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Third Quarter 2014

Earnings Conference Call

October 21, 2014

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 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.

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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.

2014 Third Quarter

- Unanticipated events → lower-than-expected shipments and EBITDA[1]
  - Process improvement to enhance quality attributes of KaiserSelect® aerospace plate temporarily led to higher internal scrap and remakes
  - Unplanned downtime in Trentwood's aero sheet processing operations
- Despite unanticipated events, third quarter reflected:
  - Second highest quarterly HT plate shipments
  - Second highest quarterly automotive extrusion shipments
  - Strong manufacturing cost performance
- Expect increasing long-term benefits from Phase 5 HT plate expansion, new casting complex, and growing automotive and aerospace demand

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

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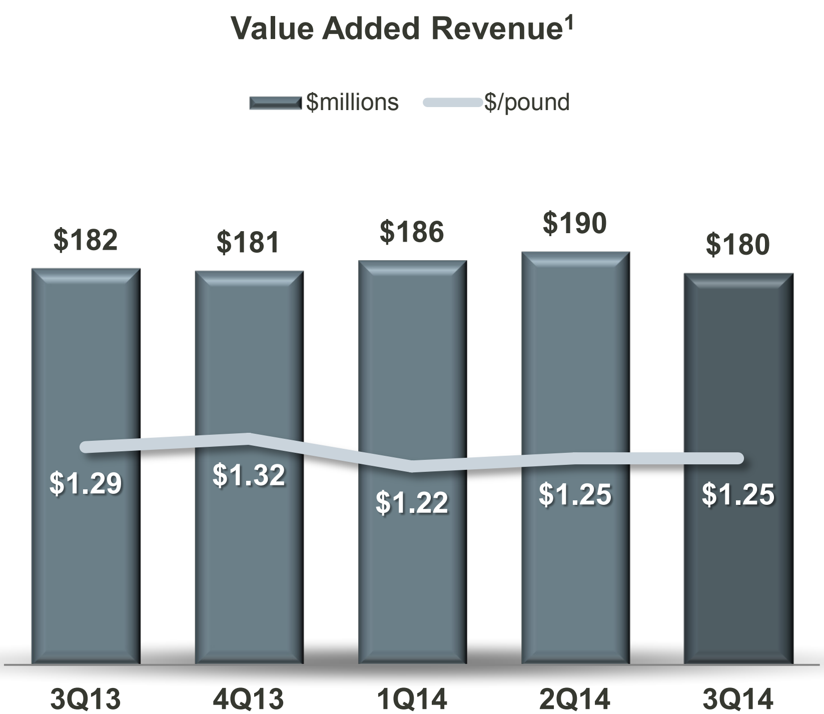
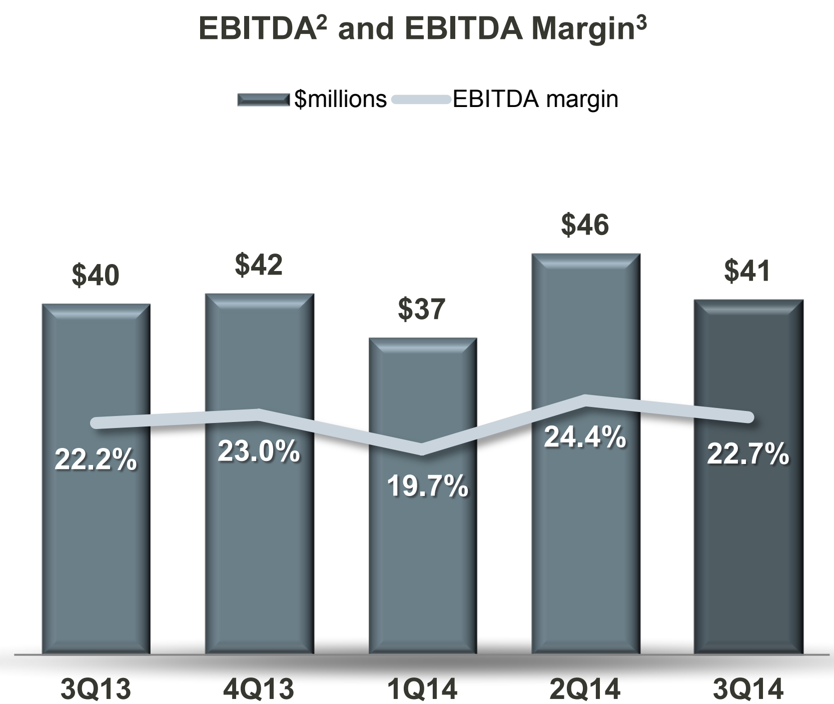
2014 Third Quarter





3Q14 VAR reflects

- Second highest HT plate shipments
- Second highest auto extrusion shipments
- Continued competitive price pressure on HT plate

3Q14 EBITDA reflects

- Impact of unanticipated events related to HT plate and sheet production
- Strong underlying manufacturing cost performance

1 Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 20-21
2 EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23
3 EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)

