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Fourth Quarter and Full Year 2016

Earnings Conference Call

February 22, 2017

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. 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.

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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.

2016 Fourth Quarter

- Strong 4Q shipments and VAR[1] supported by:
  - Solid underlying demand with normal seasonal weakness
  - Delivery of previously discussed 3Q in-transit inventory
  - Steady sales margins despite competitive price pressure
- Continued benefits from underlying manufacturing cost efficiency

[1] Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 26-27

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Full Year 2016 Review

- Record VAR[1] driven by solid demand across all applications
- Strong underlying cost efficiency and sales margins drove record EBITDA[2] results
- Invested capital for further growth, manufacturing efficiency & quality
  - Continued $150 million multi-year efficiency and modernization project at Trentwood
  - Expanded capacity and capabilities of our automotive platform
- Returned ~$66 million of cash to shareholders through quarterly dividends and share repurchases
- Increased quarterly dividend 12.5% in 2016 and 11% in 2017

[1] Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 26-27
[2] EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 28-29

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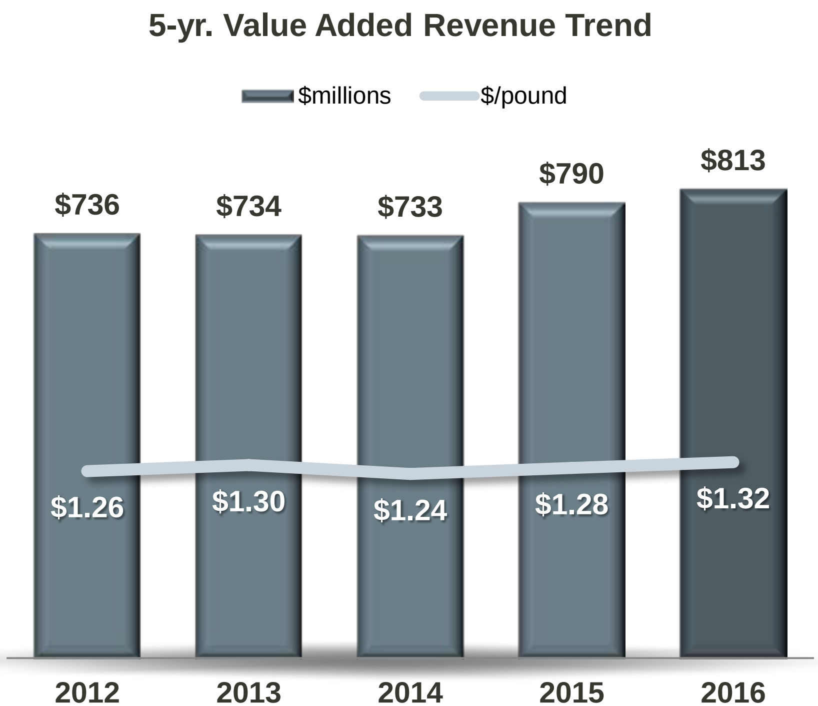
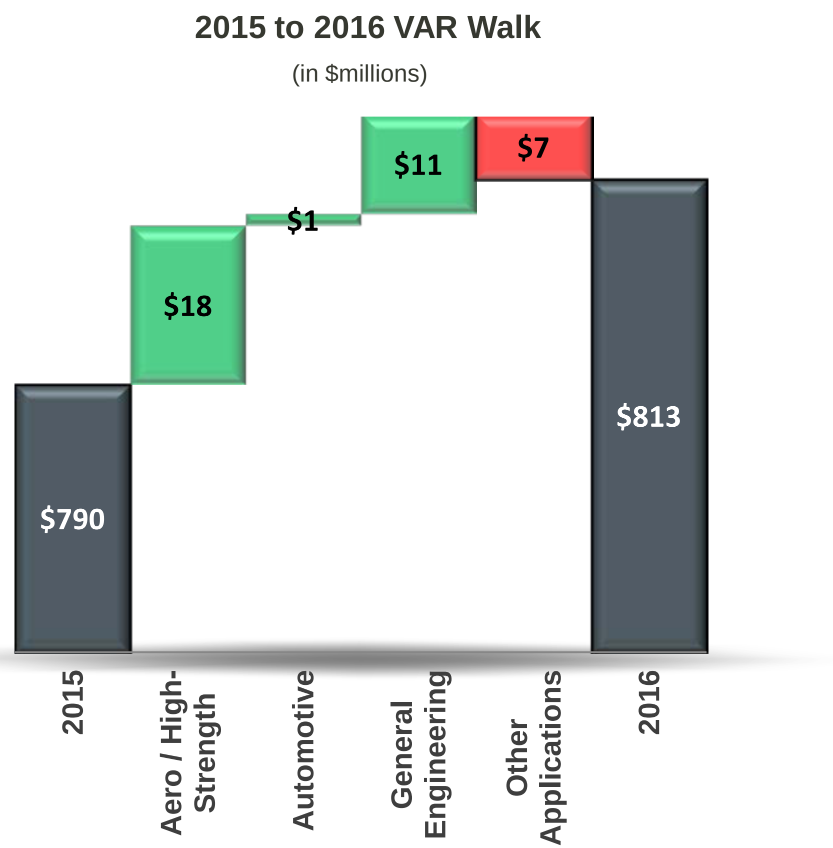
Value Added Revenue[1]

Record Value Added Revenue





[1] Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 26-27

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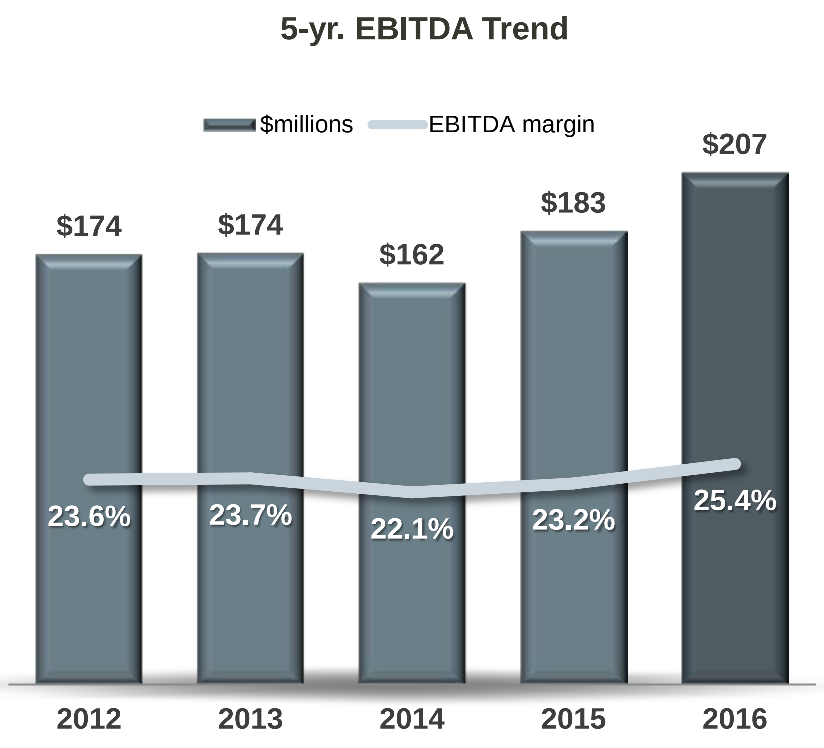
EBITDA[1]

Record EBITDA and EBITDA Margin[2]



[1] EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 28-29
[2] EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)

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Consolidated Financial Highlights

