

# Century ALUMINUM

**1<sup>st</sup> Quarter 2009  
Earnings Conference Call**

**April 21, 2009**



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# Cautionary Statement

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The following presentation, accompanying press release and comments include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements relate to future events and expectations and involve known and unknown risks and uncertainties. Century's actual results or actions may differ materially from those projected in these forward-looking statements. These forward-looking statements are based on our current expectations and we assume no obligation to update these forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements.

For risks related to these forward-looking statements, please review Annex A and our periodic SEC filings, including the "Risk Factors" and "Management's Discussion and Analysis" sections of our latest annual report and quarterly reports.

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# Participants

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- Logan Kruger, CEO
- Wayne Hale, COO
- Mike Bless, CFO

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# Q109 Overview

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- Macro environment
  - End markets remain weak
  - Tentative signs of stabilization
  - Early indications of improving economic conditions in China
  - Full impact of announced closures not yet seen - further curtailments required to balance aluminum market
- Operations
  - Plants performed safely and well
  - Full curtailment of Ravenswood
  - Curtailment of one potline (~50K T) at Hawesville
  - Gramercy producing at 50% of smelter grade alumina capacity
- Liquidity/restructuring
  - \$267MM cash balance at 3/31
  - Numerous processes aimed at improving cash flow

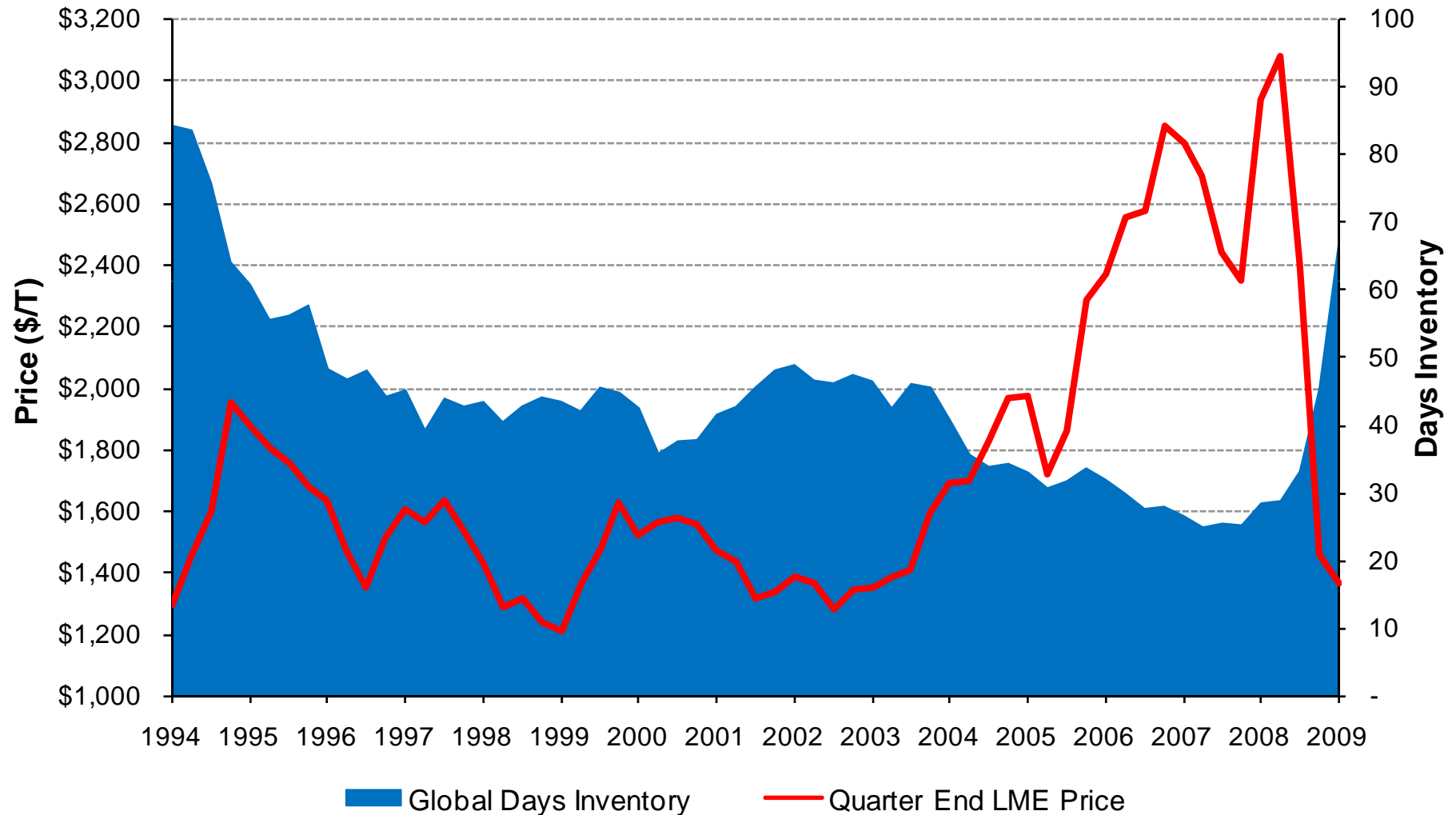
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# Iceland Update

