



***KAISER***  
***ALUMINUM***

**FOURTH QUARTER 2022**

**EARNINGS CONFERENCE CALL**

February 23, 2023



# 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, countermeasures to address operational and supply chain challenges and the execution of those strategies, (ii) the successful integration of the acquired operations and technologies, and (iii) the impact of extraordinary external events, 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 conversion 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.

# 2022 HIGHLIGHTS

**KEITH A. HARVEY**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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# FULL YEAR & 4Q 2022 HIGHLIGHTS

## FULL YEAR 2022 HIGHLIGHTS

### SUPPLY CHAIN DISRUPTIONS & INFLATION IMPACTED RESULTS

- Headwinds: passing through higher commodity and input costs, compression in market driven scrap discounts in 2H 2022
- Incremental costs of ~\$73 M due to inventory imbalance, unrecovered alloy costs, unusual freight and Trentwood outage-related costs

### FOCUSED ON MARGIN IMPROVEMENT EFFORTS

- Ongoing effort to improve efficiencies as operations stabilize
- Began implementing commercial actions to improve margins

### FURTHERED ROLL COAT EXPANSION PROJECT

- Expected to convert ~25% of current output to higher margin coated products and improve capacity, quality and sustainability

### REFINED WARRICK STRATEGY

- Investing to support growth in Packaging

### MAINTAINED COMMITMENT TO SAFETY

- Achieved strong safety performance in 2022 despite historically high turnover rates

## 4Q 2022 HIGHLIGHTS

### SUPPLY CHAIN DISRUPTION IMPACT & INFLATION PERSISTED

- Continued headwinds in passing through higher commodity and input costs
- Compression in market driven scrap discounts
- Incremental costs of ~\$19 M due to inventory imbalance and unrecovered alloy costs

### END MARKET DEMAND REMAINED SOLID

- Commercial aerospace continued to strengthen; demand for defense and business jet applications remained strong
- Packaging remained solid; some destocking by beverage customers
- General engineering volume declined primarily due to destocking for extruded rod & bar products
- Automotive remained stable due to ongoing semiconductor and other industry supply chain issues

### RESUMED TRENTWOOD OPERATIONS FOLLOWING PLANNED OUTAGE

- Well-positioned to service recovery in aerospace and continued demand for general engineering (plate)

# WARRICK PRIORITY LIST

## REFINED STRATEGY TO ENHANCE LONGER-TERM GROWTH PROSPECTS

### NEAR-TERM

-  EMBEDDED SEVERAL SEASONED KAISER LEADERSHIP MEMBERS AT WARRICK
-  RE-NEGOTIATING CONTRACTS WITH KEY CUSTOMERS TO HELP MITIGATE INFLATIONARY COSTS
-  DIVERSIFIED SUPPLY BASE TO ELIMINATE RELIANCE ON SINGLE SUPPLIER OR REGION
-  NORMALIZING INVENTORY POST FORCE MAJEURE

### LONGER-TERM

-  CONTRACT RE-NEGOTIATIONS WITH KEY CUSTOMERS
-  ROLL COAT 4 INVESTMENT STRATEGY TO DRIVE GROWTH – MID-TO-LATE 2024
-  PHYSICAL SEPARATION FROM ALCOA SMELTER/POWER PLANT – EARLY 2024
-  UTILIZE MORE RECYCLED MATERIAL TO ENHANCE PROFITABILITY AND SUSTAINABILITY GOALS

# FULL YEAR & 4Q 2022 HIGHLIGHTS

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# 2022 FINANCIAL RECAP

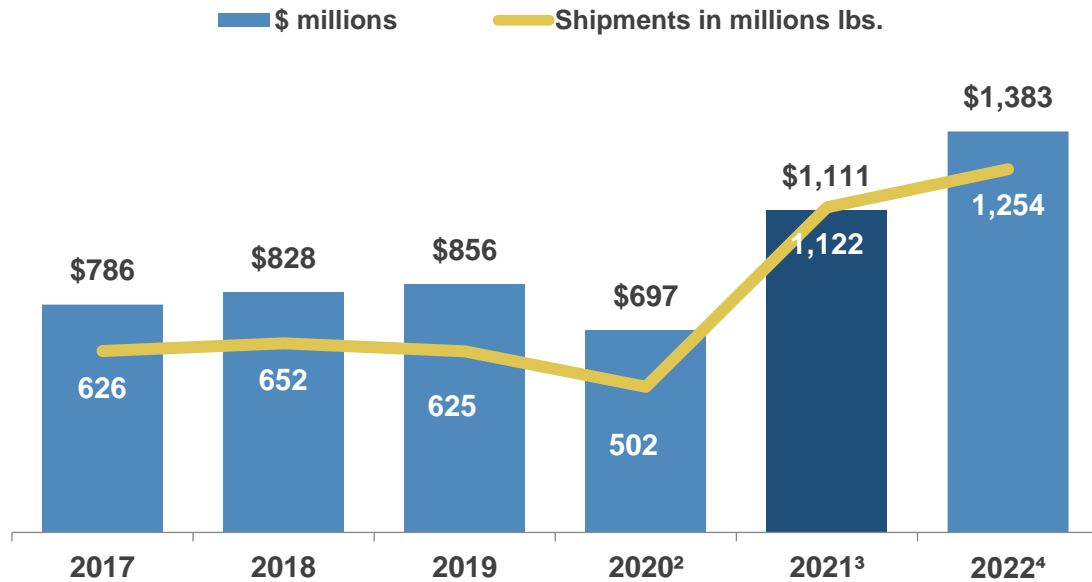
**NEAL E. WEST**

EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER

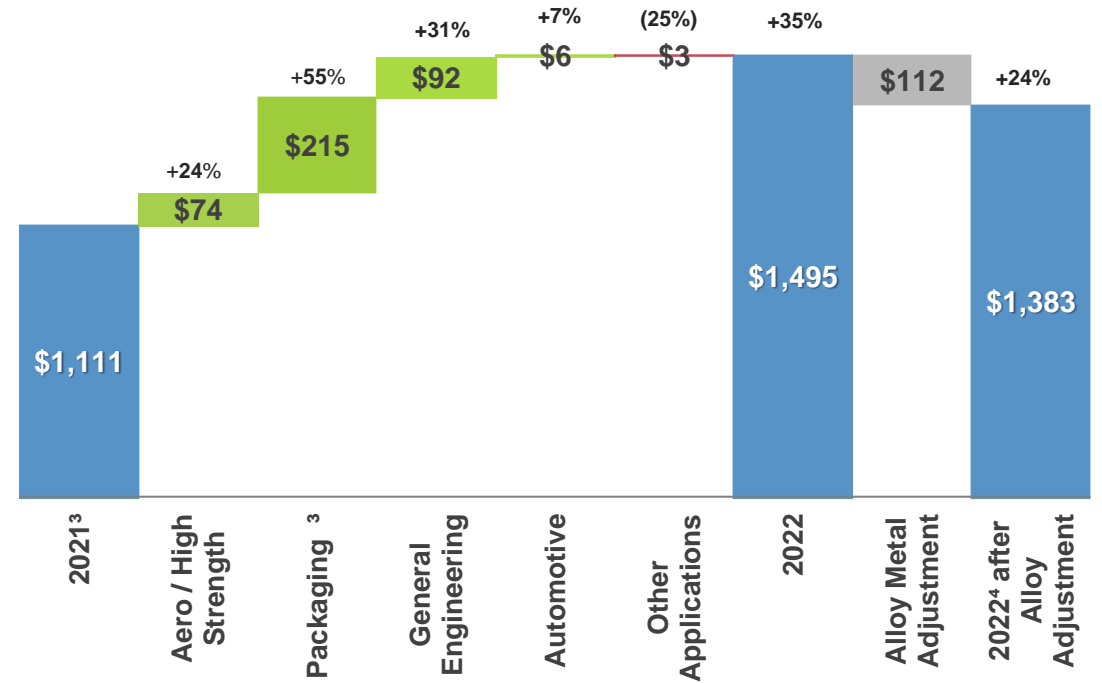
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# CONVERSION REVENUE