(in $millions except Shipments & EPS)	Quarterly					Annual	
	4Q15	1Q16	2Q16	3Q16	4Q16	2015	2016
Shipments *(in millions of lbs)*	147	159	155	148	152	615	614
Net Sales	$317	$343	$335	$321	$332	$1,392	$1,331
Value Added Revenue [1]	$190	$211	$206	$195	$201	$790	$813
As Reported:							
Operating Income (Loss)	$35	$45	$58	$30	$45	($346)	$178
Net Income (Loss)	$13	$26	$26	$15	$25	($237)	$92
EPS [2]	$0.73	$1.44	$1.43	$0.82	$1.37	($13.76)	$5.09
Adjusted:							
Operating Income [3]	$31	$47	$46	$36	$43	$151	$171
EBITDA [4]	$40	$55	$55	$45	$52	$183	$207
EBITDA margin [5]	20.8%	26.2%	26.6%	22.8%	25.8%	23.2%	25.4%
Net Income [6]	$11	$28	$19	$19	$23	$72	$87
EPS [7]	$0.60	$1.51	$1.02	$1.02	$1.27	$3.95	$4.83

[1] Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 26-27
[2] As Reported EPS = Reported Earnings Per diluted Share; refer to slides 30-31
[3] Adjusted Operating Income = Consolidated Operating Income before non-run-rate; refer to slides 28-29
[4] EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 28-29
[5] EBITDA margin = EBITDA as a percent of Value Added Revenue (VAR)
[6] Adjusted Net Income = Reported Net Income excluding non-run-rate items; refer to slides 30-31
[7] Adjusted EPS = Reported Earnings Per diluted Share excluding non-run-rate items; refer to slides 30-31
Totals may not sum due to rounding

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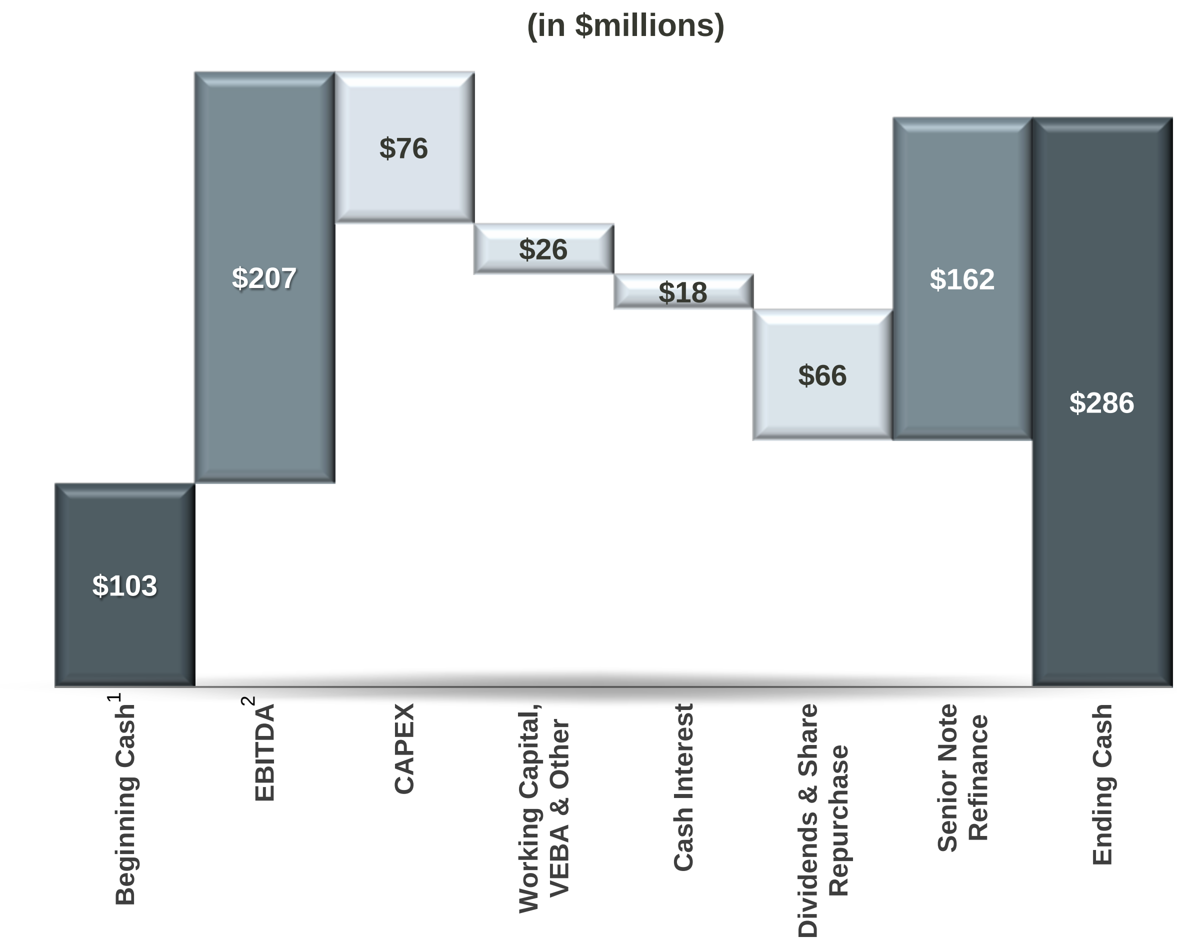
2016 Cash Sources & Uses



$207 million EBITDA funded:

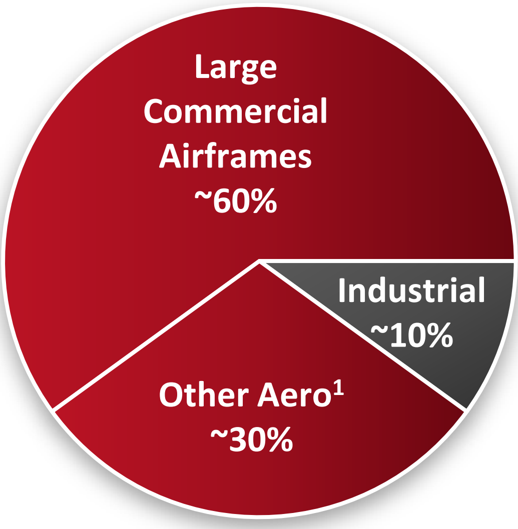
- Operating needs
- Organic growth initiatives
- Dividends
- Share repurchases

Opportunistic refinancing strengthened liquidity and financial flexibility

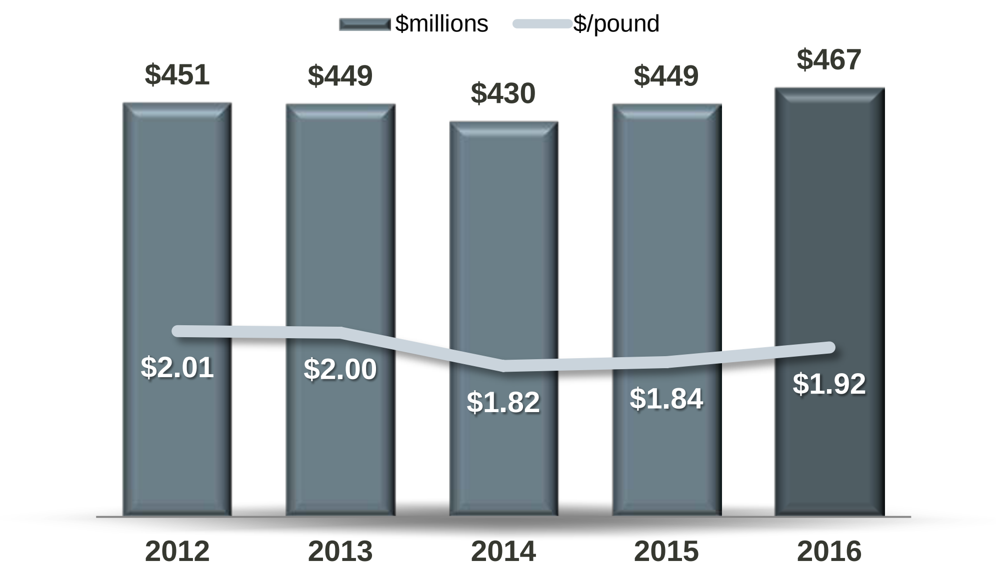
[1] Cash = Cash and cash equivalents as well as Short-term investments
[2] EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 28-29

