

CenturyALUMINUM



**2nd Quarter 2008
Earnings Conference Call
July 24, 2008**

Cautionary Statement

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.

In addition, throughout this conference call, we will use non-GAAP financial measures. Please refer to the appendix which contains the reconciliation to the most directly comparable GAAP measures. This presentation, including the appendix, is available on our website.

Participants

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

Q208 Overview

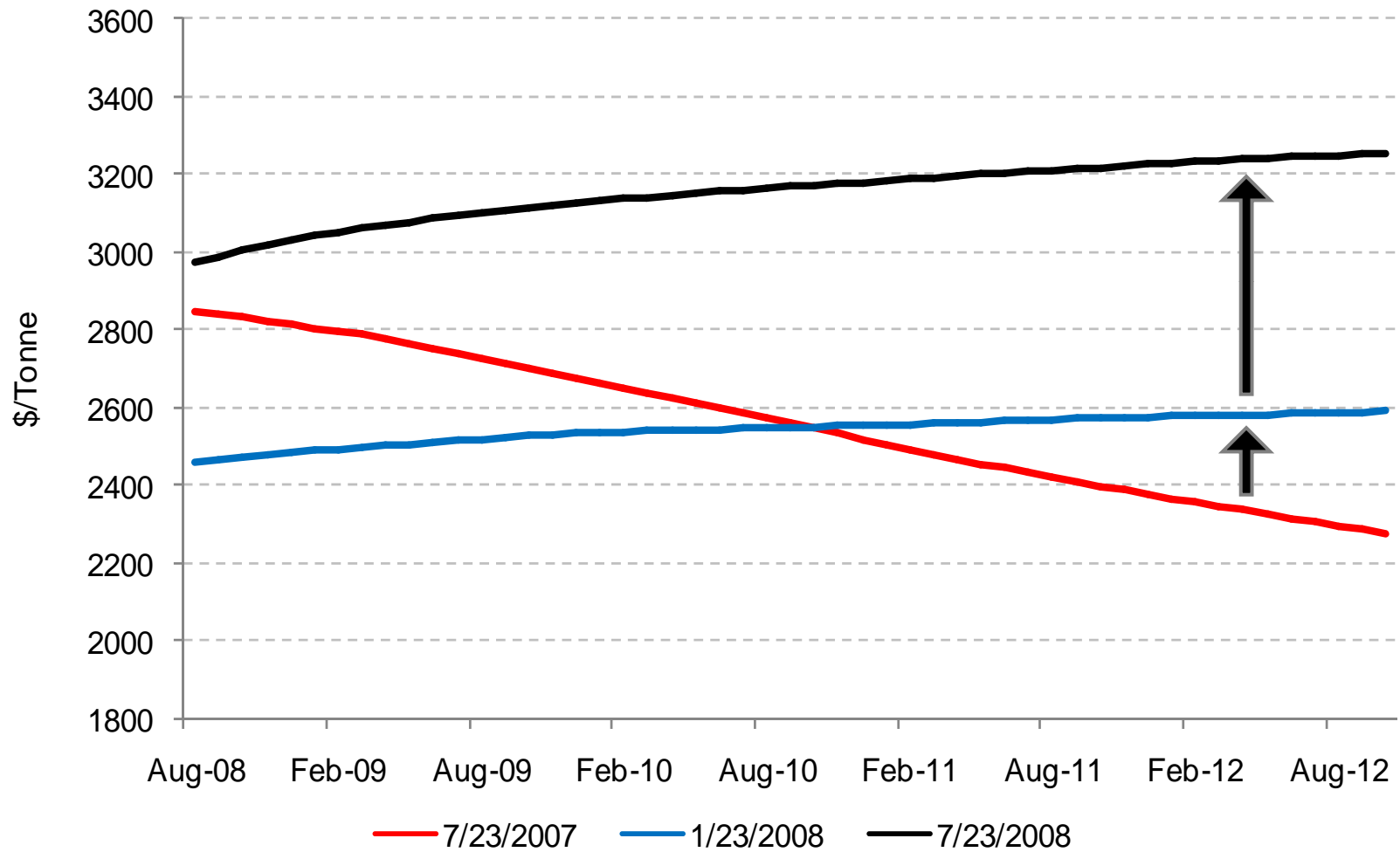
- Robust market fundamentals
- Strong financial results
- Operations performing well
- Unwind of fixed price sales contracts
- Progress on construction at Helguvik
- Feasibility study commenced for Jamaican refinery
- Developments on other projects