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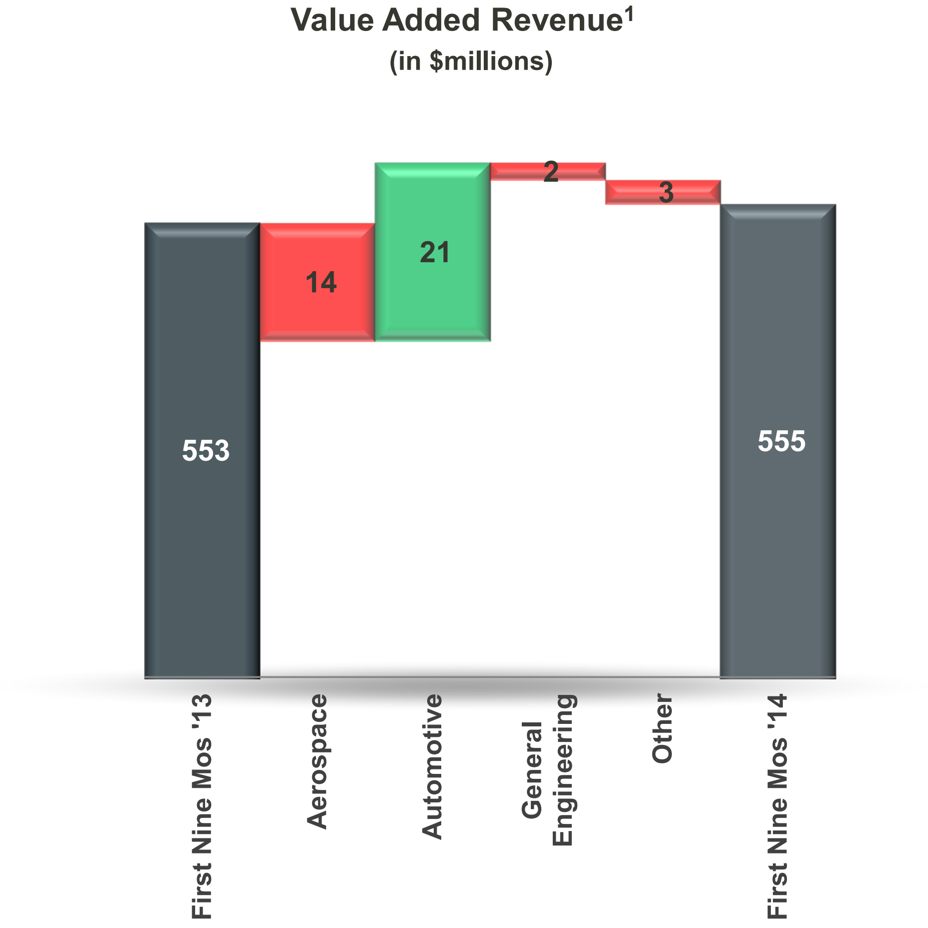
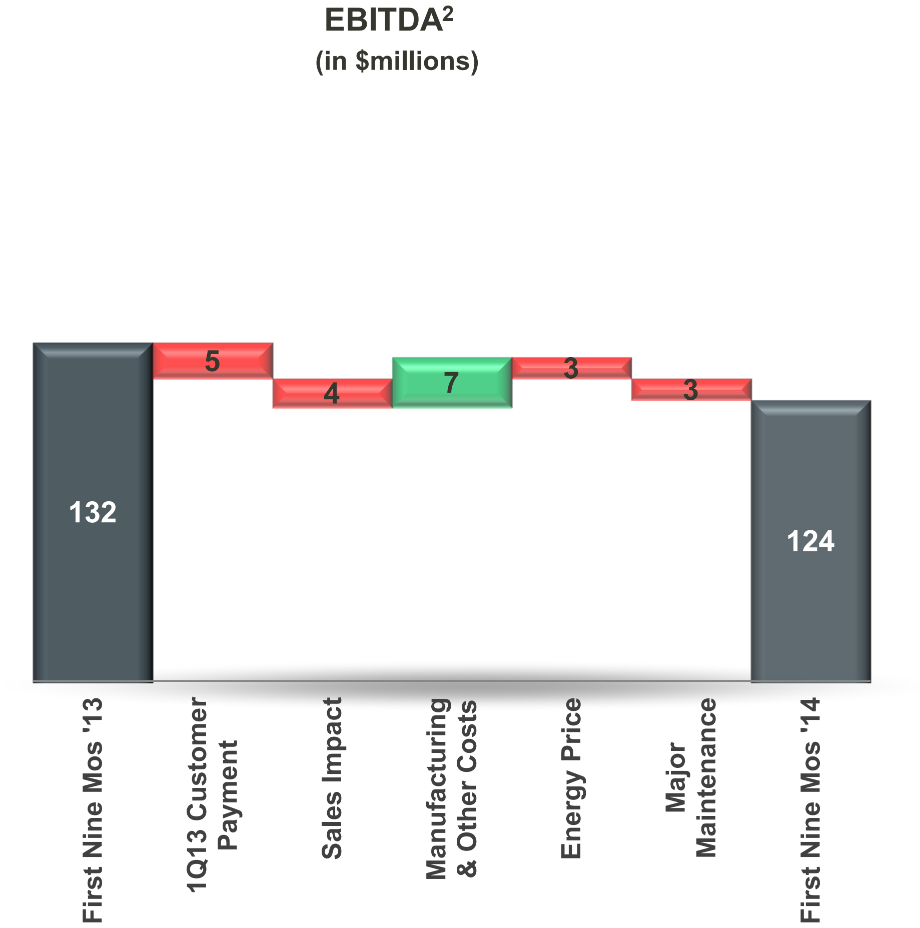
2014 First Nine Months





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

(in $millions except Shipments & EPS)	Quarterly					First Nine Months	
	3Q13	4Q13	1Q14	2Q14	3Q14	2013	2014
Shipments *(in millions of lbs)*	141	137	152	152	144	427	448
Net Sales	$320	$311	$335	$344	$339	$986	$1,018
Value Added Revenue [1]	$182	$181	$186	$190	$180	$553	$555
Adjusted:							
Operating Income [2]	$34	$34	$29	$39	$33	$112	$101
EBITDA [3]	$40	$42	$37	$46	$41	$132	$124
EBITDA margin [4]	22.2%	23.0%	19.7%	24.4%	22.7%	24.0%	22.3%
Net Income [5]	$17	$16	$13	$19	$15	$54	$47
EPS [6]	$0.90	$0.85	$0.72	$1.05	$0.79	$2.81	$2.54
As Reported:							
Operating Income	$42	$42	$32	$46	$33	$132	$111
Net Income	$25	$27	$16	$25	$16	$78	$56
EPS [7]	$1.34	$1.44	$0.85	$1.33	$0.85	$4.02	$3.02

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 before non-run-rate; refer to slides 22-23
3 EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23
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 24-25
6 Adjusted EPS = Reported Earnings Per Share excluding non-run-rate items; refer to slides 24-25
7 As Reported EPS = Reported Earnings Per Share; refer to slides 24-25