Outlook – Aero/High Strength

Kaiser's Served Market Applications



Aerospace / High Strength Value Added Revenue[2]

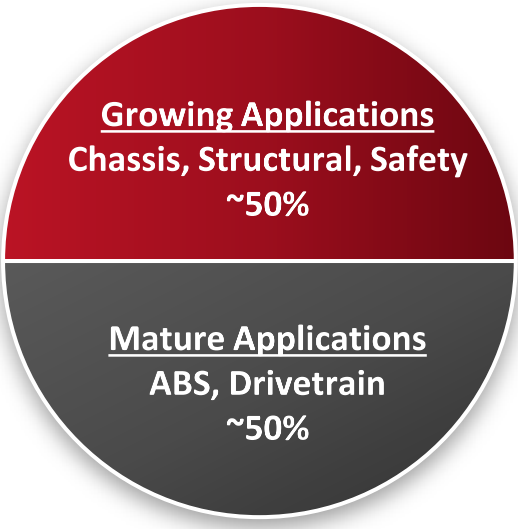


- **2017 outlook:**
  - Anticipate commercial aerospace supply chain destocking and competitive price pressure
  - Domestic and foreign demand ramping up for business jets and military applications
  - Kaiser is very well-positioned in the market to address headwinds
  - Expect shipments similar to prior year; VAR will be impacted by price pressure
- **3-year industry demand outlook:**
  - Expect destocking to be a 2017 issue driving ~5% y/y decline in demand for these applications
  - Expect strong double-digit y/y demand growth in both 2018 and 2019

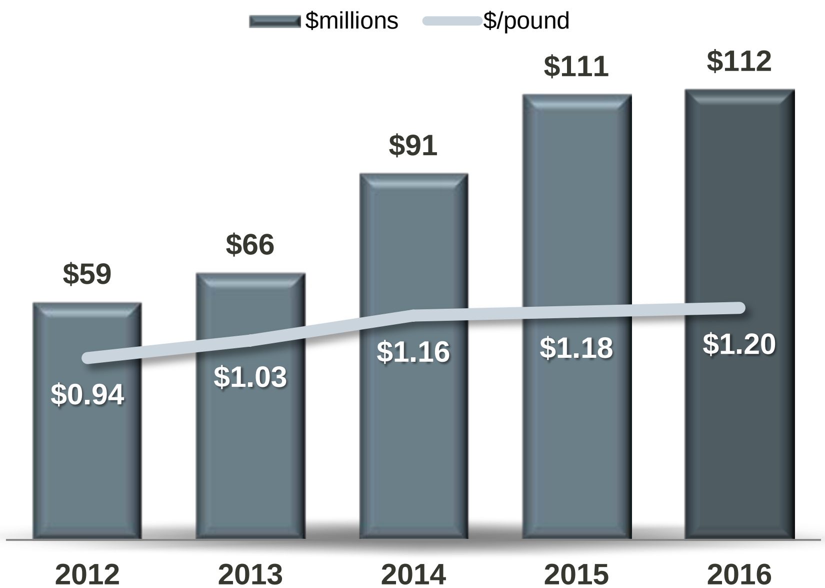
[1] Includes regional jets, business jets, military and other aircraft
[2] Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 26-27

Outlook – Automotive Extrusions

Kaiser's Served Market Applications



Automotive Extrusion Value Added Revenue[1]

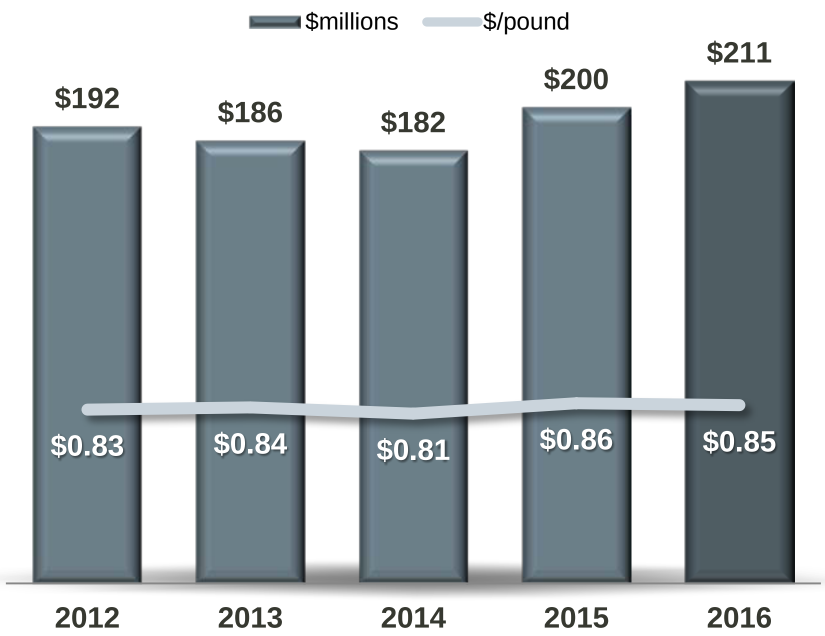


- **2017 outlook:**
  - Anticipate N.A. build rates to be 1%-2% lower compared to 2016
  - Expect double-digit shipments growth compared to 2016
  - Kaiser content is becoming more vehicle-specific with growth in bumpers, chassis and structures
  - VAR $ per pound likely to decline as product mix evolves
- **3-year industry demand outlook:**
  - 6% average annual industry growth in content per vehicle for our served markets
  - Annual build rates expected to average ~17.9 million compared to 17.8 million in 2016

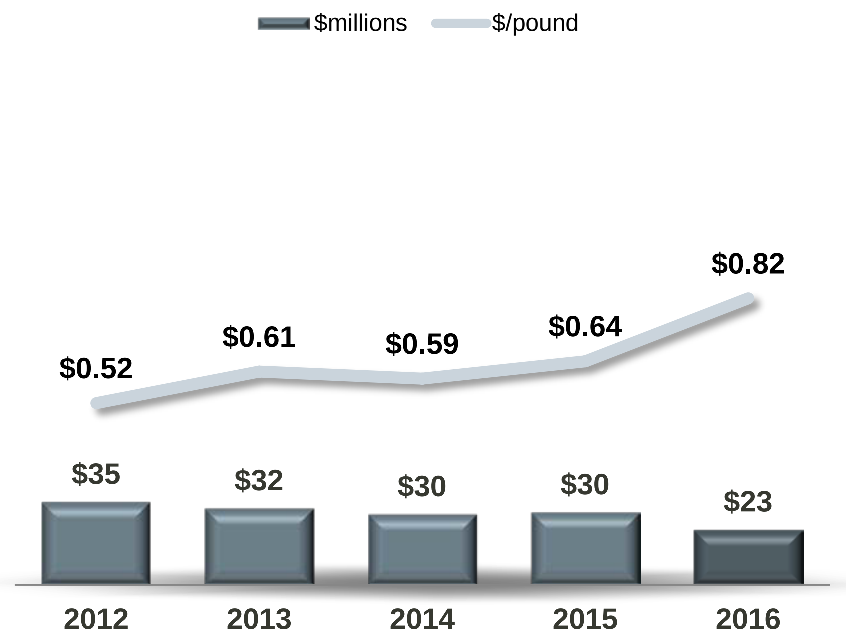
[1] Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 26-27
[2] CAGR = Compound Annual Growth Rate

Outlook – Industrial Applications

General Engineering Value Added Revenue[1]



Other Applications Value Added Revenue



2017 outlook:

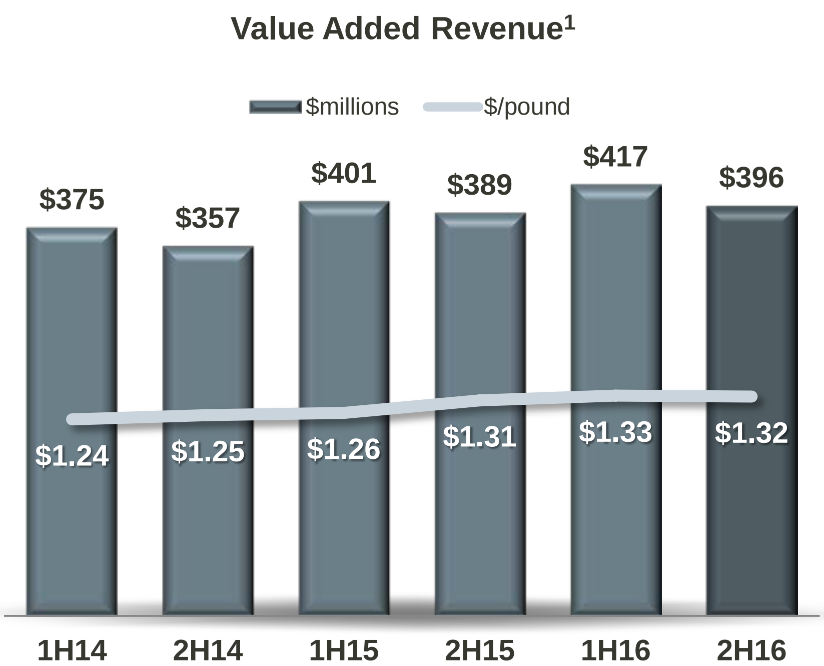
- Cautiously optimistic for growing demand
- Increasing import price pressure on GE plate expected to continue into 2017

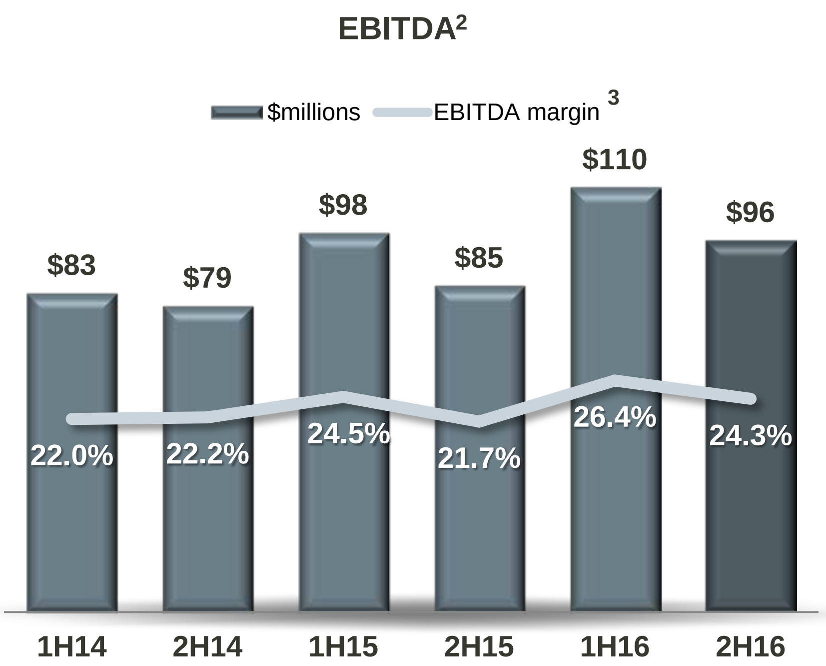
Other applications 2017 outlook:

- VAR for non-core "Other" applications expected to continue to steadily decline as capacity is redirected to more strategic applications

[1] Value Added Revenue (VAR) = Net sales less hedged cost of alloyed metal; refer to slides 26-27

Outlook 1H17





- Major projects related to Trentwood efficiency and modernization initiatives planned for 1H17
  - Install new 6" shear plus other equipment upgrades on the hot line
  - Rebuild and upgrade the vintage horizontal HT furnace for light gauge plate
- Managing operations to minimize disruption from planned equipment outages related to the construction activity
- Expect planned major maintenance cost ~ $4-5M higher y/y in 1H17 related to the activity at Trentwood
- Expect 1H17 VAR down 1-3% y/y with sales margins 150-250 bps lower (competitive pressure, higher metal cost)
- Combined impact expected to drive down 1H17 adjusted EBITDA margin as a percentage of VAR to the low 20s

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

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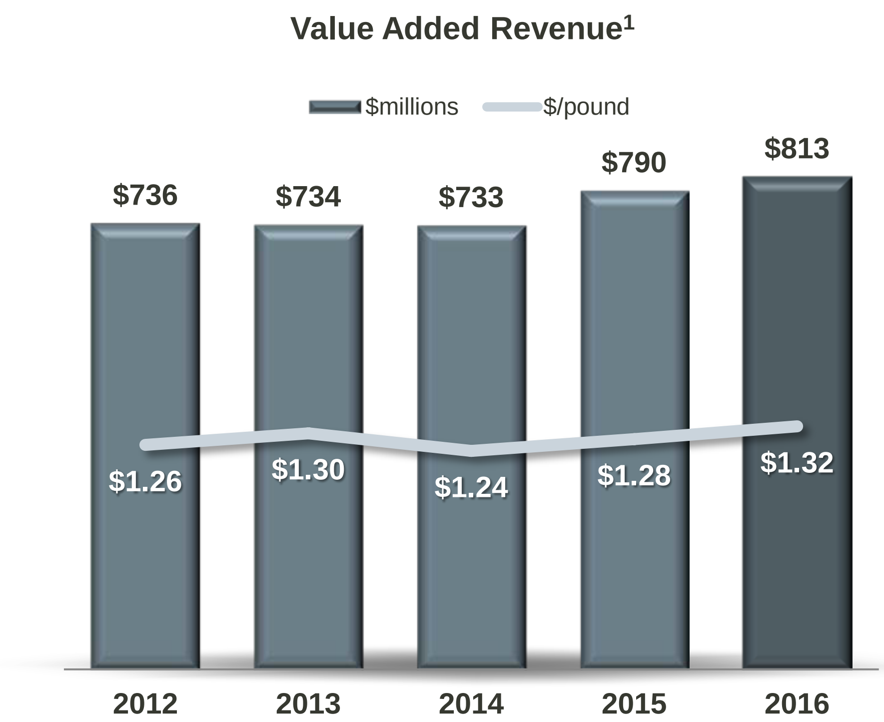
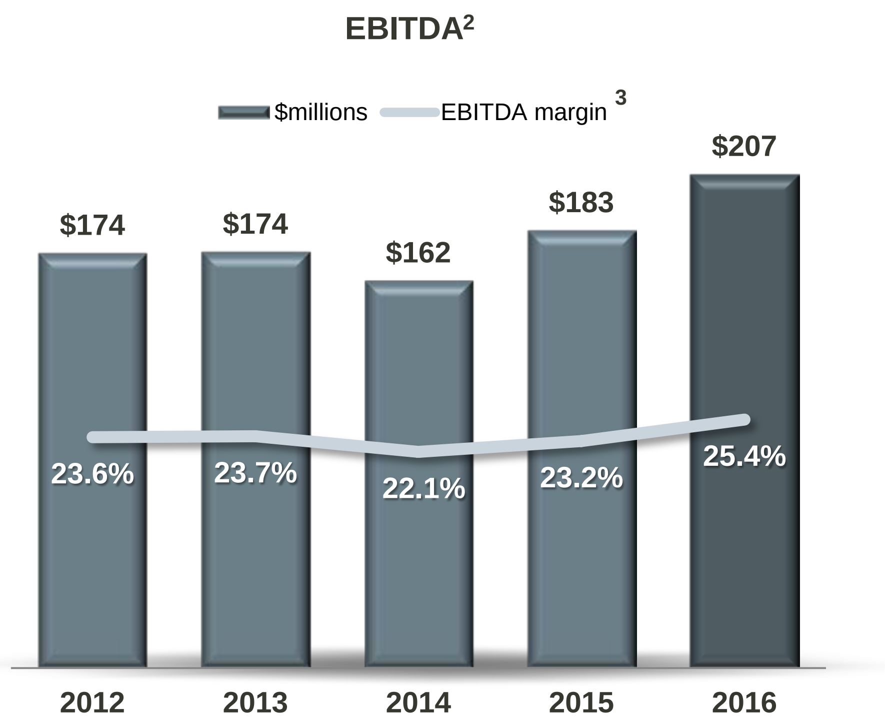
Summary Outlook