## ANNUAL CONVERSION REVENUE<sup>1</sup>



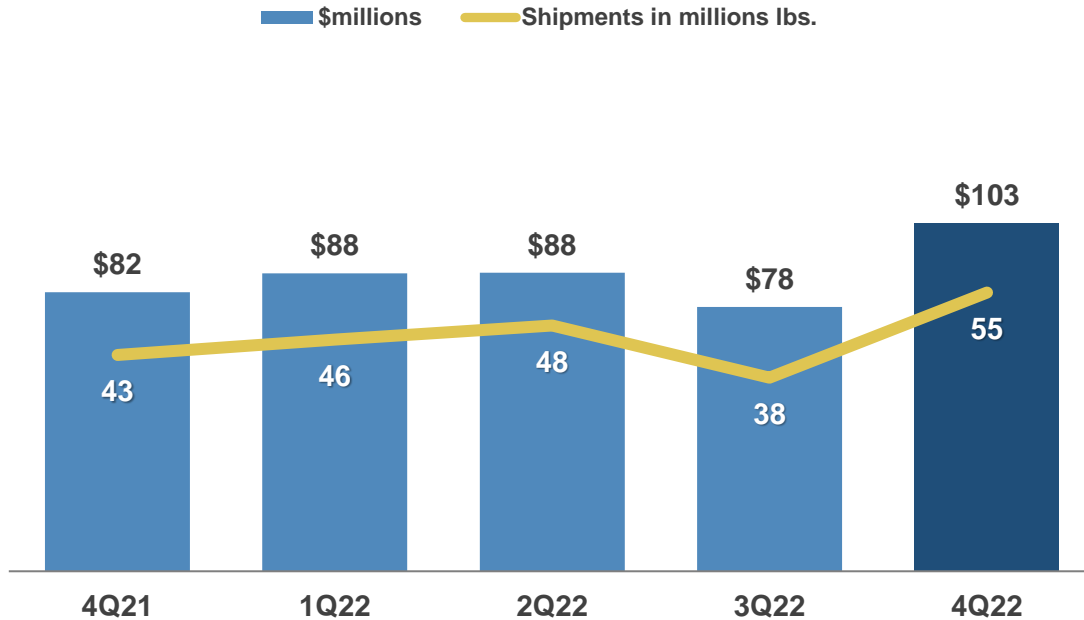
## 2021 TO 2022 CONVERSION REVENUE<sup>1</sup> WALK