Helguvik Greenfield Project in Iceland

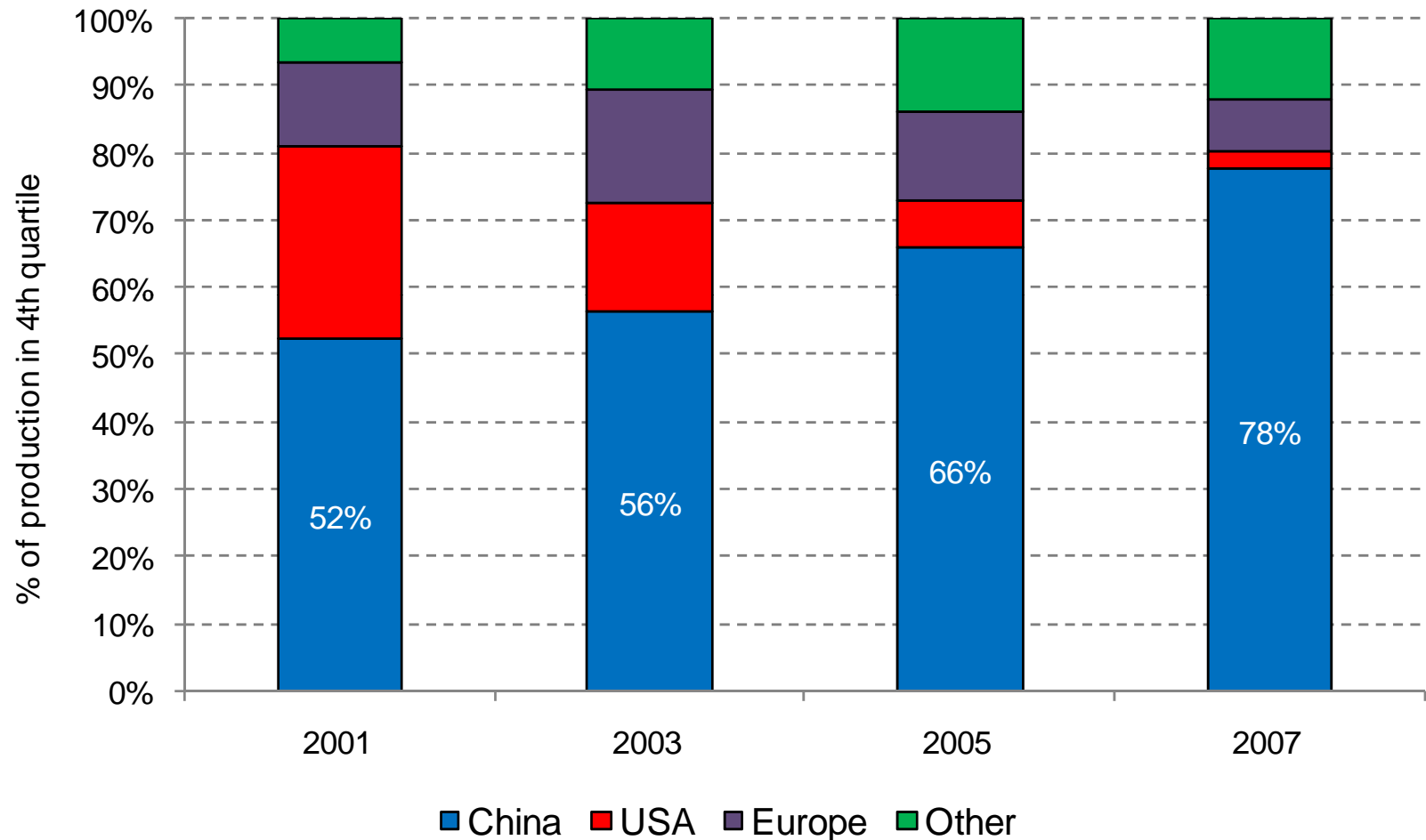
- Initiated site preparation in Q108
- Commenced construction in Q208
- 150-180K mtpy by late 2010; 250K mtpy by 2013
- First concrete in Q408