- Supply chain inventory overhang and competitive price pressure expected to continue throughout 2017
- Expect improvement in underlying cost efficiency in 4Q17 following Trentwood project-related disruption
- Approximately $80M of capital spending and ~$5M of increased major maintenance spending expected in 2017
- Expect to exit 2017 well-positioned for robust industry demand growth in 2018-2019

[1] Value Added Revenue (VAR) = Net Sales less hedged cost of alloyed metal; refer to slides 26-27
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Summary

- **2016 results: record VAR[1], EBITDA[2] and margin[3]**
- **2017 outlook:**
  - **Headwinds from commercial aerospace supply chain inventory overhang, pressure on sales margins**
  - **Equipment outages at Trentwood related to major capital projects for capacity, quality and efficiency**
  - **Expect to exit 2017 well-positioned for robust industry demand growth in 2018-2019**
- **Long-term outlook:**
  - **Continuing growth prospects for automotive and aerospace applications**
  - **Trentwood modernization to drive further capacity, quality and efficiency benefits**
- **Strong balance sheet and cash flow generation to support continued return of cash to shareholders and investments in growth**

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

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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 driven by quality, availability, service and delivery performance
- Financial strength and flexibility
- Significant investments made for growth and competitive strength
- Solid platform and market presence for further value creation in strategic end market applications

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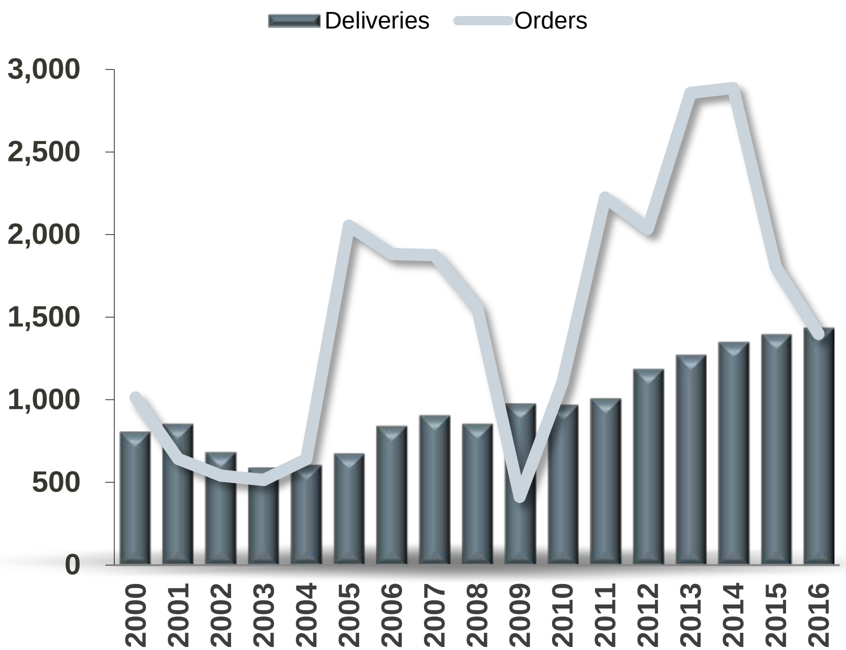
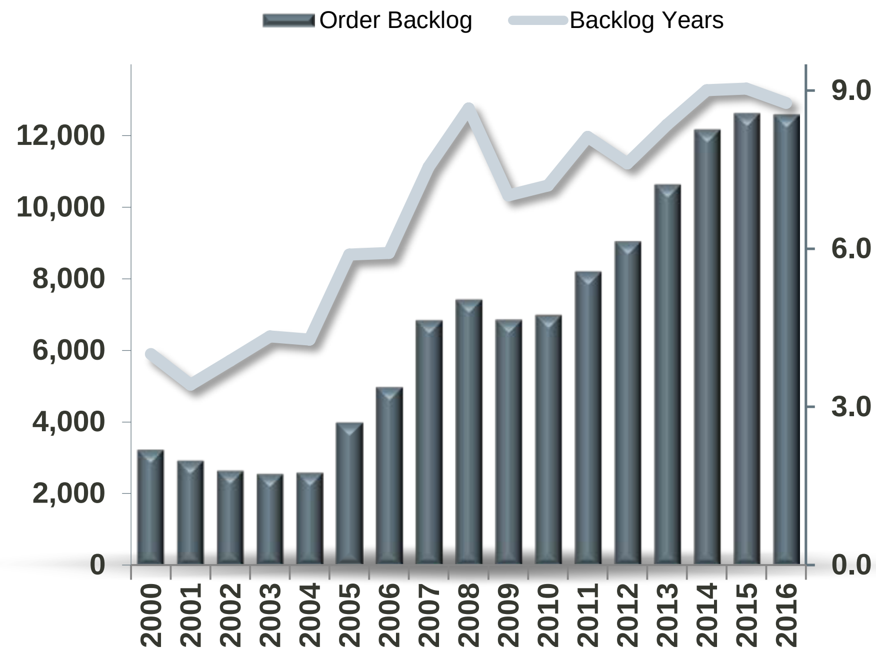
Boeing/Airbus Commercial Airframe Deliveries & Backlog

Boeing/Airbus Commercial Airframe Orders/Deliveries



Boeing/Airbus Commercial Airframe Backlog

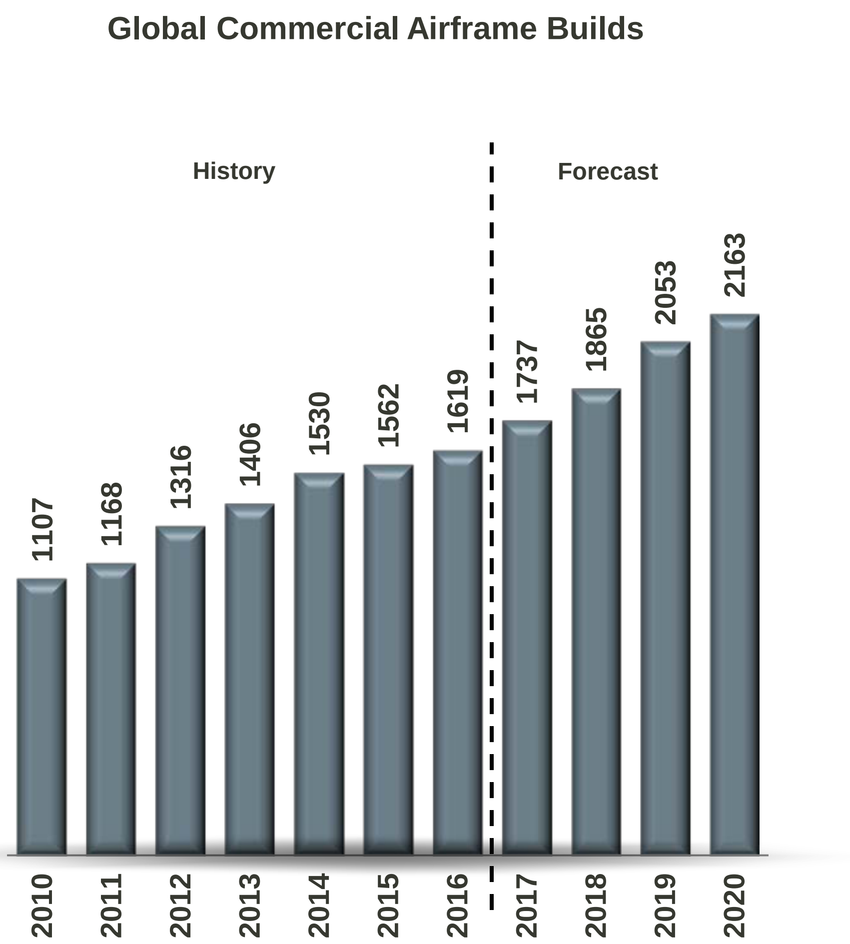


- Boeing/Airbus record 2016 deliveries were up 3%
- 2016 orders equate to 1 year of production