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- Macroeconomic / political environment
  - Rising unemployment
  - Banking system stabilization
  - Permanent government change with upcoming elections
- Grundartangi – efficiencies improving, costs falling
- Helguvik
  - Site activity significantly reduced
  - Review of capital estimate
  - Investment Agreement approved by Parliament

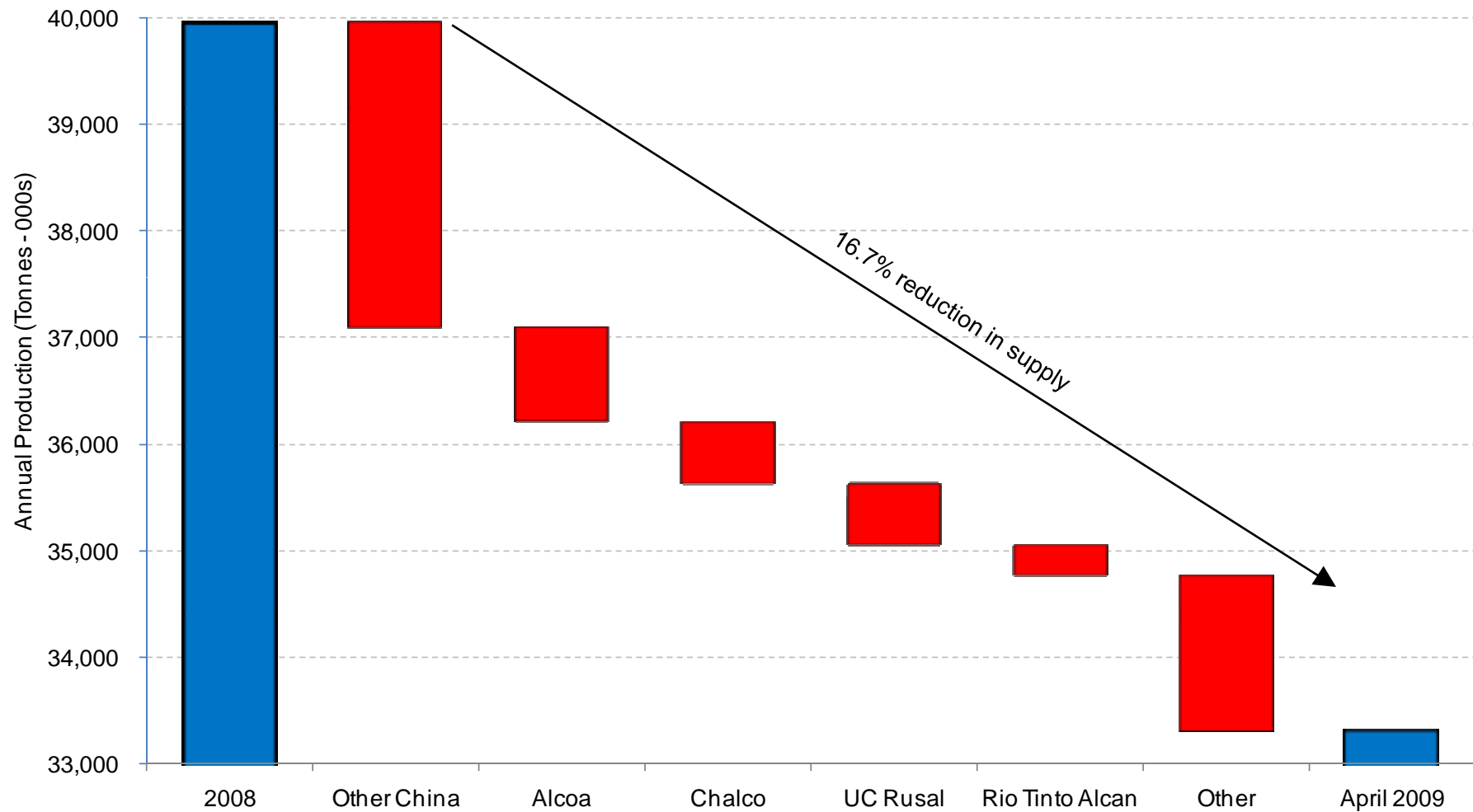
# Global Days Aluminum Inventory vs. Price