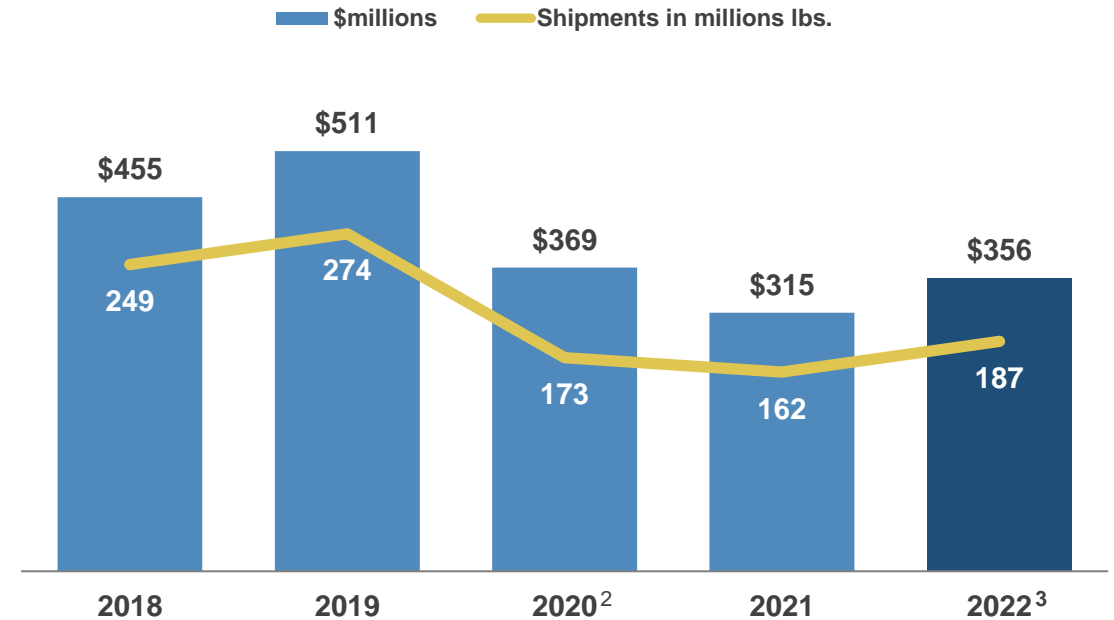
**DEMAND CONTINUES TO RECOVER; LONG-TERM FUNDAMENTALS REMAIN INTACT**

# AEROSPACE/HIGH STRENGTH

## QUARTERLY CONVERSION REVENUE<sup>1</sup>



## ANNUAL CONVERSION REVENUE<sup>1</sup>



**COMMERCIAL AEROSPACE RECOVERY CONTINUES; DEMAND FOR BUSINESS JETS & DEFENSE REMAINS STRONG**

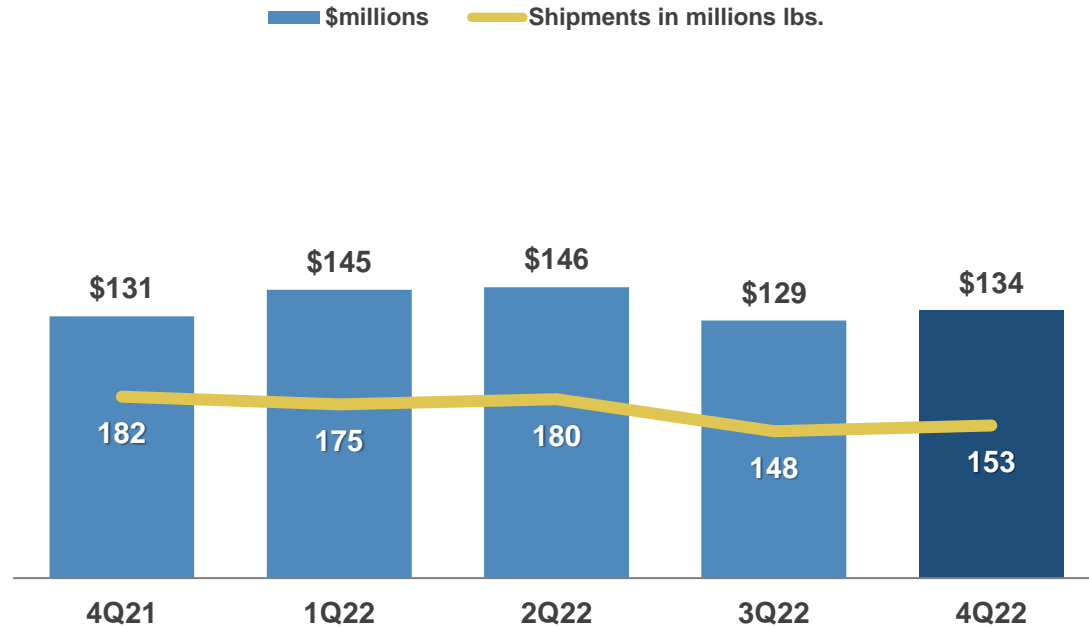
<sup>1</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; refer to slides 28, 29, 30 and 31

<sup>2</sup> 3Q20 Conversion Revenue inclusive of ~\$15 million related to modifications to 2020 customer declarations

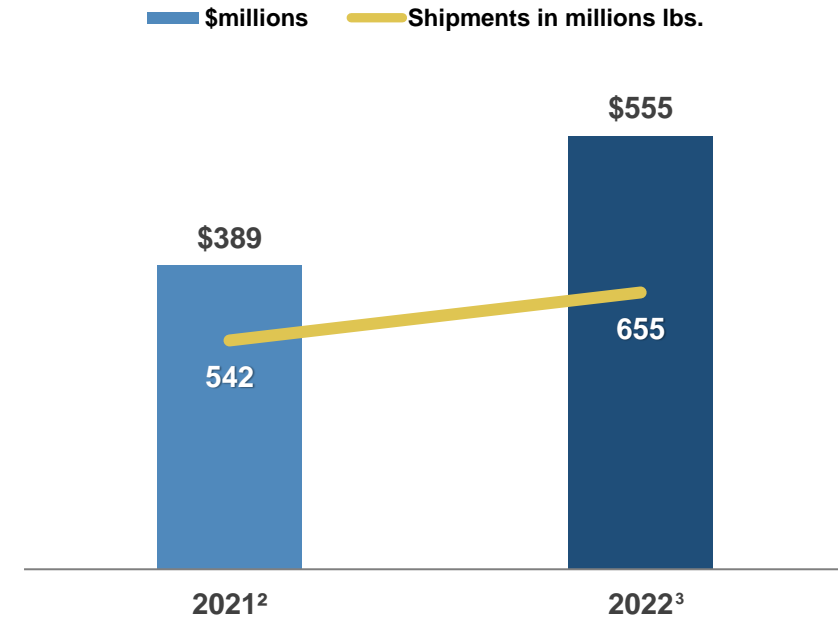
<sup>3</sup> Includes \$32 million adjustment for full alloyed metal pass-through

# PACKAGING

## QUARTERLY CONVERSION REVENUE<sup>1</sup>



## ANNUAL CONVERSION REVENUE<sup>1</sup>



**NORMALIZING OPERATIONS FOLLOWING SUPPLY CHAIN DISRUPTIONS**

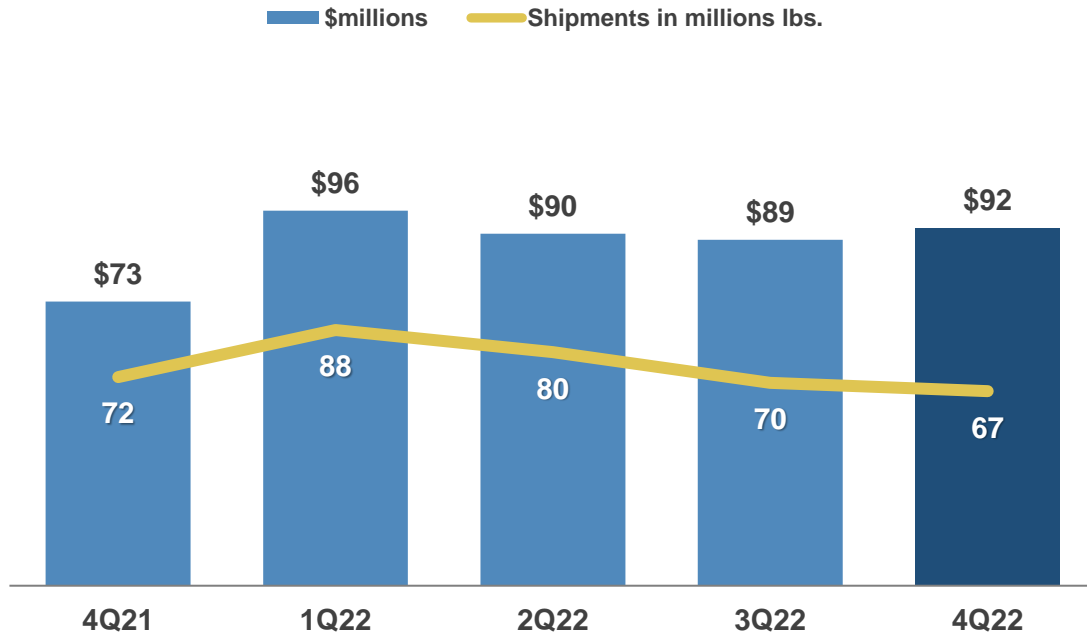
<sup>1</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; refer to slides 28, 29, 30 and 31