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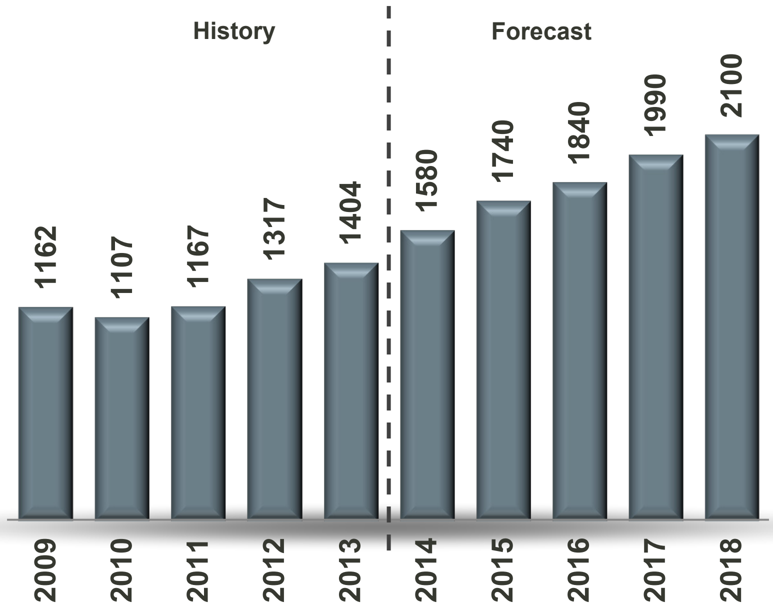
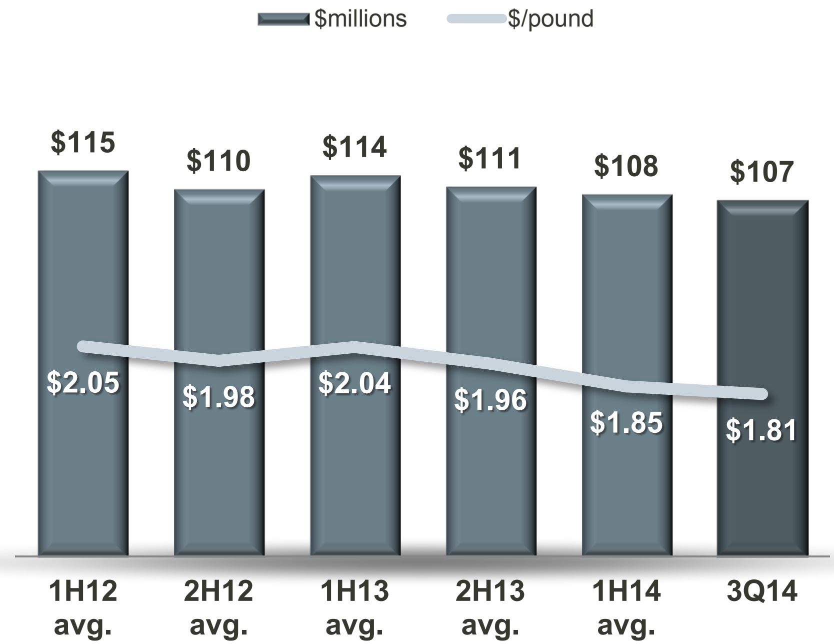
Outlook – Aerospace & High Strength

Global Commercial Airframe Builds



Source: Airline Monitor

Quarterly Value Added Revenue[1]



Robust long-term aerospace demand

- Increasing build rates
- Larger airframes
- Monolithic design

Anticipate:

- Modest seasonal demand weakness in 4th quarter offset by the steady abatement of the supply chain inventory overhang
- Demand growth in 2015 as inventory overhang continues to subside

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

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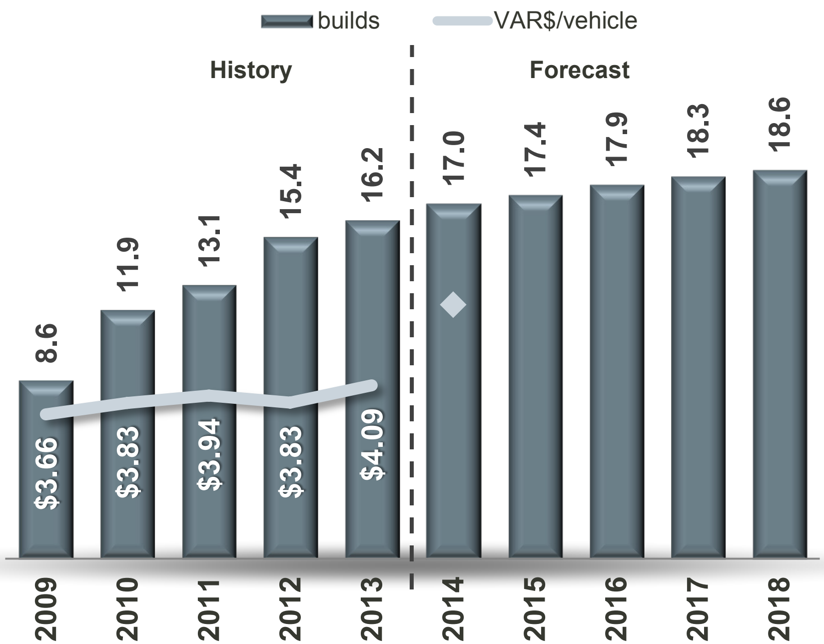
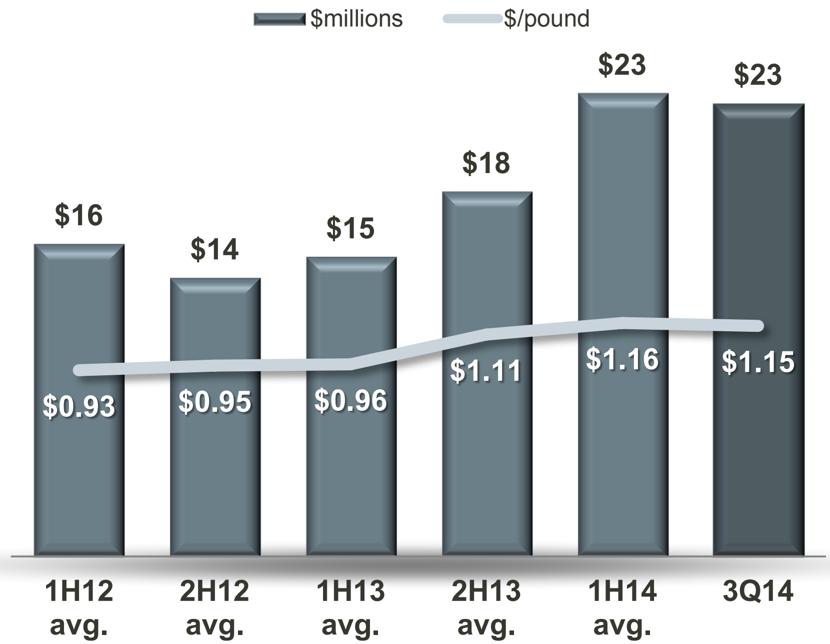
Outlook – Automotive