- Backlog ~9 years at 2016 production

Source: Boeing & Airbus

Total Commercial Airframe Deliveries

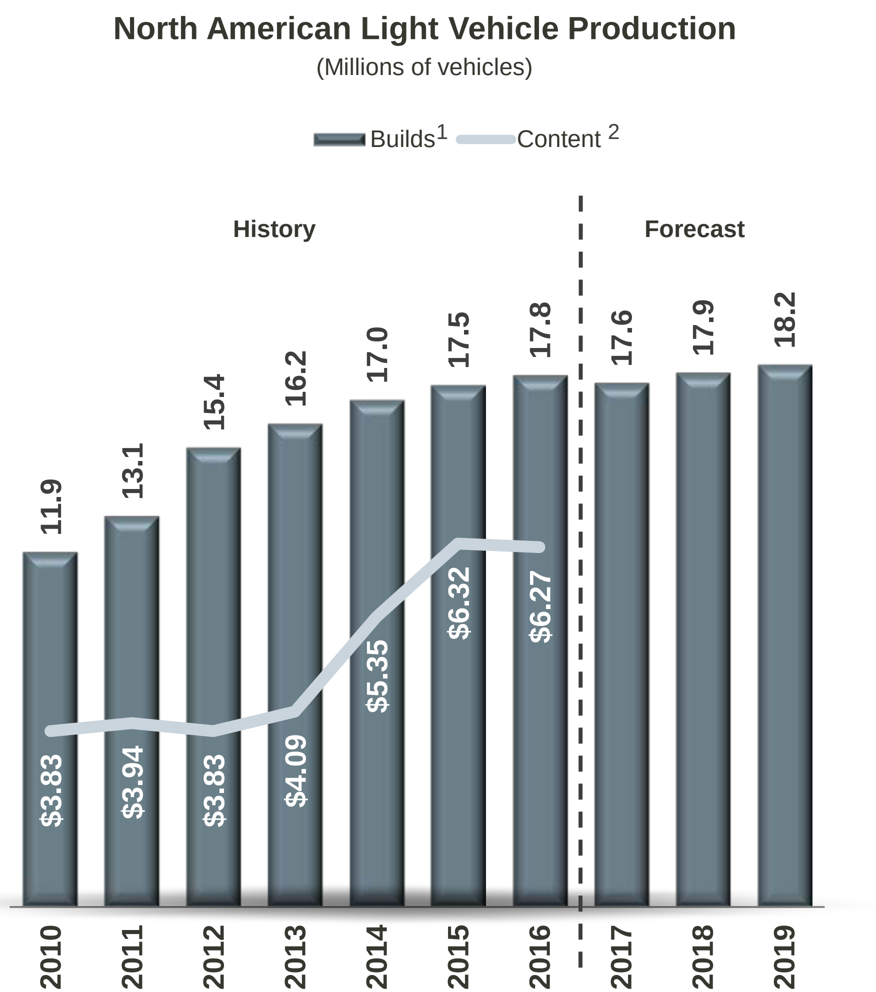


Robust secular growth trend

- Driven by global air travel growing at 5% CAGR (revenue passenger miles) over several decades
- 9-year order backlog for airframes and growing demand
- Increasing aluminum plate content driven by:
  - Growing use of monolithic design in airframe construction
  - Larger airframes (longer and wider)

Source: 2010-2016 Airline Monitor; 2017-2020 Kaiser estimate

Automotive Demand Trend



Robust secular growth trend

- Driven by increasing aluminum extrusion content as OEMs[3] continue to light-weight new vehicles, achieve greater fuel efficiency and comply with stringent federal regulations
- Kaiser is well-positioned
  - Strong market presence, reputation for performance
  - Market focused technical sales and engineering teams
  - Premier automotive extrusion focused facilities (London, ONT, Bellwood, VA, Kalamazoo, MI, Sherman, TX)

[1] Builds = 2010-2016 – IHS; 2017-2019 Kaiser estimate
[2] Content = Kaiser's Automotive Value Added Revenue dollars per North American vehicle build
[3] OEM = Original Equipment Manufacturer

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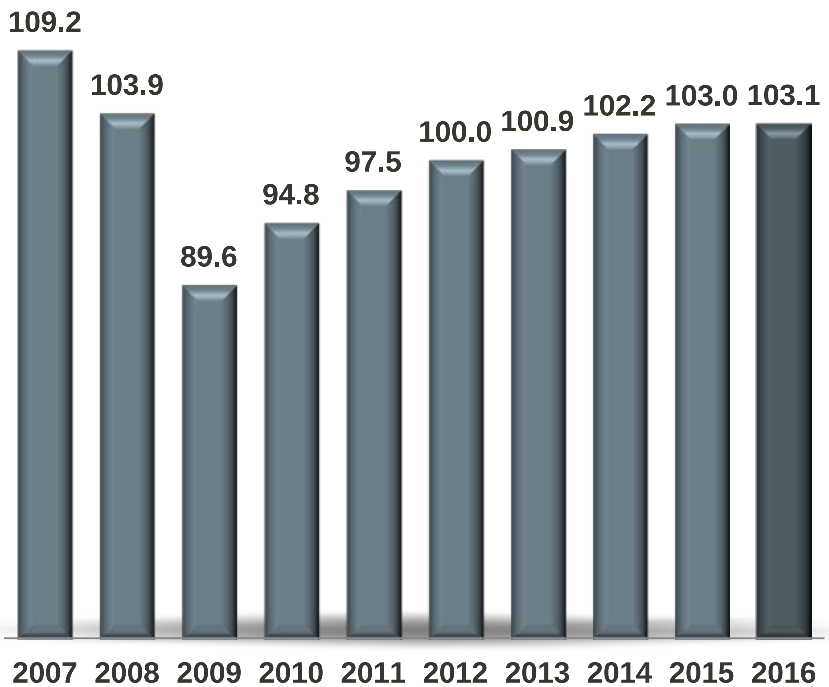
U.S. Manufacturing Trends

Index of Industrial Production – Manufacturing[1]



Slow, steady economic recovery

- U.S. manufacturing activity recovering slowly
- Kaiser supplies a broad portfolio of general engineering products to the industrial sector that includes:
  - Sheet & plate
  - Rod, bar & wire
  - Seamless & structural tube
  - Extruded forge stock
  - Redraw rod

[1] Represents Annual Averages indexed to 2012; Source: Federal Reserve statistics for U.S. manufacturing