Note: Inventory includes TOCOM, Japanese port, NYMEX, Shanghai, LME & IAI unwrought stocks

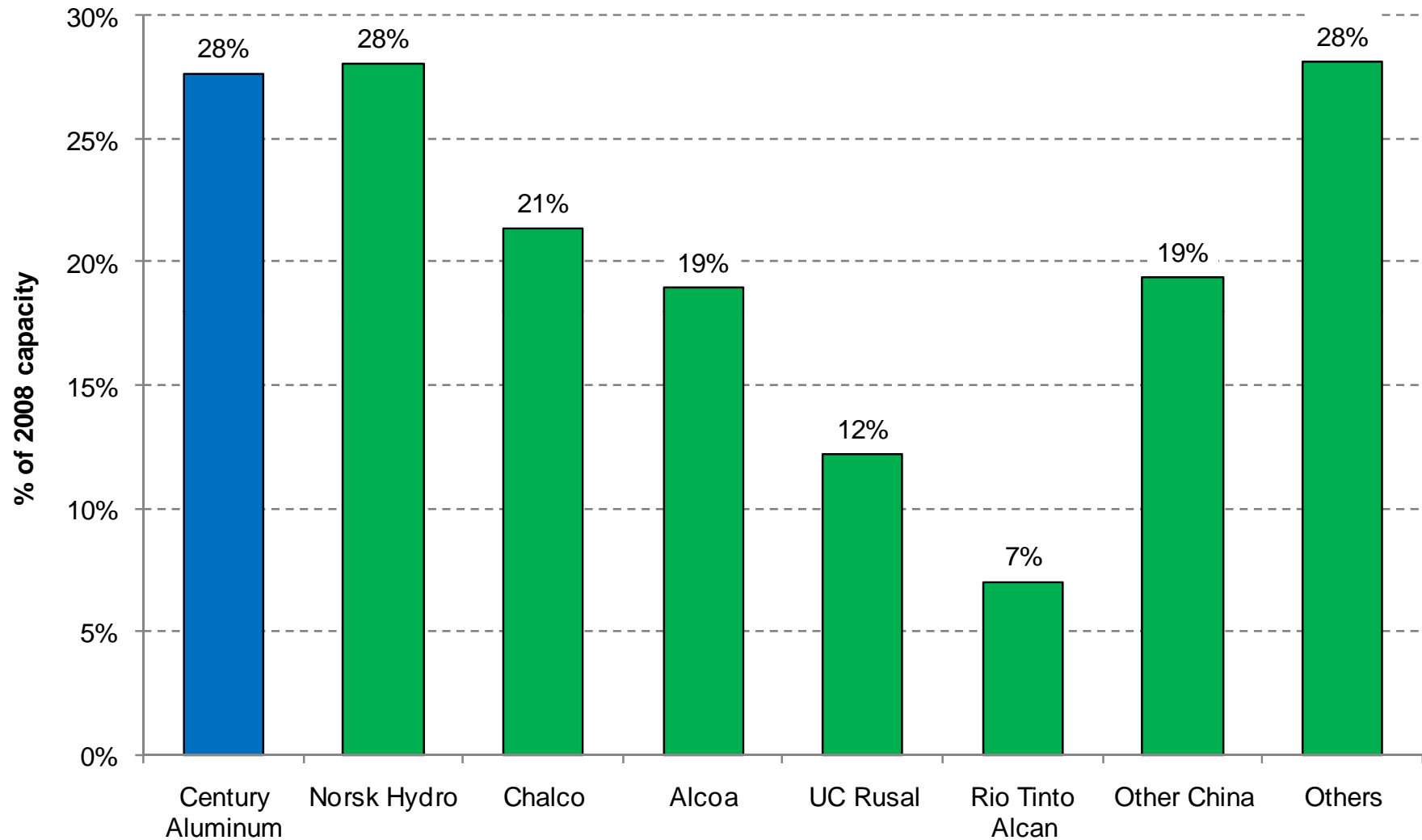
Source: CRU Group - [www.crugroup.com](http://www.crugroup.com)