Source: IHS Automotive



Growing automotive demand…

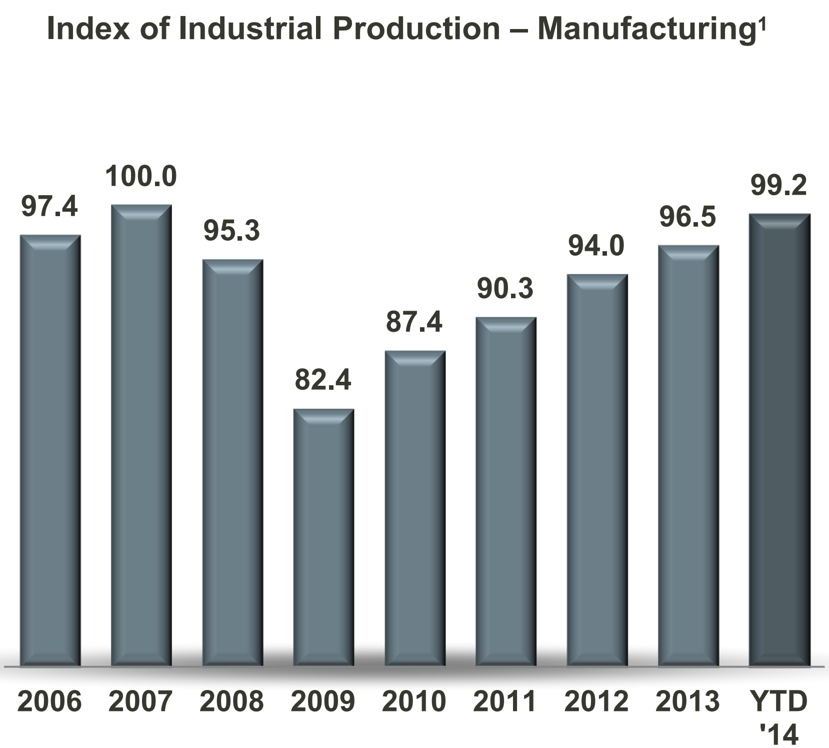
- Increasing long-term build rates
- Increasing aluminum extrusion content in pursuit of lightweighting
- Our 2014 VAR$/vehicle content trending >$5.00

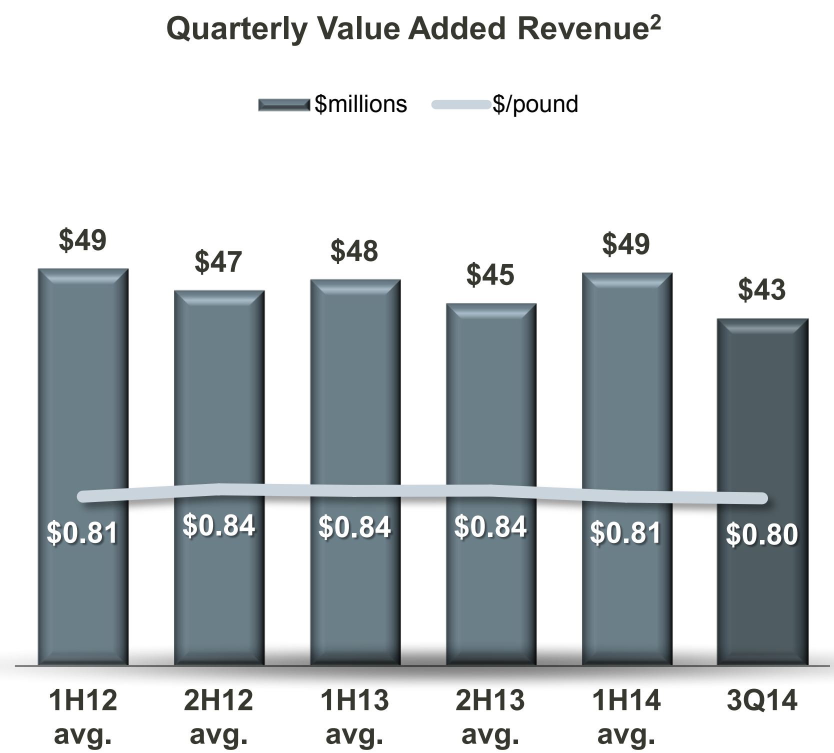
…and positive outlook

- Expect continuing demand strength in 4Q14 as content growth partially offsets seasonality
- Continuing new product launches planned in 4Q14 and into 2015

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

Outlook – General Engineering





Steady U.S. industrial recovery…

…with 2H14 seasonal demand weakness

- Expect normal 4Q14 seasonal weakness across all general engineering and industrial applications

1 Represents Annual Averages; 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

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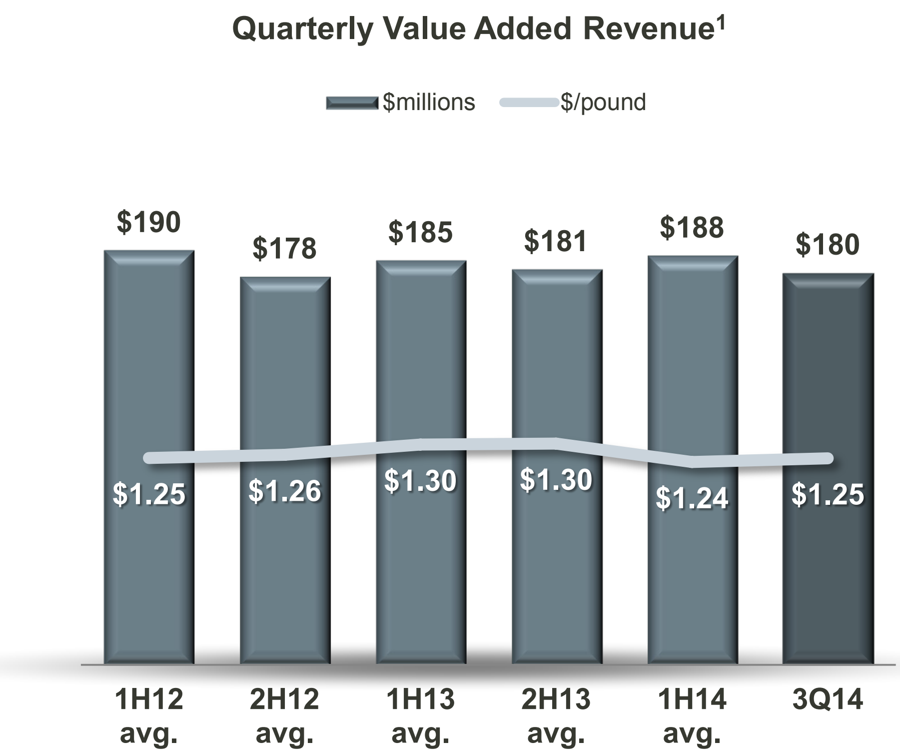
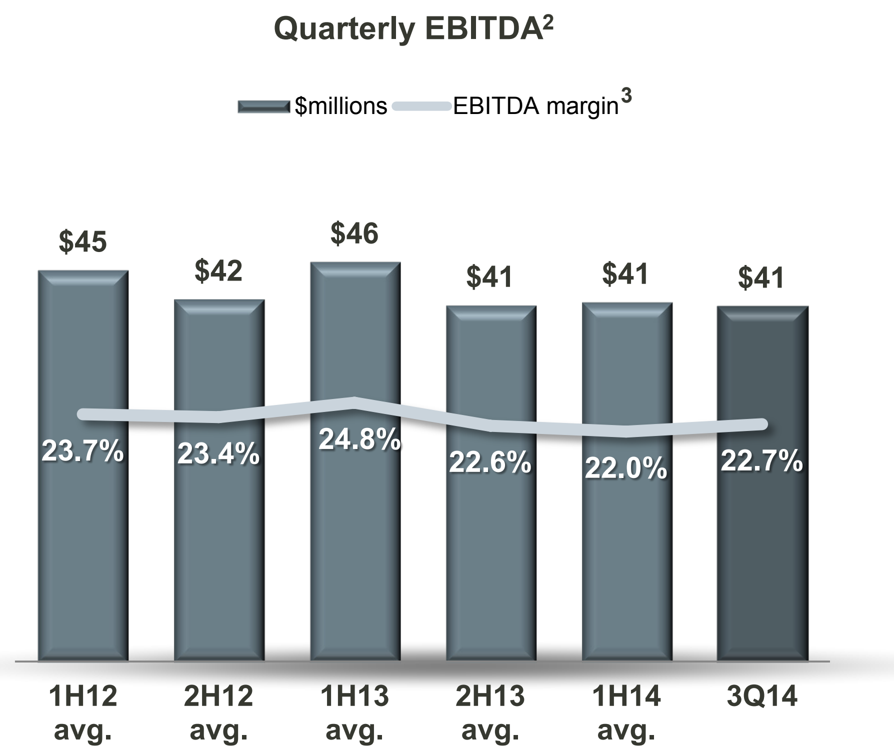
Short-term Outlook Summary