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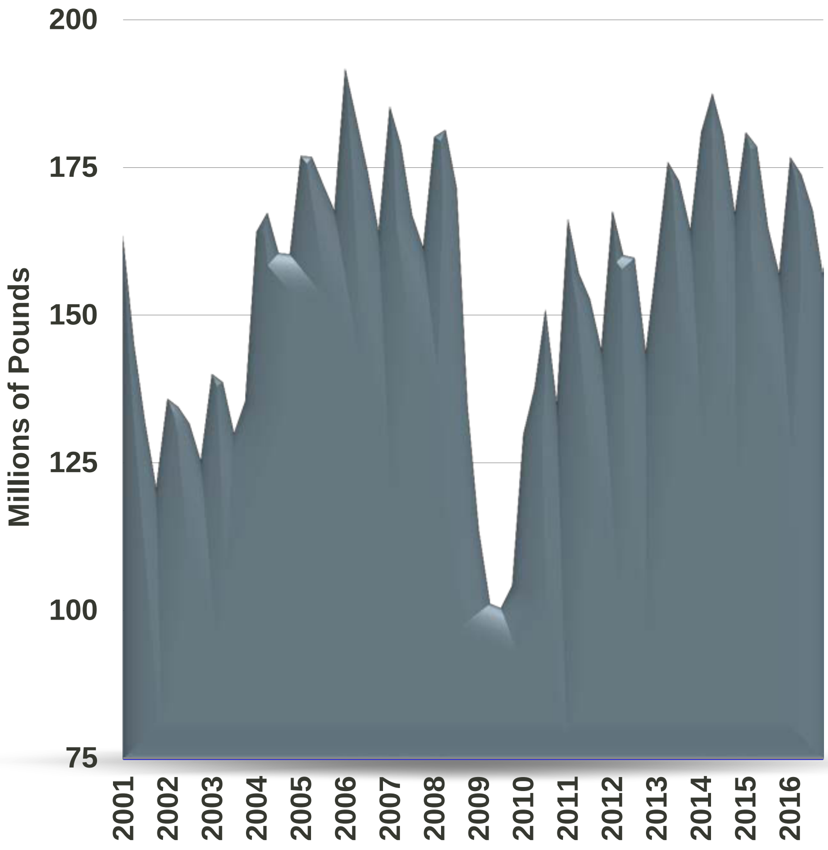
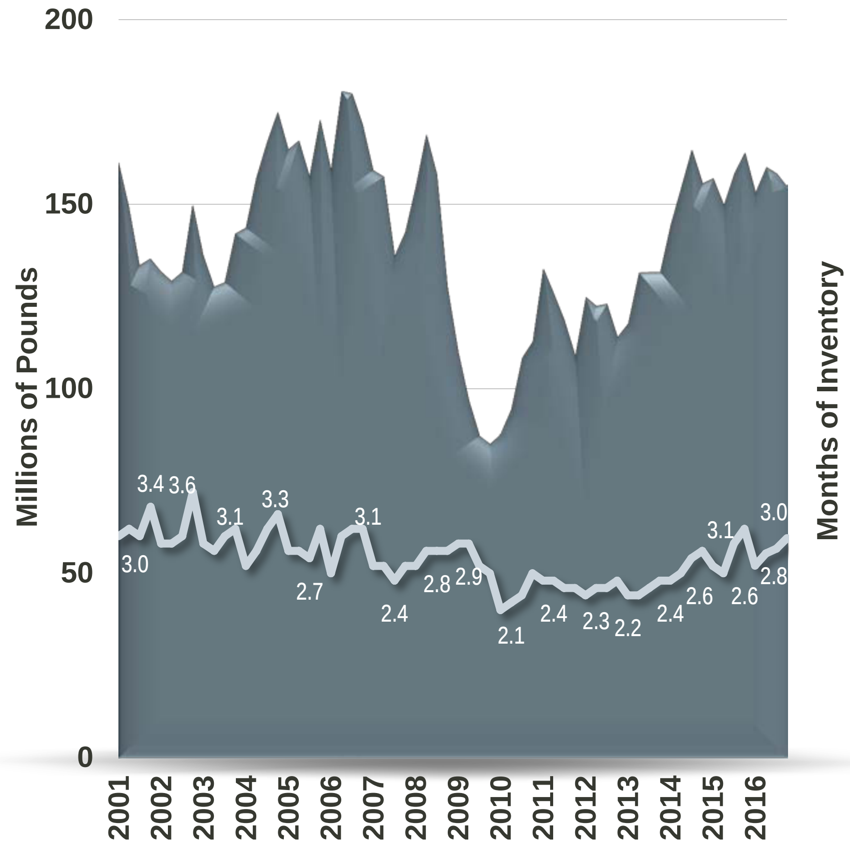
MSCI[1] Aluminum Rod & Bar Shipments & Inventory

Quarterly MSCI Shipments



Quarterly MSCI Inventory



[1] MCSI = Source: Metal Service Center Institute

Non-run-rate Adjustments

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[1] 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[2] to the LIFO methodology we use to manage our business

[1] LIFO = Last In First Out
[2] COGS = Cost of Goods Sold

Sales Analysis By Application - Quarterly

	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Shipments (lbs, mm)												
Aero & High Strength	56.7	60.5	58.9	60.8	61.9	62.8	58.9	59.9	63.7	60.0	55.5	64.0
General Engineering	62.5	58.4	54.2	48.3	60.4	59.4	55.8	55.8	63.1	64.6	62.7	59.4
Automotive Extrusions	19.5	20.2	19.6	19.2	22.1	24.4	24.3	22.7	24.5	23.7	22.6	22.1
Other Applications [1]	13.1	12.6	11.6	12.7	13.5	13.2	11.5	8.8	8.0	6.7	7.4	6.2
Total	151.8	151.7	144.3	141.0	157.9	159.8	150.5	147.2	159.3	155.0	148.2	151.7
Value Added Revenue [2] ($mm)												
Aero & High Strength	$ 106.4	$ 110.2	$ 106.6	$ 107.0	$ 111.2	$ 115.0	$ 113.3	$ 109.6	$ 122.6	$ 116.8	$ 108.6	$ 118.9
General Engineering	50.1	47.6	43.2	41.0	51.6	50.7	50.1	47.6	53.3	54.1	53.0	50.8
Automotive Extrusions	21.9	24.3	22.6	22.1	25.7	29.0	28.4	27.4	28.6	29.3	27.6	26.3
Other Applications	7.2	7.5	7.4	7.4	8.7	8.7	7.5	5.4	6.1	5.7	6.2	5.1
Total	$ 185.6	$ 189.6	$ 179.8	$ 177.5	$ 197.2	$ 203.4	$ 199.3	$ 190.0	$ 210.7	$ 205.9	$ 195.4	$ 201.0
Value Added Revenue ($/lb.)												
Aero & High Strength	$ 1.87	$ 1.82	$ 1.81	$ 1.76	$ 1.80	$ 1.83	$ 1.92	$ 1.83	$ 1.92	$ 1.95	$ 1.96	$ 1.86
General Engineering	0.80	0.81	0.80	0.85	0.85	0.85	0.90	0.85	0.84	0.84	0.85	0.86
Automotive Extrusions	1.13	1.20	1.15	1.15	1.16	1.19	1.17	1.21	1.17	1.24	1.22	1.19
Other Applications	0.55	0.60	0.64	0.58	0.64	0.66	0.65	0.61	0.76	0.85	0.84	0.82
Overall [3]	$ 1.22	$ 1.25	$ 1.25	$ 1.26	$ 1.25	$ 1.27	$ 1.32	$ 1.29	$ 1.32	$ 1.33	$ 1.32	$ 1.32

[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
Totals may not sum due to rounding

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Sales Analysis By Application - Annual

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Shipments (lbs, mm)					
Aero & High Strength	223.9	224.3	236.9	243.5	243.2
General Engineering	232.7	222.5	223.4	231.4	249.9
Automotive Extrusions	62.8	64.1	78.5	93.5	92.9
Other Applications [1]	66.5	52.8	50.0	47.0	28.3
Total	585.9	563.7	588.8	615.4	614.3
Value Added Revenue [2] ($mm)					
Aero & High Strength	$ 450.5	$ 449.2	$ 430.2	$ 449.1	$ 466.9
General Engineering	192.0	186.1	181.9	200.0	211.2
Automotive Extrusions	59.0	66.3	90.9	110.5	111.8
Other Applications	34.7	32.0	29.5	30.3	23.1
Total	$ 736.2	$ 733.6	$ 732.5	$ 789.9	$ 813.0
Value Added Revenue ($/lb.)					
Aero & High Strength	$ 2.01	$ 2.00	$ 1.82	$ 1.84	$ 1.92
General Engineering	0.83	0.84	0.81	0.86	0.85
Automotive Extrusions	0.94	1.03	1.16	1.18	1.20
Other Applications	0.52	0.61	0.59	0.64	0.82
Overall [3]	$ 1.26	$ 1.30	$ 1.24	$ 1.28	$ 1.32

[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
Totals may not sum due to rounding

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Reconciliation of Reported Net Income to Adjusted EBITDA