Forward Curve Indicates Sound Fundamentals

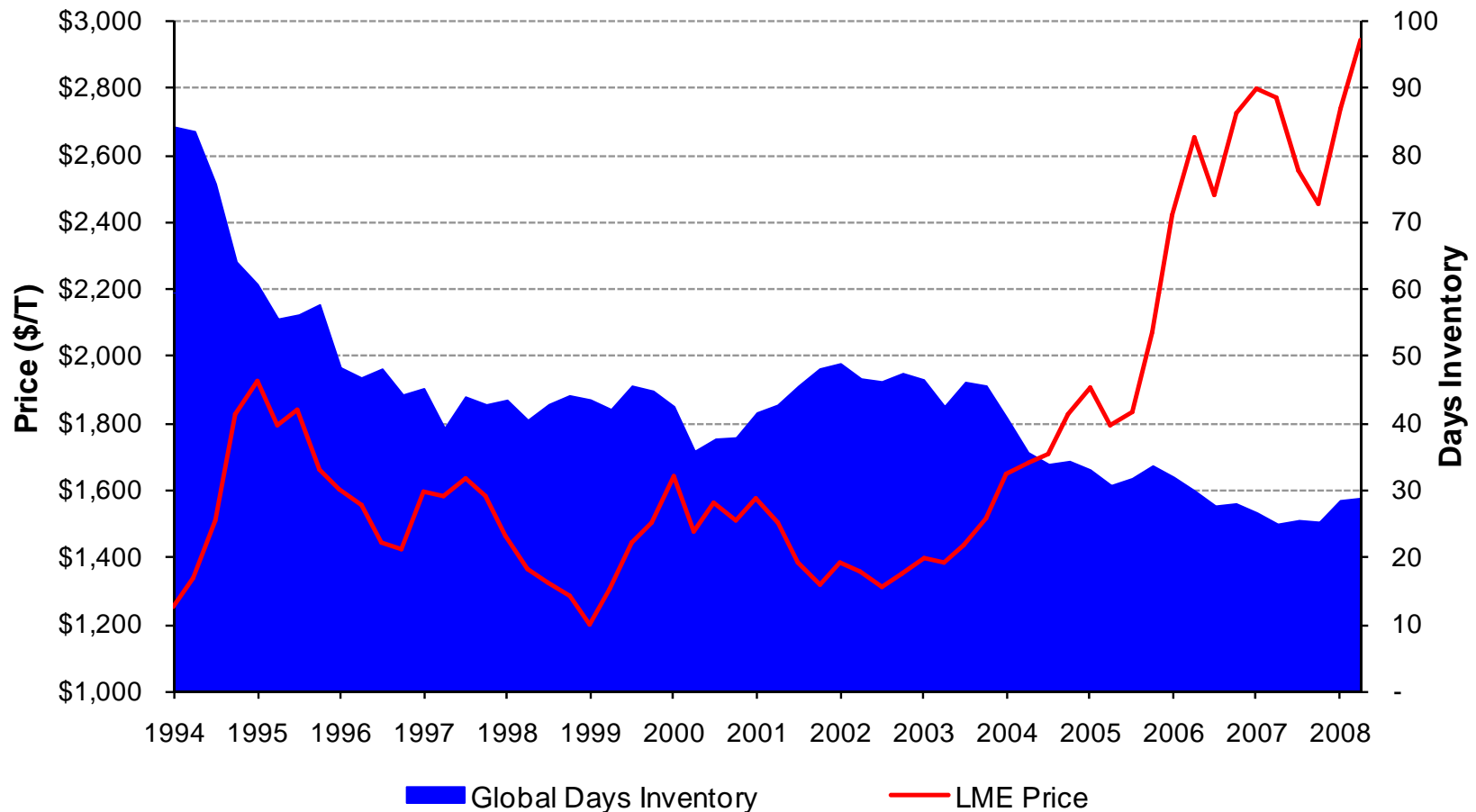


Composition of 4th Quartile of Cost Curve



Source: CRU Group - www.crugroup.com

Global Days Aluminum Inventory vs. Price



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

Source: CRU Group - www.crugroup.com

Smelter Operations

- U.S. smelters
 - Plants operating at capacity
 - Cost of production impacted by energy and raw materials
 - Hawesville capacity upgrade project on time and budget
 - Appalachian power rate case
 - Progress on the Big Rivers unwind
- Iceland - Grundartangi
 - All metrics at/above rated design
- Sustainability
 - Continued improvement in safety
 - Implementing health, environment and safety best practices