# Supply Significantly Reduced



Source: CRU Group - [www.crugroup.com](http://www.crugroup.com) and public news

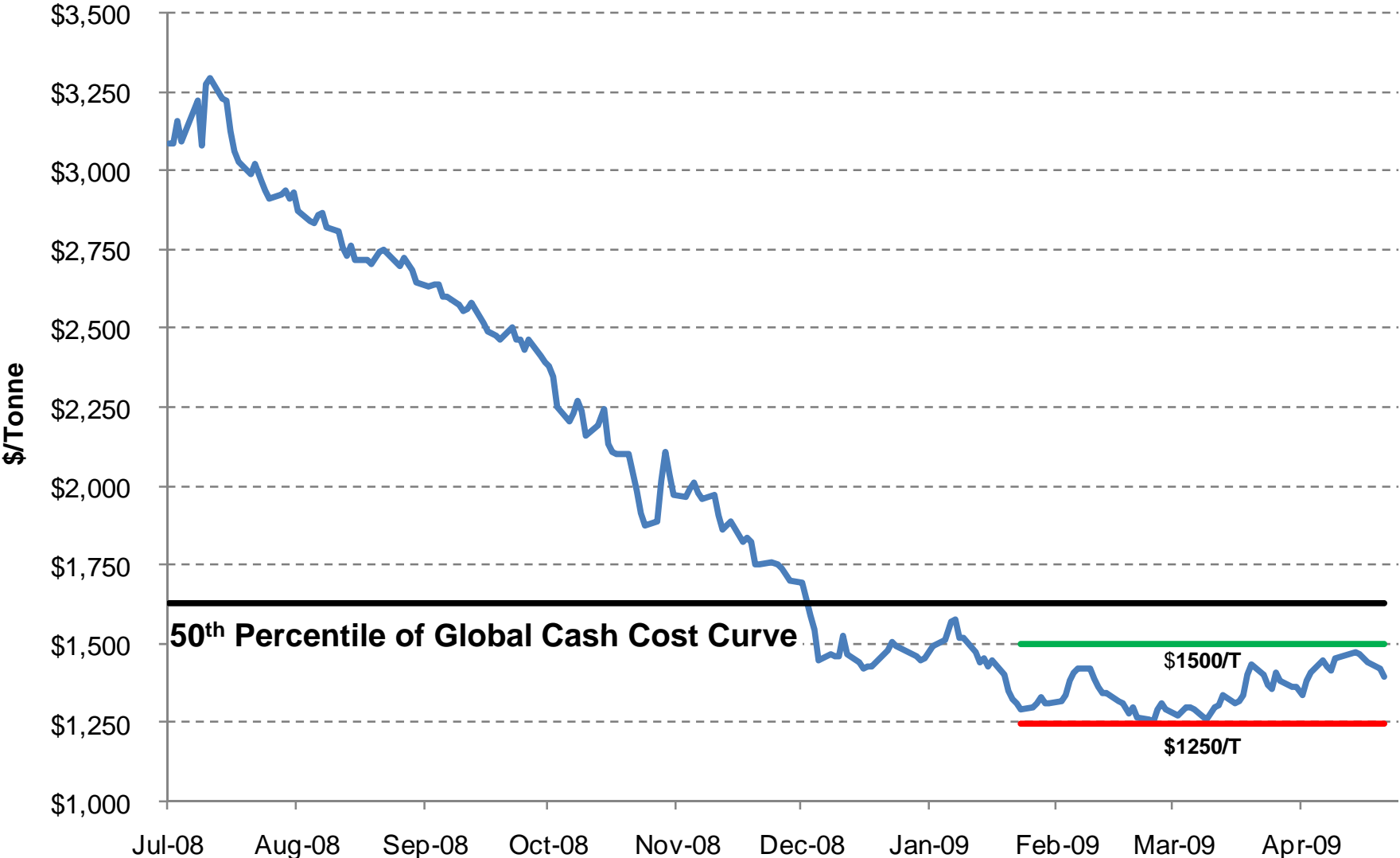
# Announced Closures as % of 2008 Capacity