Typical seasonal demand weakness
- Expect 4Q14 VAR similar to 3Q14 as growing aerospace and automotive demand offset seasonal weakness

Expect 4Q14 EBITDA similar to 3Q14
- Significant 4Q14 planned major maintenance including extended press outage at Newark plant

1 Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 20-21
2 EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23
3 EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)

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Summary

- 3Q14 recap
  - Unanticipated, temporary challenges
  - Despite challenges, 3Q14 reflected:
    - Second highest level of aerospace and automotive shipments
    - Strong manufacturing cost performance
- Remain well positioned for long-term growth
  - Strong secular demand fundamentals for aerospace and automotive
  - Continued improvement in manufacturing performance
  - Strong balance sheet and cash flow generation to support growth and shareholder returns

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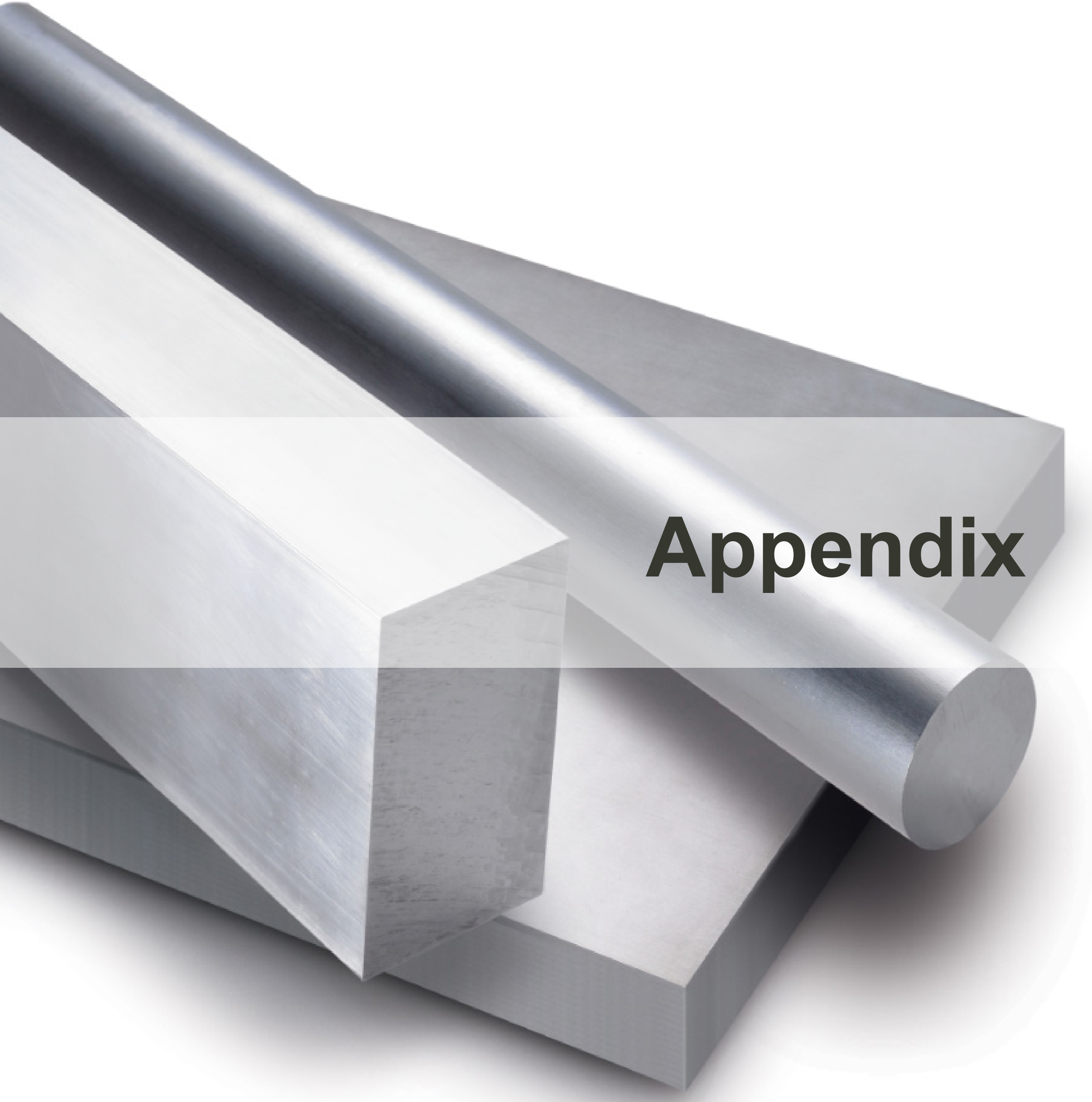

Appendix

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 $500 million invested for growth and competitive strength since 2006
- Solid platform and market presence for further value creation in strategic end market applications

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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