Bauxite, Alumina and Sales

- Bauxite and alumina
 - St. Ann Bauxite
 - Mined/railed tons impacted by weather and labor negotiations
 - Shipped tons reduced by ship availability
 - Gramercy Alumina
 - Operations performing well
- Sales and marketing
 - Weak U.S. demand, but strength in certain areas
 - Demand remains strong for billet products and purity
 - Midwest premium increased from Q1; mainly due to fuel costs
 - Low inventory levels at plants

Helguvik Greenfield Smelter

- Project on schedule and budget
- Engineering – 32% of general and detailed complete
- Procurement – 20% of total value awarded
- EPCM contract awarded
- Organization – nearly complete; mix of Icelandic and international skill sets
- Construction – roads, utilities and offices in place
 - Civil work preparing the potline foundation
 - First concrete to be poured in Q408

Ground Preparation



Ground Preparation



Q208 Summary Results

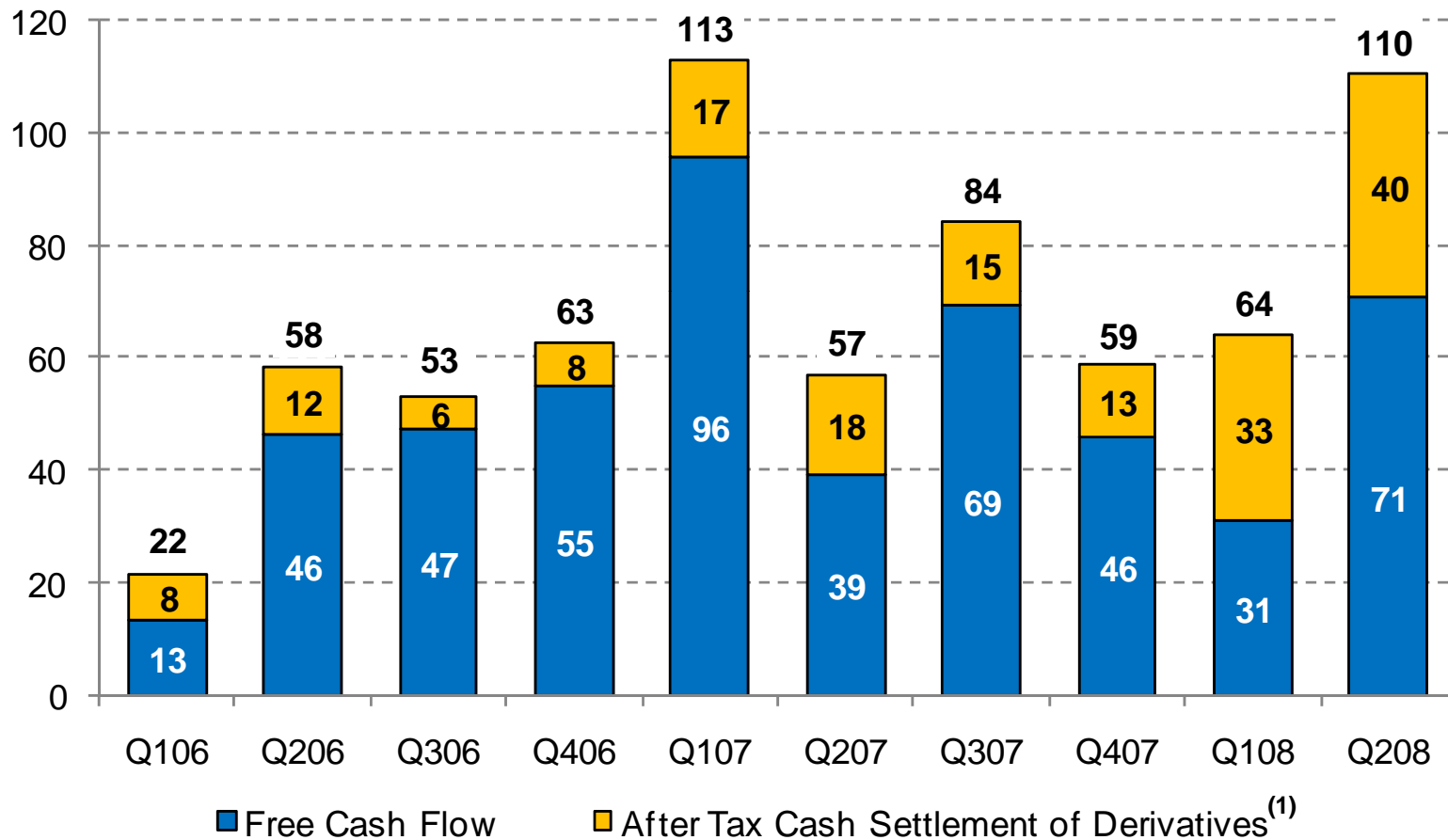
(\$MM, except per share amounts)