<sup>2</sup> Kaiser Warrick was acquired on March 31, 2021

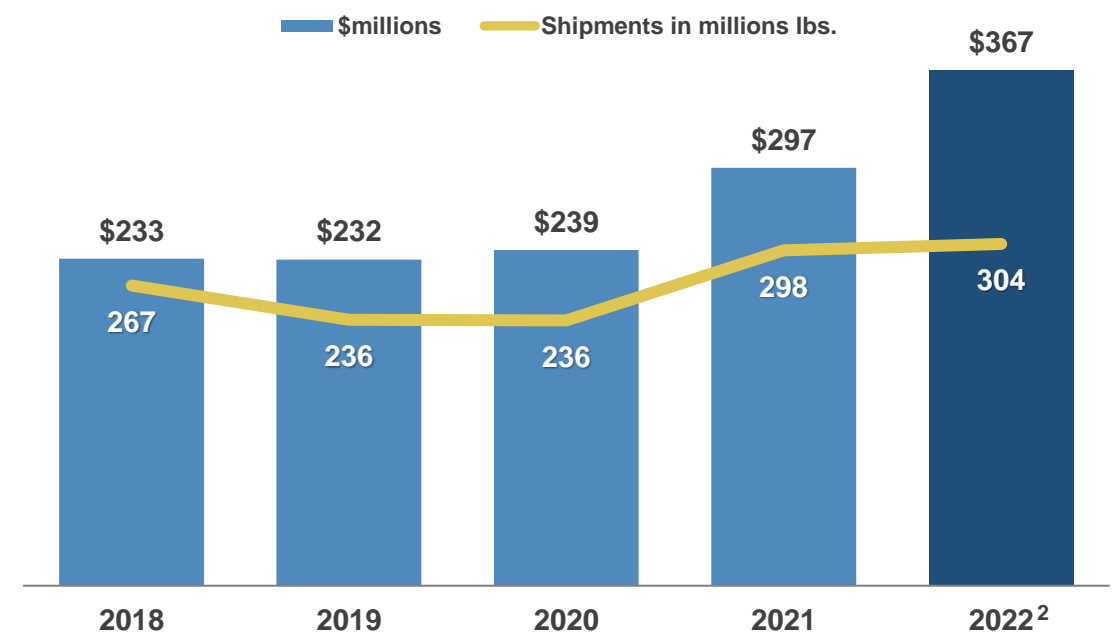
<sup>3</sup> Includes \$49 million adjustment for full alloyed metal pass-through

# GENERAL ENGINEERING

## QUARTERLY CONVERSION REVENUE<sup>1</sup>



## ANNUAL CONVERSION REVENUE<sup>1</sup>



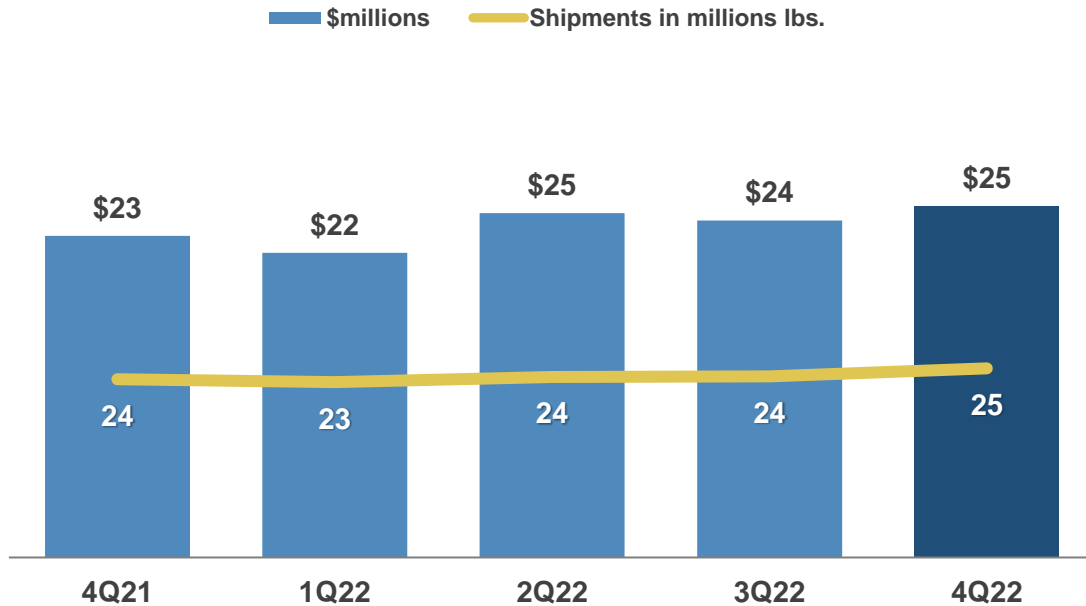
**SOLID DEMAND IN 2022; DESTOCKING FOR EXTRUDED PRODUCTS IN 4Q 2022**

<sup>1</sup> Conversion Revenue in \$ millions = Net Sales less hedged cost of alloyed metal; refer to slides 28, 29, 30 and 31

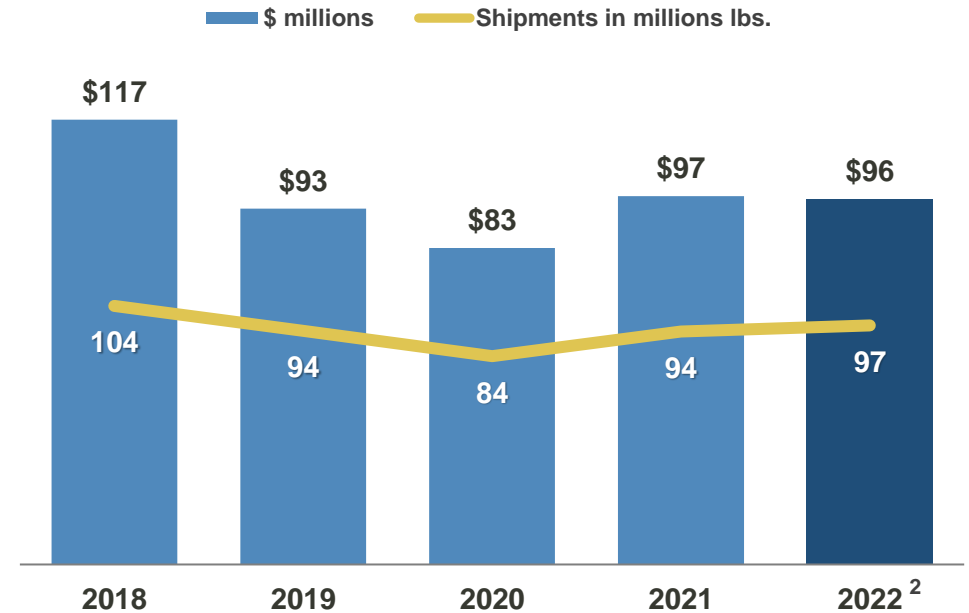
<sup>2</sup> Includes \$22 million adjustment for full alloyed metal pass-through

# AUTOMOTIVE EXTRUSIONS

QUARTERLY CONVERSION REVENUE<sup>1</sup>



ANNUAL CONVERSION REVENUE<sup>1</sup>



**DEMAND REMAINS STABLE AMID PERSISTENT INDUSTRY SUPPLY CHAIN ISSUES**

<sup>1</sup> Conversion Revenue in \$ millions = Net Sales less hedged cost of alloyed metal; refer to slides 28, 29, 30 and 31