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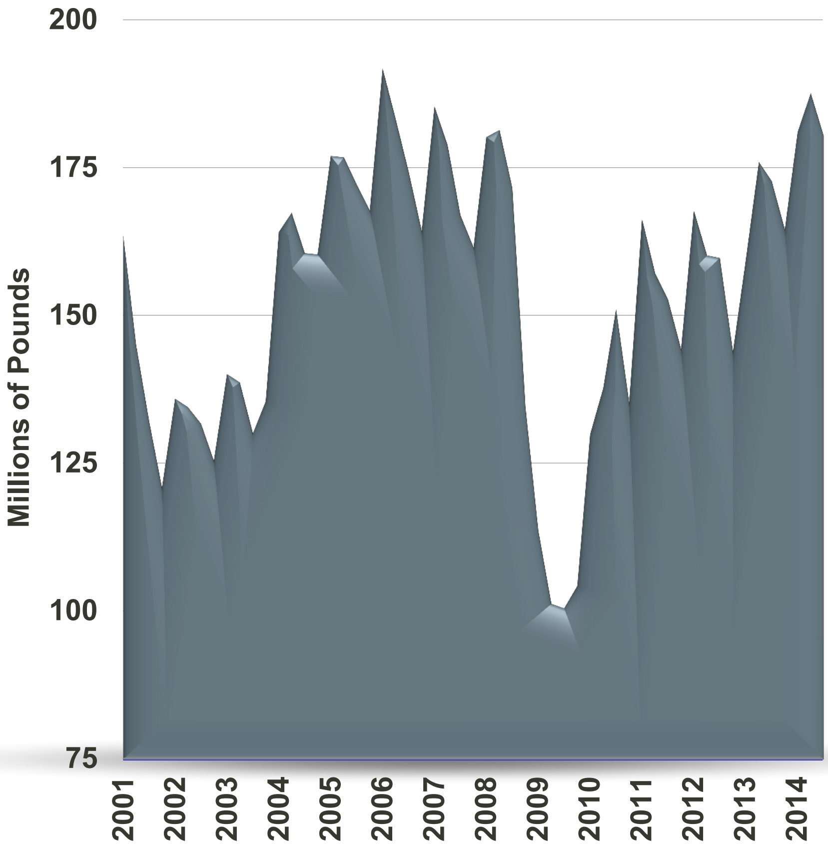
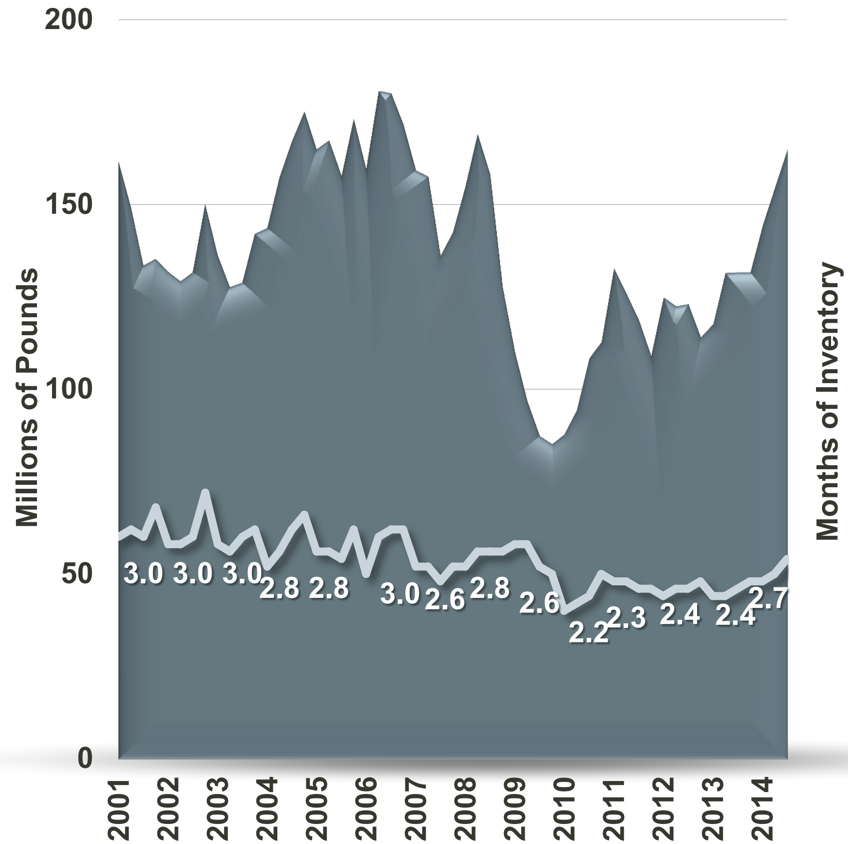
MSCI Aluminum Rod & Bar Shipments & Inventory