	Q108	Q208
Net sales	\$ 471	\$ 545
Operating income	77	142
Net loss on forward contracts	(448)	(204)
Net loss	(233)	(2)
Basic EPS	\$(5.67)	\$(0.06)
Diluted EPS ^(a)	\$(5.67)	\$(0.06)

^(a) See appendix for additional information

Strong Free Cash Flow

(\$MMs)



(1) Assumes a tax rate of 37%.

Note: See appendix for free cash flow reconciliation.

Termination Transaction

Transaction	Consideration
<ul style="list-style-type: none">• Termination of aluminum forward contracts• Contract volumes:<ul style="list-style-type: none">– 2H08: 100,200 metric tons(mt)– 2009 – 2010: 210,000 mt/year– 2011 – 2015: 150,000 mt/year– 1,270K mt total• Contracts put in place in 2004 and 2005	<ul style="list-style-type: none">• ~\$1.71B consideration in cash and stock<ul style="list-style-type: none">– \$225MM cash and \$505MM in a deferred payment to Glencore– \$978MM in <u>non-voting</u> convertible preferred stock• Preferred stock otherwise has generally similar rights as common, but <u>no dividend</u> unless we pay a dividend on common shares<ul style="list-style-type: none">– Glencore able to sell only through public offerings– Preferred will convert to common stock when sold– Glencore subject to a standstill for a limited period

Accounting Treatment

- Q2 – subsequent event
- Q3 – unwind transaction recorded in Gain/Loss on Forward Contracts
 - Fair value at July 7 – \$1,832MM (excluding June settlement paid on July 15)
 - Settlement value of \$1,709MM
 - Estimated fees/expenses – \$10-15MM
- Preferred stock – 16MM common share equivalents outstanding as of July 7
 - Included in basic and diluted EPS calculation
- Minor ongoing derivative contracts accounted for in Gain/Loss on Forward Contracts