<sup>2</sup> Includes \$7 million adjustment for full alloyed metal pass-through

# CONSOLIDATED FINANCIAL HIGHLIGHTS

	Quarterly				Full Year		
	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
<i>(in \$millions except Shipments &amp; EPS)</i>							
Shipments <i>(in millions of lbs.)</i>	333	335	335	282	302	1,122	1,254
Net Sales	\$806	\$949	\$954	\$749	\$776	\$2,622	\$3,428
Conversion Revenue <sup>1</sup>	\$316	\$354	\$351	\$322	\$356	\$1,111	\$1,383
<b><u>As Reported:</u></b>							
Operating Income (Loss)	\$17	\$25	(\$2)	\$3	(\$22)	\$64	\$4
Net Income (Loss)	\$2	\$8	(\$14)	\$3	(\$26)	(\$19)	(\$30)
EPS <sup>2</sup>	\$ 0.11	\$ 0.51	\$ (0.87)	\$ 0.16	\$ (1.66)	\$ (1.17)	(\$1.86)
<b><u>Adjusted:</u></b>							
Operating Income	\$22	\$25	\$4	\$3	\$3	\$93	\$35
EBITDA <sup>3</sup>	\$49	\$52	\$31	\$29	\$30	\$185	\$142
EBITDA margin <sup>4</sup>	15.5%	14.8%	8.9%	8.9%	8.4%	16.6%	10.3%
Net Income (Loss) <sup>5</sup>	\$5	\$9	(\$8)	\$5	(\$7)	\$33	(\$2)
EPS <sup>6</sup>	\$0.33	\$0.53	(\$0.51)	\$0.29	(\$0.45)	\$2.03	\$ (0.14)

<sup>1</sup> Conversion Revenue= Net sales less hedged cost of alloyed metal; refer to slides 28, 29, 30 and 31

<sup>2</sup> As Reported EPS = Reported Net Income (Loss) Per diluted Share; refer to slides 32 and 33

<sup>3</sup> Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 34 and 35

<sup>4</sup> EBITDA margin = Adjusted EBITDA as a percent of Conversion Revenue

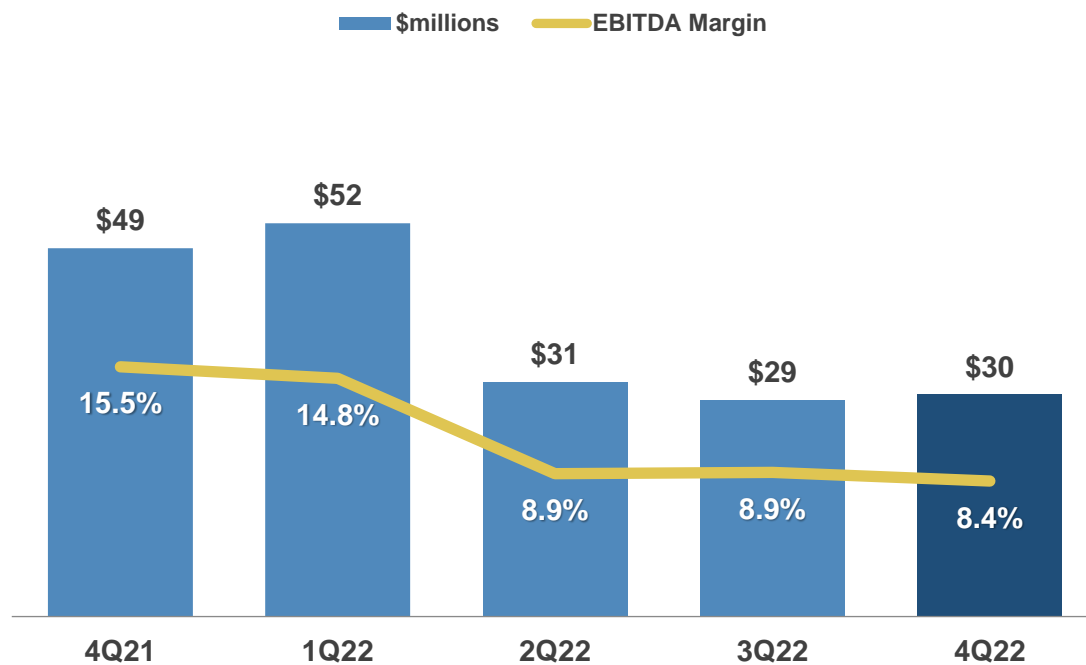
<sup>5</sup> Adjusted Net Income = Reported Net Income (Loss) excluding non-run-rate items; refer to slides 32 and 33

<sup>6</sup> Adjusted EPS = Net Income (Loss) Per diluted Share excluding non-run-rate items; refer to slides 32 and 33

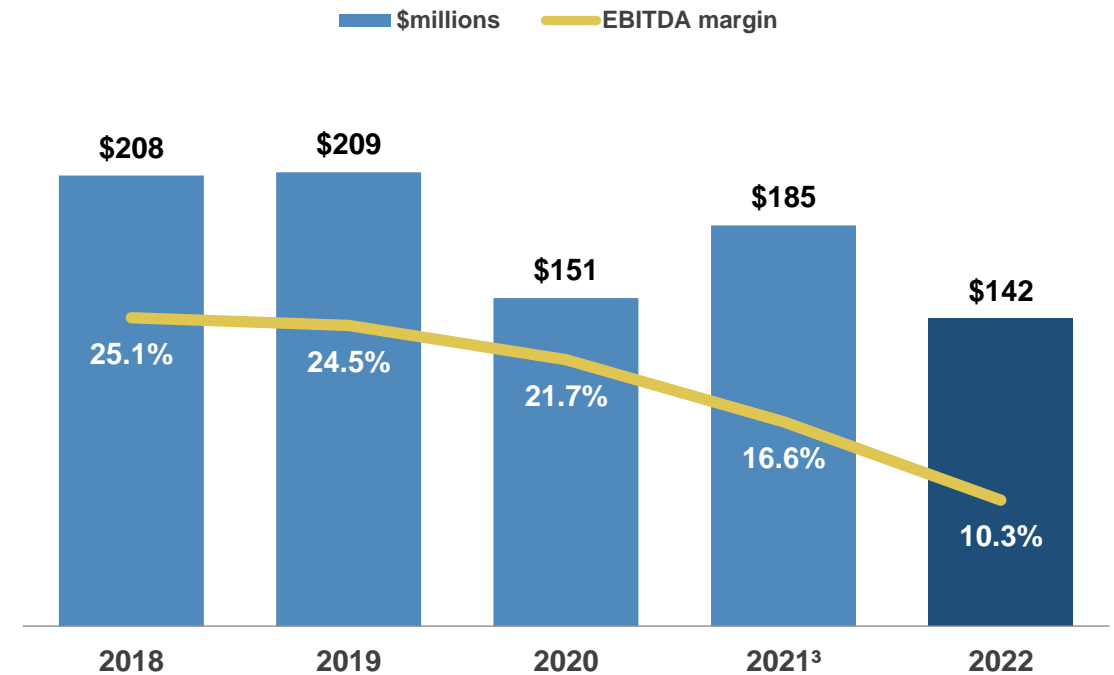
Totals may not sum due to rounding

# ADJUSTED EBITDA AND EBITDA MARGIN

QUARTERLY ADJUSTED EBITDA<sup>1</sup> AND EBITDA MARGIN<sup>2</sup>



ANNUAL ADJUSTED EBITDA<sup>1</sup> AND EBITDA MARGIN<sup>2</sup>



<sup>1</sup> Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slides 34 and 35

