.3	3.2	28.9
Non-Operating NRR Items ^{2,3}	3.3	23.6	2.4	2.3	37.0
Tax impact of above NRR items	(1.8)	(14.0)	(6.1)	(0.1)	(21.8)
Adjusted Net Income	\$ 53.0	\$ 58.0	\$ 36.1	\$ 11.7	\$ 26.3
Reported net income (loss) per diluted share ⁴	\$ 2.89	\$ 0.91	\$ 1.41	\$ 0.39	\$ (1.13)
Adjusted net income per diluted share⁴	\$ 3.24	\$ 3.61	\$ 2.27	\$ 0.74	\$ 1.64

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

² Includes adjusted 3Q20 results recast to reflect \$1.3 million of Warrick acquisition related costs as NRR items

³ Non-Operating NRR Items do not contribute to Reported Operating Income and represent the non-service-cost component of the net periodic benefit cost relating to the Salaried VEBA and Debt refinancing charges

⁴ Diluted shares for EPS calculated using treasury stock method

Totals may not sum due to rounding

ADJUSTED NET INCOME AND EPS - ANNUAL

(in \$ millions except EPS)

	Annual				
	2017	2018	2019	2020	LTM ⁵
Reported Net Income	\$ 45.4	\$ 91.7	\$ 62.0	\$ 28.8	\$ (11.6)
Operating NRR ^{1,2} Items	3.9	17.3	37.9	20.5	32.2
Non-Operating NRR Items ^{2,3}	4.5	6.1	26.9	4.7	39.3
Tax impact of above NRR items	(3.1)	(5.8)	(15.8)	(6.2)	(22.0)
NRR tax charge	37.2	-	-	-	-
Adjusted Net Income	\$ 87.9	\$ 109.3	\$ 111.0	\$ 47.8	\$ 37.9
Reported net income per diluted share ⁴	\$ 2.63	\$ 5.43	\$ 3.83	\$ 1.81	\$ (0.75)
Adjusted net income per diluted share⁴	\$ 5.09	\$ 6.48	\$ 6.85	\$ 3.01	\$ 2.38

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

² 2017 restated to reflect the retrospective adoption of ASU 2017-07

³ Non-Operating NRR Items do not contribute to Reported Operating Income and represent the non-service-cost component of the net periodic benefit cost relating to the Salaried VEBA and Debt refinancing charges.

⁴ Diluted shares for EPS calculated using treasury stock method

⁵ Last Twelve Months as of June 30, 2021

Totals may not sum due to rounding

The image is a composite. On the left, a vertical red bar contains the company logo and website. The right side shows an industrial setting with large metal rollers and a wide sheet of aluminum being processed. A high-pressure water spray is directed at the sheet, creating a misty atmosphere. The scene is brightly lit, highlighting the metallic surfaces and the dynamic movement of the machinery.

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