Quarterly MSCI Shipments



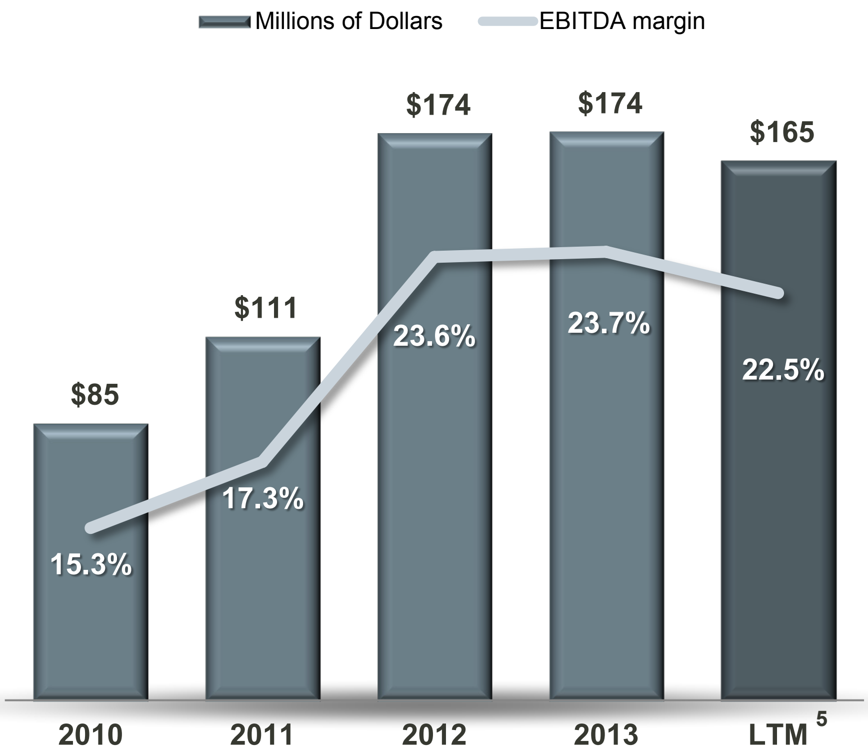
Quarterly MSCI Inventory



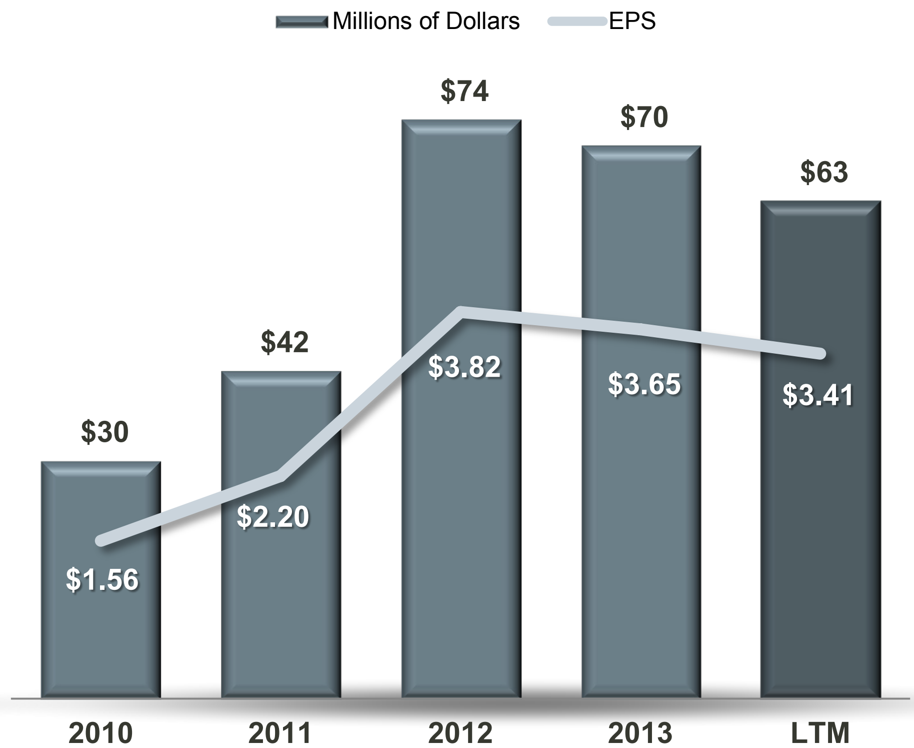
Source: Metal Service Center Institute (MSCI) as of end June 2014

Annual Financial Results

EBITDA[1] and EBITDA margin[2]



Adjusted Net Income[3] and EPS[4]



1 EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 22-23
2 EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR); VAR equals Net Sales less hedged cost of alloyed metal
3 Adjusted Net Income = Reported Net Income excluding non-run-rate items; refer to slides 24-25
4 Adjusted EPS = Reported Earnings Per Share excluding non-run-rate items; refer to slides 24-25
5 LTM = Last Twelve Months as of September 30, 2014

Sales Analysis By Application - Quarterly

	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
Shipments (lbs, mm)											
Aero & High Strength	59.0	53.7	54.5	56.7	56.7	54.8	55.3	57.5	56.7	60.5	58.9
General Engineering	63.3	58.8	61.4	49.2	54.8	60.1	56.6	51.0	62.5	58.4	54.2
Automotive Extrusions	17.0	16.6	15.2	14.0	15.3	15.9	16.1	16.8	19.5	20.2	19.6
Other Applications [1]	17.4	18.1	16.4	14.6	13.2	14.6	13.1	11.9	13.1	12.6	11.6
Total	156.7	147.2	147.5	134.5	140.0	145.4	141.1	137.2	151.8	151.7	144.3
Value Added Revenue [2] ($mm)											
Aero & High Strength	$ 119.0	$ 111.8	$ 109.7	$ 110.0	$ 118.7	$ 109.3	$ 108.9	$ 112.3	$ 106.4	$ 110.2	$106.6
General Engineering	$ 49.9	$ 48.8	$ 51.8	$ 41.5	$ 46.4	$ 49.6	$ 46.9	$ 43.2	$ 50.1	$ 47.6	$ 43.2
Automotive Extrusions	$ 16.0	$ 15.2	$ 14.6	$ 13.2	$ 14.6	$ 15.3	$ 18.2	$ 18.2	$ 21.9	$ 24.3	$ 22.6
Other Applications	$ 9.9	$ 9.6	$ 7.9	$ 7.3	$ 7.7	$ 9.3	$ 7.9	$ 7.1	$ 7.2	$ 7.5	$ 7.4
Total	$ 194.8	$ 185.4	$ 184.0	$ 172.0	$ 187.4	$ 183.5	$ 181.9	$ 180.8	$ 185.6	$ 189.6	$179.8
Value Added Revenue ($/lb.)											
Aero & High Strength	$ 2.02	$ 2.08	$ 2.01	$ 1.94	$ 2.09	$ 2.00	$ 1.97	$ 1.95	$ 1.87	$ 1.82	$ 1.81
General Engineering	$ 0.79	$ 0.83	$ 0.84	$ 0.84	$ 0.85	$ 0.82	$ 0.83	$ 0.85	$ 0.80	$ 0.81	$ 0.80
Automotive Extrusions	$ 0.94	$ 0.92	$ 0.96	$ 0.94	$ 0.95	$ 0.97	$ 1.13	$ 1.08	$ 1.13	$ 1.20	$ 1.15
Other Applications	$ 0.57	$ 0.53	$ 0.48	$ 0.50	$ 0.58	$ 0.64	$ 0.61	$ 0.60	$ 0.55	$ 0.60	$ 0.64
Overall [3]	$ 1.24	$ 1.26	$ 1.25	$ 1.28	$ 1.34	$ 1.26	$ 1.29	$ 1.32	$ 1.22	$ 1.25	$ 1.25

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

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Sales Analysis By Application - Annual

	FY 2010	FY 2011	FY 2012	FY 2013	LTM[4]
Shipments (lbs, mm)					
Aero & High Strength	158.9	192.0	223.9	224.3	233.6
General Engineering	217.4	220.2	232.7	222.5	226.1
Automotive Extrusions	54.2	62.8	62.8	64.1	76.1
Other Applications [1]	83.7	85.9	66.5	52.8	49.2
Total	514.2	560.9	585.9	563.7	585.0
Value Added Revenue [2] ($mm)					
Aero & High Strength	295.4	376.5	450.5	449.2	435.5
General Engineering	174.0	175.2	192.0	186.1	184.1
Automotive Extrusions	45.6	51.6	59.0	66.3	87.0
Other Applications	40.9	40.9	34.7	32.0	29.2
Total	555.9	644.2	736.2	733.6	735.8
Value Added Revenue ($/lb.)					
Aero & High Strength	$1.86	$1.96	$2.01	$2.00	$1.86
General Engineering	$0.80	$0.80	$0.83	$0.84	$0.81
Automotive Extrusions	$0.84	$0.82	$0.94	$1.03	$1.14
Other Applications	$0.49	$0.48	$0.52	$0.61	$0.59
Overall [3]	$1.08	$1.15	$1.26	$1.30	$1.26