<sup>2</sup> EBITDA margin = Adjusted EBITDA as a percent of Conversion Revenue

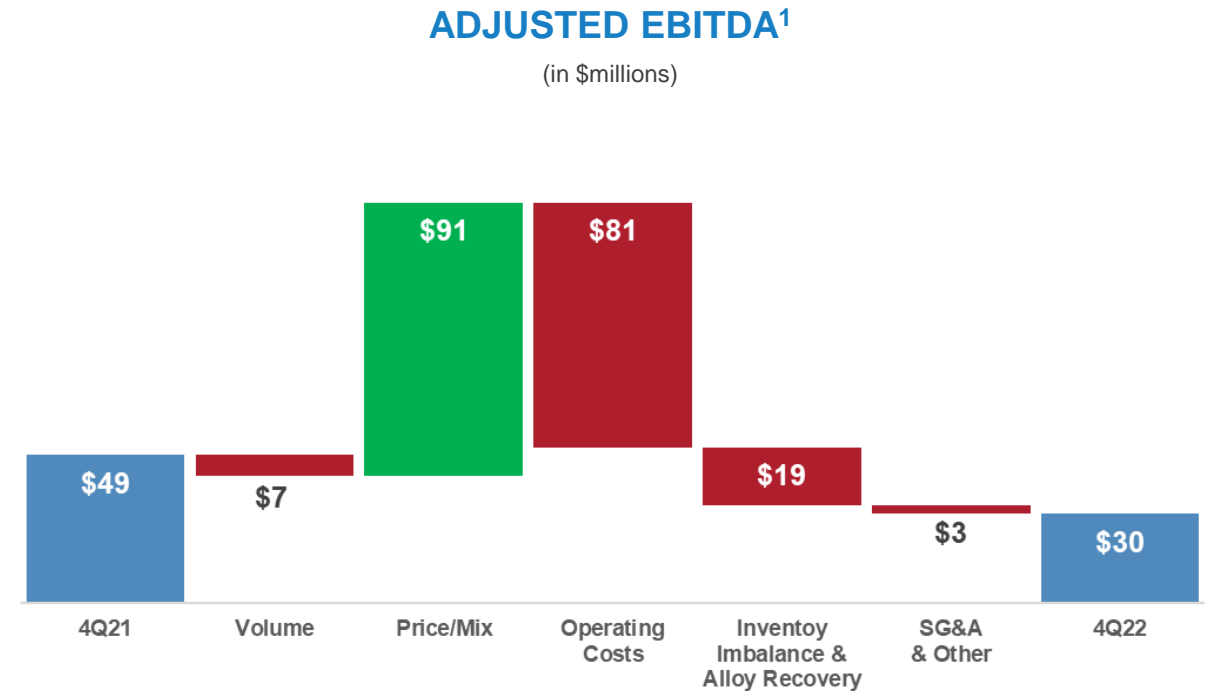
<sup>3</sup> Kaiser Warrick was acquired on March 31, 2021



# 4Q21 TO 4Q22 ADJUSTED EBITDA<sup>1</sup> WALK

## KEY PERFORMANCE DRIVERS:

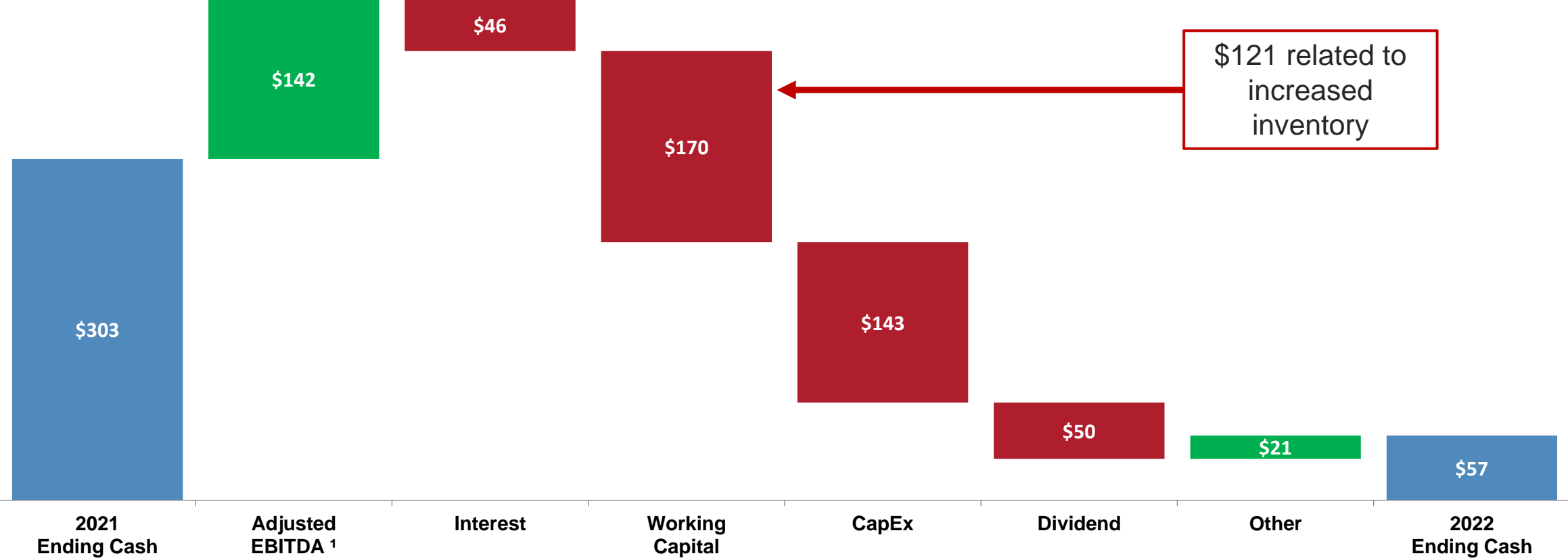
- (+) Improved pricing and mix
- (-) Higher inflationary costs (including labor, energy, employee-related costs and operating supplies)
- (-) Incremental costs associated with supply chain issues related to magnesium and hot metal supply in our packaging operation
- (-) Reduced packaging and extruded rod and bar products due to the force majeure at the Warrick facility and destocking, respectively