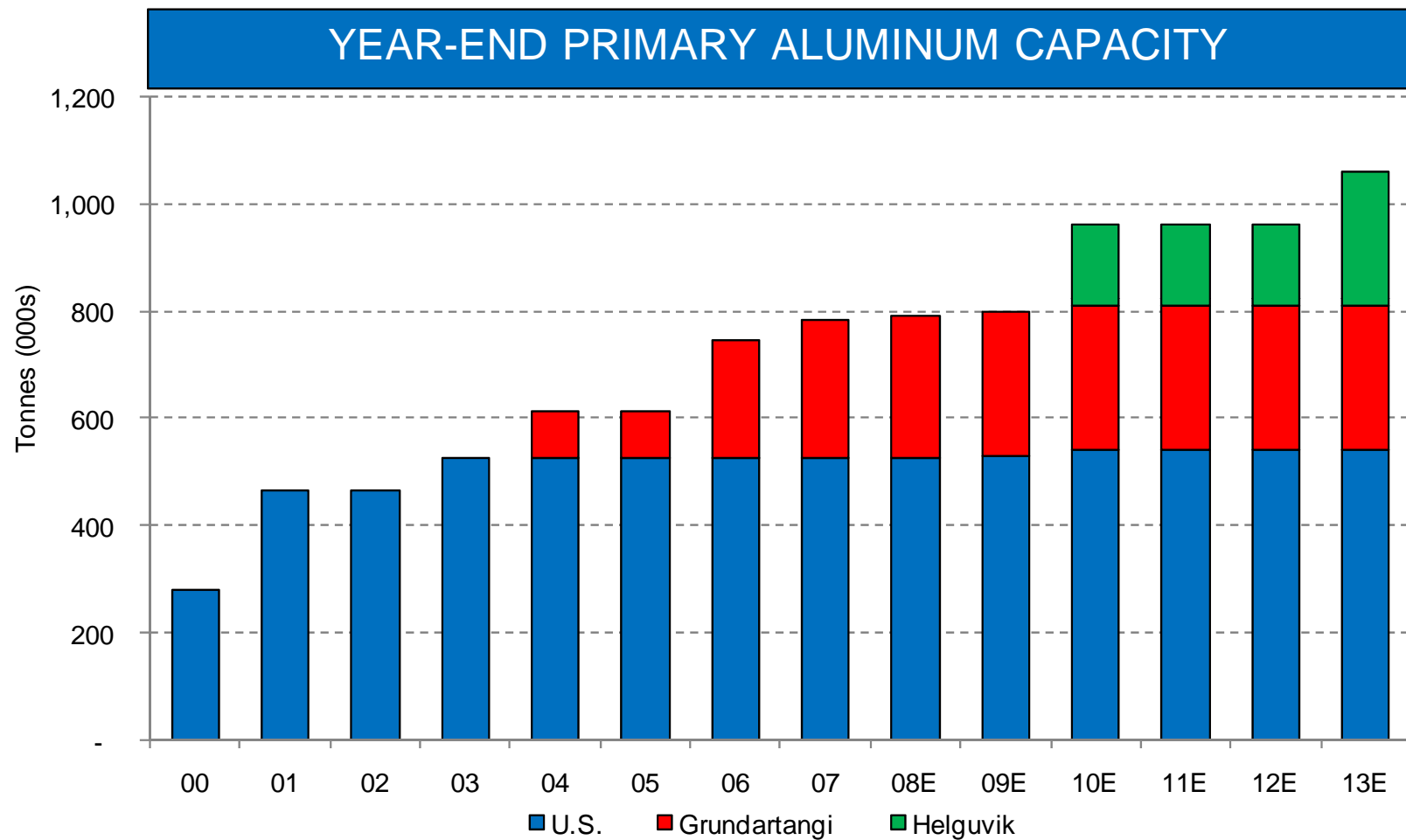
Accounting Treatment (cont'd)

- Tax accounting (book)
 - No change to effective tax rate from unwind
- Tax payments (cash)
 - \$1.7-1.8B tax loss to offset future income
 - Maximum annual use based on forecast losses from forward sales contracts pre-unwind
 - Carry forward of losses not utilized over contract period, if any, subject to normal IRS limitations

Developments

- Common stock offering
 - 6.5MM share offering priced July 10
 - 0.975MM share over-allotment option exercised on July 11
 - Both transactions closed on July 16
 - Net proceeds \$442MM
- Deferred settlement amount
 - \$442MM repaid July 17
 - \$63MM balance to be repaid by year-end 2008

Strong Growth Profile



CenturyALUMINUM

Appendix

The following slides contain certain financial measures which are not based upon generally accepted accounting principles, or GAAP. The non-GAAP measures utilized are free cash flow and adjusted net income. The Company defines free cash flow as net cash (used in) provided by operating activities less capital expenditures (other than capital expenditures related to the expansion of the Company's Nordural, Iceland facility) and including the net increase in short term investments due to their liquidity. The Company defines adjusted net income as net income excluding the after-tax net loss or gain on forward contracts.

The Company's calculations of free cash flow and adjusted net income may not be comparable to similarly titled measures reported by other companies due to differences in the components used in their calculations. The Company's management believes the presentation of free cash flow is a useful measure to help investors evaluate the Company's capacity to fund its ongoing cash operating requirements, including capital expenditures and debt service obligations, and to make acquisitions or other investments. Free cash flow should not be considered as a substitute for cash flows from operating activities as determined in accordance with GAAP. The Company's management believes the presentation of adjusted net income is a useful measure that excludes a largely non-cash item that can display significant volatility. Management thus believes the measure of adjusted net income is representative of the current earnings of the Company. Adjusted net income should not be considered as a substitute for net income as determined in accordance with GAAP. The following slides include reconciliations of free cash flow and adjusted net income to their most comparable GAAP financial measures.