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 September 30, 2014
Totals may not sum due to rounding

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Reconciliation of Reported Operating Income to EBITDA

(in $ millions)	Quarterly										
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
Consolidated - Reported Operating Income	$46.2	$39.6	$56.2	$23.9	$50.0	$40.1	$41.6	$41.6	$32.1	$46.4	$32.6
Operating NRR[1] items:											
Mark-to-Market Gains (Losses)	3.1	(0.1)	12.3	(0.1)	(0.7)	(4.2)	1.5	4.1	2.0	1.5	(3.5)
Consolidated LIFO to Plant LIFO Adjustment	2.0	(1.5)	0.4	(3.2)	4.7	0.7	1.4	0.6	(4.6)	0.5	(1.4)
Workers' Compensation Discount Rate Effect	0.2	(0.4)	—	—	—	0.9	—	0.4	0.2	0.1	(0.1)
Impairment Loss	—	—	—	—	—	—	—	—	—	(0.2)	(1.3)
Legacy Environmental	—	(0.7)	(0.3)	(0.3)	(0.6)	—	(0.4)	(3.5)	(0.2)	(0.1)	—
Restructuring Charges	—	—	—	(4.4)	—	—	—	—	—	—	—
VEBA Net Periodic Benefit Income	3.0	3.0	2.9	3.0	5.6	5.7	5.6	5.6	5.6	6.1	6.0
Total Operating NRR Items	8.3	0.3	15.3	(5.0)	9.0	3.1	8.1	7.2	3.0	7.9	(0.3)
Consolidated Operating Income before operating NRR	37.9	39.3	40.9	28.9	41.0	37.0	33.5	34.4	29.1	38.5	32.9
Depreciation & Amortization - Consolidated	6.3	6.6	6.7	6.9	7.0	7.0	6.9	7.2	7.4	7.7	8.0
Consolidated - EBITDA	$44.2	$45.9	$47.6	$35.8	$48.0	$44.0	$40.4	$41.6	$36.5	$46.2	$40.9

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

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Reconciliation of Reported Operating Income to EBITDA

(in $ millions)	Annual				
	2010	2011	2012	2013	LTM[2]
Consolidated - Reported Operating Income	$41.1	$55.0	$165.9	$173.3	$152.7
Operating NRR[1] items:					
Mark-to-Market (Losses) Gains	(0.7)	(29.9)	15.2	0.7	4.1
Consolidated LIFO to Plant LIFO Adjustment	(0.6)	(0.2)	(2.3)	7.4	(4.9)
Workers' Compensation Discount Rate Effect	—	(3.8)	(0.2)	1.3	0.6
Impairment Loss	—	—	—	—	(1.5)
Legacy Environmental	(13.9)	(3.9)	(1.3)	(4.5)	(3.8)
Restructuring (Charges) Benefits	(3.6)	0.3	(4.4)	—	—
VEBA Net Periodic Benefit (Cost) Income	(5.1)	6.0	11.9	22.5	23.3
Other Operating (Charges) Benefits	(0.1)	0.3	—	—	—
Total Operating NRR Items	(24.0)	(31.2)	18.9	27.4	17.8
Consolidated Operating Income before operating NRR	65.1	86.2	147.0	145.9	134.9
Depreciation & Amortization - Consolidated	19.8	25.2	26.5	28.1	30.3
Consolidated - EBITDA	$84.9	$111.4	$173.5	$174.0	$165.2

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax
2 LTM = Last Twelve Months as of September 30, 2014

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Adjusted Net Income and EPS

(in $ millions except EPS)	Quarterly										
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
GAAP net income	$26.5	$21.0	$29.2	$ 9.1	$33.5	$18.6	$25.4	$27.3	$15.8	$24.5	$15.9
Operating NRR[1] Items	(8.3)	(0.3)	(15.3)	5.0	(9.0)	(3.1)	(8.1)	(7.2)	(3.0)	(7.9)	0.3
Non-Operating NRR Items[2]	(0.5)	(0.7)	0.1	0.3	(0.4)	0.9	(2.2)	(2.1)	(0.9)	(0.5)	(2.2)
Tax impact of above NRR items	3.2	0.4	5.7	(1.9)	3.6	0.8	3.9	3.5	1.4	3.2	0.6
NRR tax benefit	-	-	-	-	(7.8)	-	(1.9)	(5.4)	-	-	-
Adjusted net income	$20.9	$20.4	$19.7	$12.5	$19.9	$17.2	$17.1	$16.1	$13.3	$19.3	$14.6
GAAP earnings per diluted share[3]	$1.38	$1.09	$1.51	$0.47	$1.73	$0.98	$1.34	$1.44	$0.85	$1.33	$0.85
Adjusted earnings per diluted share[3]	$1.09	$1.06	$1.02	$0.65	$1.03	$0.91	$0.90	$0.85	$0.72	$1.05	$0.79

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax
2 Non-Operating NRR Items do not contribute to Reported Operating Income and represent the mark-to-market of convertible bond related financial derivatives as well as income from a one-time bankruptcy trust share distribution in 3Q13
3 Diluted shares for EPS calculated using treasury method
Totals may not sum due to rounding

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Adjusted Net Income and EPS

(in $ millions except EPS)	Annual				
	2010	2011	2012	2013	LTM[4]
GAAP net income	$ 12.0	$ 25.1	$ 85.8	$104.8	$ 83.5
Operating NRR[1] Items	24.0	31.2	(18.9)	(27.4)	(17.8)
Non-Operating NRR Items[2]	4.9	(4.0)	(0.8)	(3.8)	(5.7)
Tax impact of above NRR items	(10.6)	(10.6)	7.5	11.8	8.7
NRR tax benefit	-	-	-	(15.1)	(5.4)
Adjusted net income	$ 30.3	$ 41.7	$ 73.6	$ 70.3	$ 63.3
GAAP earnings per diluted share[3]	$ 0.61	$ 1.32	$ 4.45	$ 5.44	$ 4.47
Adjusted earnings per diluted share[3]	$ 1.56	$ 2.20	$ 3.82	$ 3.65	$ 3.41

1 NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax
2 Non-Operating NRR Items do not contribute to Reported Operating Income and represent the mark-to-market of convertible bond related financial derivatives as well as income from a one-time bankruptcy trust share distribution in 3Q13
3 Diluted shares for EPS calculated using treasury method for 2012 and onward; 2011 and prior calculated using two-class method
4 LTM = Last Twelve Months as of September 30, 2014
Totals may not sum due to rounding

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