**AGGRESSIVE ACTIONS TO REDUCE COSTS, IMPROVE EFFICIENCIES AND OFFSET HIGHER INFLATION**

# 2022 SOURCES AND USES OF CASH

(in \$millions)



**WORKING CAPITAL LARGEST USE OF CASH IN 2022; LIQUIDITY REMAINS STRONG**

<sup>1</sup> Adjusted EBITDA = Consolidated Operating Income before non-run-rate plus Depreciation and Amortization; refer to slide 35

# OUTLOOK

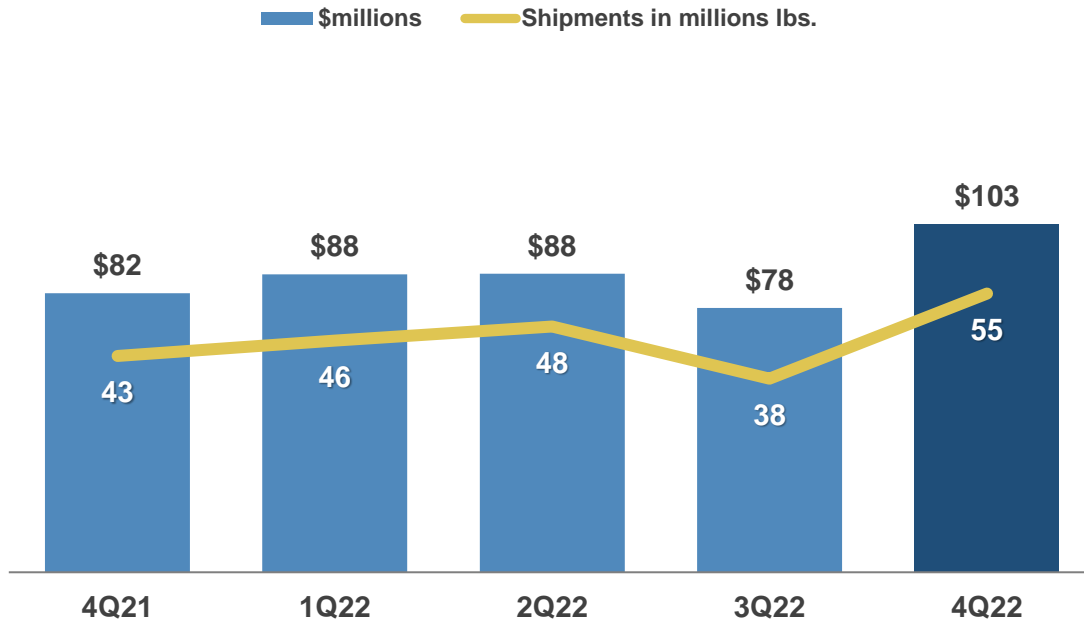
**KEITH A. HARVEY**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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# 1Q 2023 OUTLOOK – AERO/HIGH STRENGTH

## AEROSPACE / HIGH STRENGTH CONVERSION REVENUE<sup>1</sup>

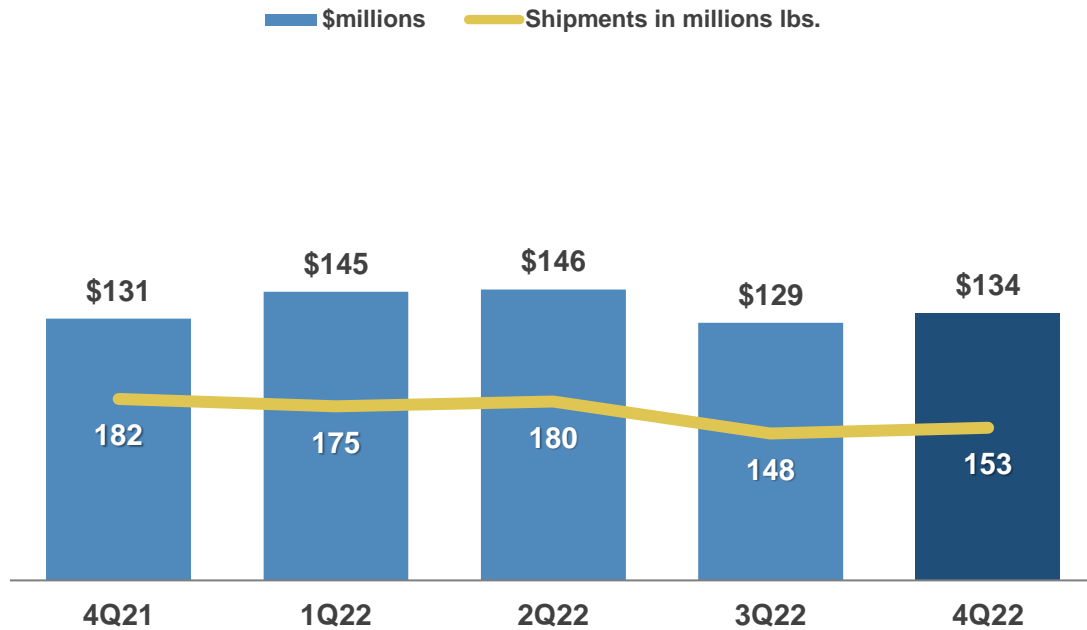


- 1Q 2023 shipments expected to increase ~5% from 4Q 2022
- 1Q 2023 conversion revenue expected to increase 5-10% from 4Q 2022
  - Expect full recovery of commercial aerospace to pre-pandemic levels by year-end 2024
  - Continued strong demand for business jet and defense applications (F35 and other legacy programs)
- Preferred strategic supplier with multi-year, contract extensions achieved with Boeing and Airbus that support long-term profitable growth
- Trentwood facility upgrades and competitive position support ability to service incremental demand as commercial aerospace recovery continues