Source: CRU Group - [www.crugroup.com](http://www.crugroup.com) and public news



# LME Prices Appear to be Stabilizing



Source: CRU Group - [www.crugroup.com](http://www.crugroup.com)

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# Operations

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- Ravenswood
  - Safe/orderly curtailment
  - Sustaining staff on site
  - USWA negotiations upcoming
- Hawesville
  - Line 5 curtailed early March
  - Additional actions under consideration
  - New power contract pending
- Gramercy / St. Ann
  - Refinery operating efficiently at 500K mtpy smelter grade alumina and 200K mtpy chemical grade alumina
  - Third party bauxite sales
  - Discussions with partner

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# Operations (continued)

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- Mt. Holly
  - Ongoing discussions with power supplier
  - Discussions with partner
- Grundartangi
  - Stable operations – no impact from Iceland environment
  - Efficiencies improving, costs reductions successful
- Market
  - North American end markets weak, other than rod/cable (transmission grid)
  - Short-term support due to scrap shortage
  - Signs of potential stabilization in 2009 sequential order rates
  - Stimulus spending in China yielding potential impact
  - Few signs of recovery in other international markets

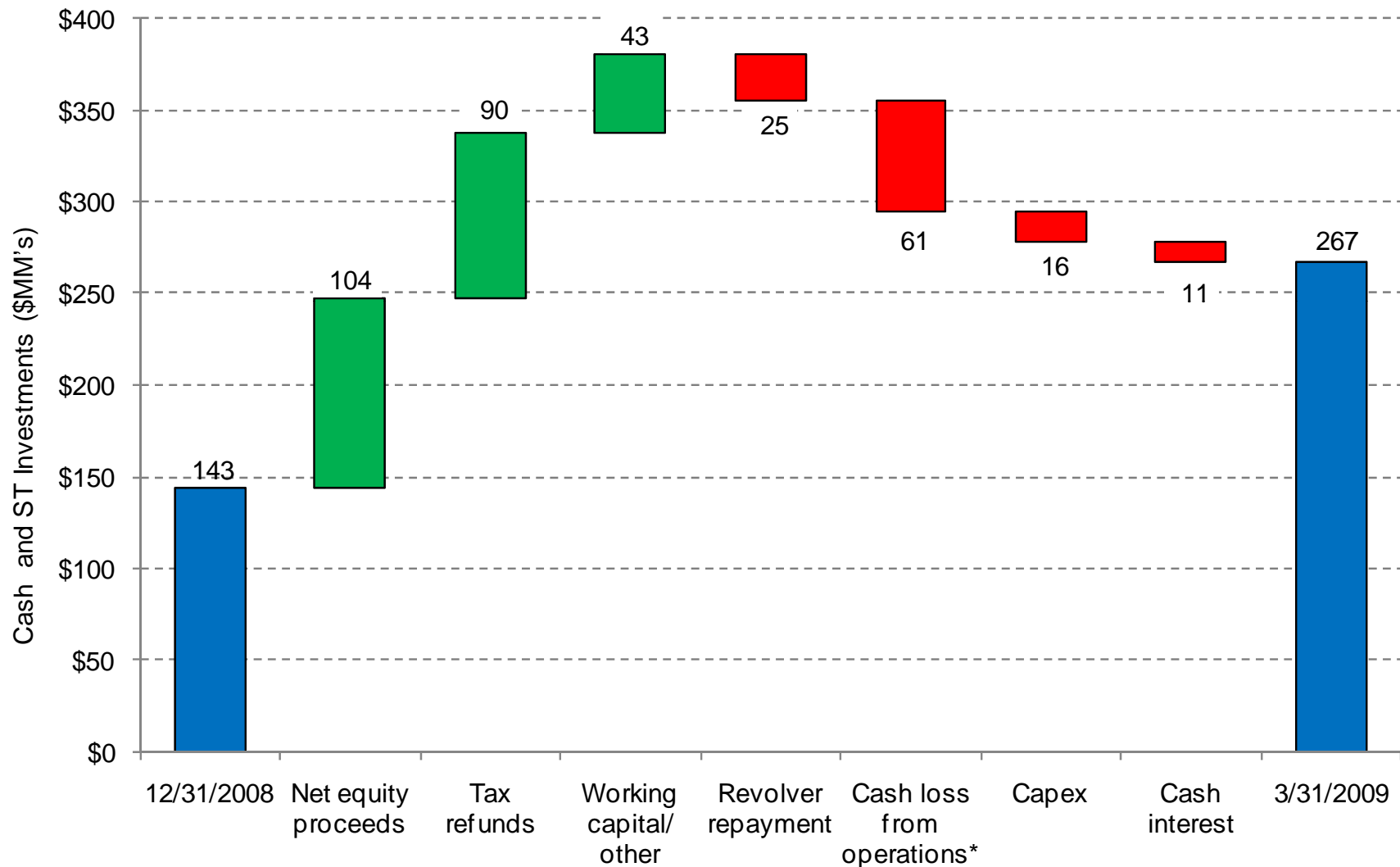
# Q109 Summary Results

(\$MM, except per share amounts)

	Q408	Q109
	As Adjusted <sup>(a)</sup>	
Net sales	\$ 402	\$ 225
Operating loss	(162)	(107)
Net loss	(694)	(115)
Basic EPS	\$ (14.14)	\$ (1.77)
Diluted EPS	\$ (14.14)	\$ (1.77)

<sup>(a)</sup> Reflects the implementation of FASB Staff Position APB 14-1 – Accounting for Convertible Debt Instruments.

# Liquidity Improved in Q1



\*Includes cash curtailment costs at Ravenswood

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# Cash Flow

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- Smelter cash costs\* U.S. ~\$1,800/T (assumes current power contract at Hawesville) Iceland ~\$1,350/T
- Ravenswood curtailment Q2-Q4 2009 – \$30-35MM  
2010 – \$25-30MM
- SG&A \$6MM/quarter average
- Capex Q2-Q4 2009 – <\$10MM  
2010 – ~\$15MM
- Helguvik Q2-Q4 2009 – ~\$15MM  
2010 – ~\$5MM (supplier payments)
- Cash interest expense \$22MM/year (\$11MM remaining in 2009)