(in $ millions)	Quarterly											
	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
Consolidated - Reported Net Income (Loss)	$15.8	$24.5	$15.9	$15.6	($292.2)	$20.2	$22.1	$13.3	$26.3	$26.0	$14.9	$24.5
Interest Expense	(8.8)	(9.2)	(9.7)	(9.8)	(9.8)	(5.2)	(4.9)	(4.2)	(3.7)	(5.5)	(5.5)	(5.6)
Other Income (Expense)	1.9	1.8	2.2	0.8	0.4	0.4	(0.9)	(1.7)	0.3	(10.7)	—	0.1
Income Tax (Provision) Benefit	(9.4)	(14.5)	(9.2)	(2.2)	175.8	(12.0)	(12.6)	(16.0)	(15.1)	(15.7)	(9.4)	(15.3)
Consolidated - Reported Operating Income (Loss)	$32.1	$46.4	$32.6	$26.8	($458.6)	$37.0	$40.5	$35.2	$44.8	$57.9	$29.8	$45.3
Operating NRR[1] items:												
Mark-to-Market Gains (Losses)	2.0	1.5	(3.5)	(10.4)	(4.5)	(1.5)	(1.7)	4.3	4.0	10.9	2.0	1.8
Consolidated LIFO to Plant LIFO Adjustment	(4.6)	0.5	(1.4)	1.5	1.3	(2.8)	2.6	5.9	(0.2)	2.1	(4.1)	1.6
Lower of Cost or Market Inventory Write-Down	—	—	—	—	—	—	—	(2.6)	(4.9)	—	—	—
Workers' Compensation Discount Rate Effect	0.2	0.1	(0.1)	(0.2)	(0.1)	—	(0.1)	—	—	0.1	(0.1)	0.3
Impairment Losses	—	(0.2)	(1.3)	—	—	—	—	(0.1)	—	(0.1)	(2.7)	—
Legacy Environmental	(0.2)	(0.1)	—	(0.5)	(0.4)	(0.8)	0.4	(0.5)	—	—	—	(0.1)
VEBA Net Periodic Benefit Income (Cost)	5.6	6.1	6.0	6.0	(0.6)	(0.6)	(0.6)	(0.6)	(0.8)	(0.9)	(0.8)	(0.9)
(Loss) Gain on Removal of Union VEBA Net Assets[2]	—	—	—	—	(492.2)	(1.6)	2.9	(2.5)	0.1	—	—	—
Total Operating NRR Items	3.0	7.9	(0.3)	(3.6)	(496.5)	(7.3)	3.5	3.9	(1.8)	12.1	(5.7)	2.7
Consolidated Operating Income before operating NRR	29.1	38.5	32.9	30.4	37.9	44.3	37.0	31.3	46.6	45.8	35.5	42.6
Depreciation & Amortization - Consolidated	7.4	7.7	8.0	8.0	8.0	8.1	8.1	8.2	8.7	9.0	9.0	9.3
Consolidated - Adjusted EBITDA	$36.5	$46.2	$40.9	$38.5	$45.9	$52.4	$45.1	$39.5	$55.3	$54.8	$44.5	$51.9

[1] NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax
[2] Includes effect of terminating the defined benefit accounting for the Union VEBA, and related accrual adjustments
Totals may not sum due to rounding

KAISER ALUMINUM

Reconciliation of Reported Net Income to Adjusted EBITDA

(in $ millions)	Annual				
	2012	2013	2014	2015	2016
Consolidated - Reported Net Income (Loss)	$85.8	$104.8	$71.8	($236.6)	$91.7
Interest Expense	(29.1)	(35.7)	(37.5)	(24.1)	(20.3)
Other Income (Expense)	2.8	5.6	6.7	(1.8)	(10.3)
Income Tax (Provision) Benefit	(53.8)	(38.4)	(35.3)	135.2	(55.5)
Consolidated - Reported Operating Income (Loss)	$165.9	$173.3	$137.9	($345.9)	$177.8
Operating NRR[1] items:					
Mark-to-Market Gains (Losses)	15.2	0.7	(10.4)	(3.4)	18.7
Consolidated LIFO to Plant LIFO Adjustment	(2.3)	7.4	(4.0)	7.0	(0.6)
Lower of Cost or Market Inventory Write-Down	—	—	—	(2.6)	(4.9)
Workers' Compensation Discount Rate Effect	(0.2)	1.3	—	(0.2)	0.3
Impairment Losses	(4.4)	—	(1.5)	(0.1)	(2.8)
Legacy Environmental	(1.3)	(4.5)	(0.8)	(1.3)	(0.1)
VEBA Net Periodic Benefit Income (Cost)	11.9	22.5	23.7	(2.4)	(3.4)
Loss on Removal of Union VEBA Net Assets[2]	—	—	—	(493.4)	0.1
Total Operating NRR Items	18.9	27.4	7.0	(496.4)	7.3
Consolidated Operating Income before operating NRR	147.0	145.9	130.9	150.5	170.5
Depreciation & Amortization - Consolidated	26.5	28.1	31.1	32.4	36.0
Consolidated - Adjusted EBITDA	$173.5	$174.0	$162.0	$182.9	$206.5

[1] NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax
[2] Includes effect of terminating the defined benefit accounting for the Union VEBA, and related accrual adjustments
Totals may not sum due to rounding

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Adjusted Net Income and EPS

(in $ millions except EPS)	Quarterly											
	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16
GAAP Net Income (Loss)	$ 15.8	$ 24.5	$ 15.9	$ 15.6	$(292.2)	$ 20.2	$ 22.1	$ 13.3	$ 26.3	$ 26.0	$ 14.9	$ 24.5
Operating NRR[1] Items	(3.0)	(7.9)	0.3	3.6	496.5	7.3	(3.5)	(3.9)	1.8	(12.1)	5.7	(2.7)
Non-Operating NRR Items[2]	(0.9)	(0.5)	(2.2)	-	-	-	-	-	-	-	-	-
Tax impact of above NRR items	1.4	3.2	0.6	(1.3)	(184.5)	(2.6)	1.5	(0.4)	(0.6)	4.6	(2.1)	1.0
NRR tax (benefit) charge	-	-	-	(2.4)	(1.5)	(1.8)	(0.7)	1.8	-	-	-	-
Adjusted Net Income	$ 13.3	$ 19.3	$ 14.6	$ 15.5	$ 18.3	$ 23.1	$ 19.4	$ 10.8	$ 27.5	$ 18.5	$ 18.5	$ 22.8
GAAP earnings (losses) per diluted share[3]	$ 0.85	$ 1.33	$ 0.85	$ 0.85	$(16.85)	$ 1.11	$ 1.21	$ 0.73	$ 1.44	$ 1.43	$ 0.82	$ 1.37
Adjusted earnings per diluted share[3]	$ 0.72	$ 1.05	$ 0.79	$ 0.85	$ 1.01	$ 1.27	$ 1.07	$ 0.60	$ 1.51	$ 1.02	$ 1.02	$ 1.27

[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
[3] Diluted shares for EPS calculated using treasury method
Totals may not sum due to rounding

KAISER ALUMINUM

Adjusted Net Income and EPS

(in $ millions except EPS)	Annual				
	2012	2013	2014	2015	2016
GAAP Net Income (Loss)	$ 85.8	$ 104.8	$ 71.8	$ (236.6)	$ 91.7
Operating NRR[1] Items	(18.9)	(27.4)	(7.0)	496.4	(7.3)
Non-Operating NRR Items[2]	(0.8)	(3.8)	(3.6)	—	—
Tax impact of above NRR items	7.5	11.8	4.0	(186.0)	2.7
NRR tax benefit	—	(15.1)	(2.4)	(2.2)	—
Adjusted Net Income	$ 73.6	$ 70.3	$ 62.8	$ 71.6	$ 87.1
GAAP earnings (losses) per diluted share[3]	$ 4.45	$ 5.44	$ 3.86	$ (13.76)	$ 5.09
Adjusted earnings per diluted share[3]	$ 3.82	$ 3.65	$ 3.38	$ 3.95	$ 4.83

[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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