GAAP Reconciliation of Adjusted Net Income

Quarterly

(\$MM, except per share data)

	Q1 08		Q2 08	
	\$MM	Diluted EPS	\$MM	Diluted EPS
Net loss as reported	\$ (232.8)	\$ (5.67)	\$ (2.3)	\$ (0.06)
After tax net loss on fwd. contracts	285.9	6.97	129.9	3.16
Tax changes	2.9	0.07	(15.5)	(0.38)
Dilutive effect*	-	(0.09)	-	(0.21)
Adjusted net income	\$ 56.0	\$ 1.28	\$ 112.1	\$ 2.51
After tax cash settlement of derivatives	\$ 33.3	\$ 0.76	\$ 40.0	\$ 0.90

* Reflects the dilutive effect of the convertible notes, options and service based awards

GAAP Reconciliation of Free Cash Flow

Quarterly

(\$MM)

	<u>Q106</u>	<u>Q206</u>	<u>Q306</u>	<u>Q406</u>	<u>Q107</u>	<u>Q207</u>	<u>Q307</u>	<u>Q407</u>	<u>Q108</u>	<u>Q208</u>
Net cash provided by (used in) operating activities	\$16	\$51	\$50	\$68	\$98	(\$77)	(\$62)	\$35	\$59	\$306
Increase in short-term investments - net	-	-	-	-	-	122	137	21	(19)	(229)
Purchase of property, plant & equipment ⁽¹⁾	<u>(3)</u>	<u>(5)</u>	<u>(3)</u>	<u>(13)</u>	<u>(2)</u>	<u>(5)</u>	<u>(6)</u>	<u>(11)</u>	<u>(9)</u>	<u>(6)</u>
Free cash flow	\$13	\$46	\$47	\$55	\$96	\$39	\$69	\$46	\$31	\$71
After tax settlement of derivative hedges ⁽²⁾	<u>8</u>	<u>12</u>	<u>6</u>	<u>8</u>	<u>17</u>	<u>18</u>	<u>15</u>	<u>13</u>	<u>33</u>	<u>40</u>
Free cash flow excl. hedges	\$22	\$58	\$53	\$63	\$113	\$57	\$84	\$59	\$64	\$110

(1) Excluding Nordural expansion.

(2) Assumes 37% tax rate.

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:

- Our indebtedness reduces cash available for other purposes and limits our ability to incur additional debt and pursue our growth strategy;
- The cyclical nature of the aluminum industry causes variability in our earnings and cash flows;
- The loss of a customer to whom we deliver molten aluminum would increase our production costs and potentially our sales and marketing costs;
- Glencore International AG ("Glencore") owns a large percentage of our common stock and has the ability to influence matters requiring shareholder approval;
- We enter into forward sales and hedging contracts with Glencore that help us manage our exposure to fluctuating aluminum prices.
- We could suffer losses due to a temporary or prolonged interruption of the supply of electrical power to one or more of our facilities, which can be caused by unusually high demand, blackouts, equipment failure, natural disasters or other catastrophic events;
- Due to volatile prices for alumina and electricity, the principal cost components of primary aluminum production, our production costs could be materially impacted if we experience changes to or disruptions in our current alumina or electrical power supply arrangements, production costs at our alumina refining operation increase significantly or if we are unable to obtain economic replacement contracts for our alumina supply or electrical power as those contracts expire;
- By expanding our geographic presence and diversifying our operations through the acquisition of bauxite mining, alumina refining and additional aluminum reduction assets, we are exposed to new risks and uncertainties that could adversely affect the overall profitability of our business;
- Changes in the relative cost of certain raw materials and energy compared to the price of primary aluminum could affect our margins;
- Most of our employees are unionized and any labor dispute could materially impair our ability to conduct our production operations at our unionized facilities;
- We are subject to a variety of existing environmental laws that could result in unanticipated costs or liabilities and our planned environmental spending over the next three years may be inadequate to meet our requirements;
- We may not realize the expected benefits of our growth strategy if we are unable to successfully integrate the businesses we acquire;
- Our planned Helguvik project is subject to various conditions and risks that may affect our ability to complete the project;
- Continued consolidation of the metals industry may limit our ability to implement our strategic goals effectively; and
- Any further reduction in the duty on primary aluminum imports into the European Union would further decrease our revenue at Grundartangi.

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.