\*At recent LME prices; assumes a market based alumina cost for Grundartangi; net of premiums to LME for U.S. plants

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# Summary

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- Macro environment
  - Early signs of potential stabilization
  - Further capacity curtailment required
- Aggressive actions completed
  - Capacity curtailed at Ravenswood and Hawesville
  - Costs reduced at all operating facilities
  - Liquidity increased with equity offering and tax refunds
- Next steps
  - Additional capacity curtailment
  - Discussions with suppliers, customers, partners

# Appendix



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# For Additional Information

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# Annex A: Forward Looking Statements

Statements in this presentation that relate to future results and events (including statements about Century's anticipated financial and operating performance) are forward-looking statements based on current expectations and projections about future events. Many of these statements may be identified by the use of forward-looking words such as "expects," "anticipates," "plans," "believes," "projects," "estimates," "intends," "should," "could," "would," "will," and "potential" and similar words. These forward-looking statements are subject to risks, uncertainties and assumptions including, among other things, those discussed in Century's periodic filings with the Securities and Exchange Commission (SEC), including the "Risk Factors" and "Management's Discussion and Analysis" section of our latest annual report and quarterly reports. Such factors include:

- Recent declines in aluminum prices have adversely affected our financial position and results of operations and could result in curtailment of operations at one or more of our facilities if alternate sources of liquidity are not available or prices do not increase.
- A continuation or worsening of global financial and economic conditions could adversely impact our financial position and results of operations and limit our ability to access the credit and capital markets on acceptable terms to obtain funding for our operations and capital projects.
- The recent turmoil in the financial markets could have adverse effects on our pension funding obligations.
- If economic and political conditions in Iceland continue to deteriorate, our financial position and results of operations could be adversely impacted.
- The market price of our common stock has declined significantly, may continue to be volatile, and may decline further.
- Our planned construction and development activities require substantial capital. We may be unable to obtain needed capital or financing on satisfactory terms or at all, which could delay or curtail our planned construction projects.
- We may be required to write down the value of certain assets.
- Our credit ratings have been recently changed by two major credit rating agencies.
- The cyclical nature of the aluminum industry causes variability in our earnings and cash flows.
- Our molten aluminum sales at Hawesville are subject to long-term sales contracts which limit our ability to cut costs and create dependence on two major customers.
- We would be required to incur substantial costs in order to curtail unprofitable aluminum production.
- The cost of alumina used at Hawesville may be higher than under our LME-based alumina contracts.
- Changes or disruptions to our raw material supply arrangements and power supply could increase our production costs and reduce the profitability of our operations.
- Changes in the relative cost and availability of certain raw materials and energy compared to the price of primary aluminum could affect our operating results.
- Unexpected events, including natural disasters, may increase our cost of doing business or disrupt our operations.
- We are subject to the risk of union disputes.
- We are subject to a variety of environmental laws and regulations that could result in costs or liabilities.
- International operations expose us to political, regulatory, currency and other related risks.
- Our historical financial information may not be comparable to our results for future periods.
- Our level of indebtedness requires significant cash flow to meet our debt service requirements, which reduces cash available for other purposes, such as the payment of dividends, and limits our ability to pursue our growth opportunities.
- Restrictive covenants in our credit facility and the indenture governing our senior notes limit our ability to incur additional debt and pursue our growth strategy.
- Further consolidation within the metals industry could provide competitive advantages to our competitors.
- Reductions in the duty on primary aluminum imports into the European Union decrease our revenues at Grundartangi.
- We depend upon intercompany transfers from our subsidiaries to meet our debt service obligations.
- Provisions in our charter documents and state law may make it difficult for others to obtain control of Century, even though some stockholders may consider them to be beneficial.

We believe the expectations reflected in these forward-looking statements are reasonable, based on information available to us on the date of this presentation. However, given the described uncertainties and risks, we cannot guarantee our future performance or results of operations and you should not place undue reliance on these forward-looking statements. Century undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.