**WELL POSITIONED FOR RECOVERY UNDERWAY IN COMMERCIAL AEROSPACE DEMAND**

# 1Q 2023 OUTLOOK – PACKAGING

## PACKAGING CONVERSION REVENUE<sup>1</sup>

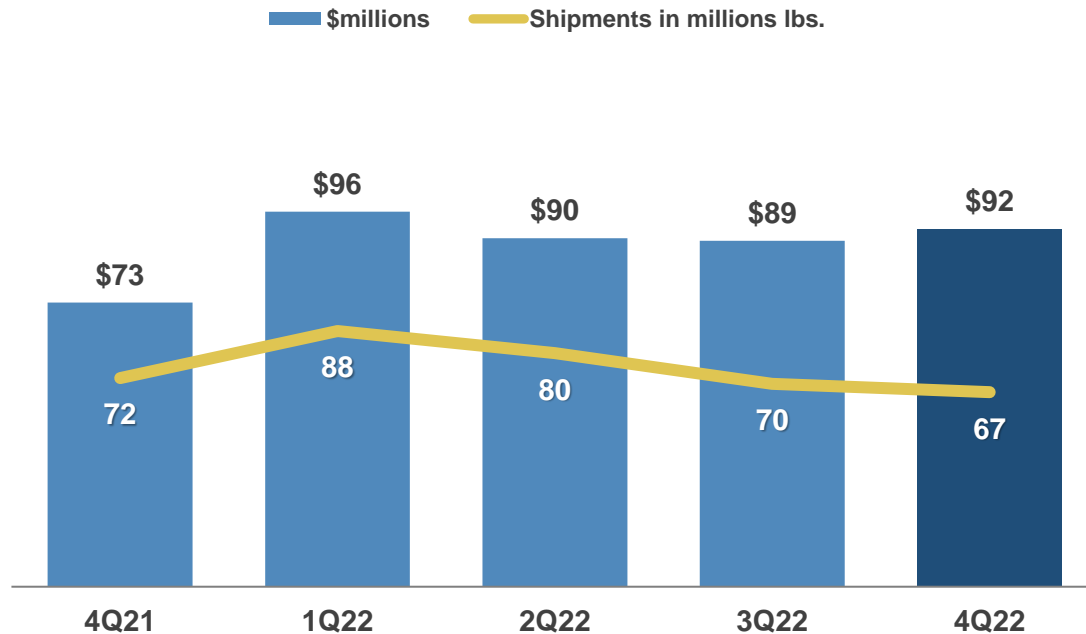


- 1Q 2023 shipments expected to increase 1-2% from 4Q 2022
- 1Q 2023 conversion revenue expected to decrease 3-4% from 4Q 2022 due to a slightly unfavorable mix
  - Anticipate a return to more normalized operations in 2023 following significant supply chain challenges in 2022
  - Lingering impacts of higher metal costs expected to continue
  - Lag in price adjustments to pass-through certain costs with 1-2 contracts expected to continue
  - Customer destocking in 1Q with orders being moved into seasonally stronger 2Q and 3Q
  - Continuing strength in end market demand for beverage and food packaging
- Investment in new roll coat line proceeding as planned, operational in 2024 to convert additional 25% of production to higher margin coated products

**STRONG MARKET POSITION AND SOLID LONG-TERM CONTRACTS SUPPORT GROWTH**

# 1Q 2023 OUTLOOK – GENERAL ENGINEERING

## GENERAL ENGINEERING CONVERSION REVENUE<sup>1</sup>

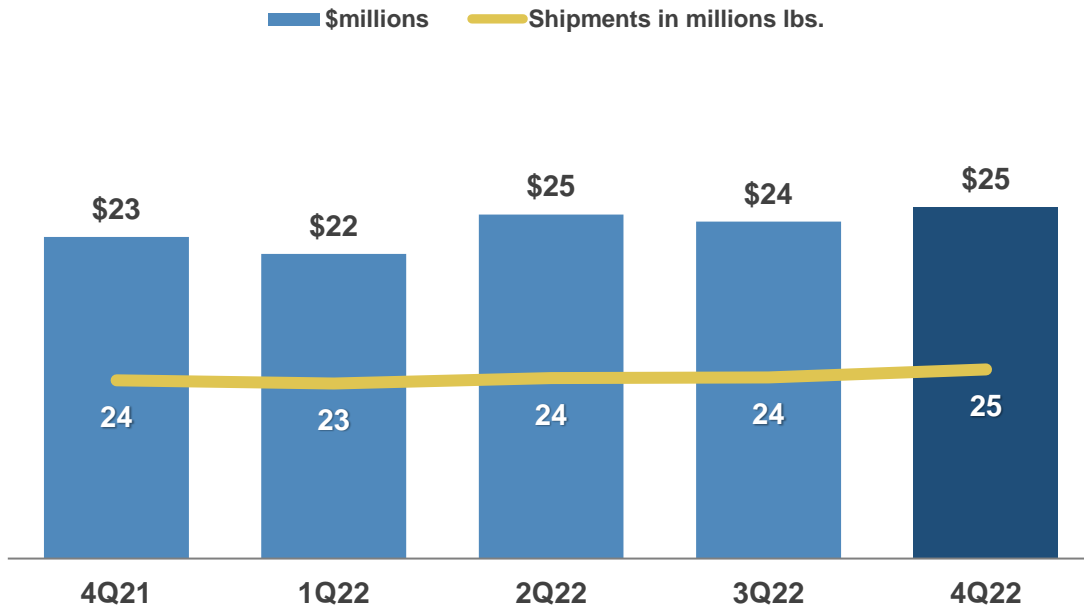


- 1Q 2023 shipments and conversion revenue expected to decrease 5-7% from 4Q 2022
  - Expect destocking to continue for extruded rod and bar products
  - Semiconductor chip export restrictions to China softened; expected to negatively impact demand for semiconductor plate
  - Pricing remains stable
- Demand expected to remain steady with potential upside longer-term from reshoring for domestic supply of semiconductors
- Continue to be well-positioned
  - Broad product offering
  - Industry leading, KaiserSelect® products
  - Long-term relationships

**LONG-TERM OUTLOOK REMAINS SOLID DESPITE NEAR-TERM DESTOCKING IMPACTS**

# 1Q 2023 OUTLOOK – AUTOMOTIVE EXTRUSIONS

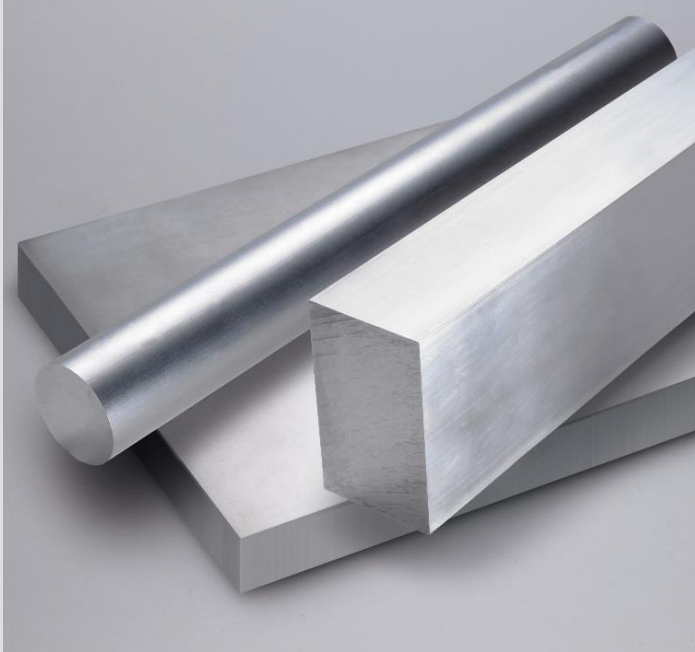
## AUTOMOTIVE EXTRUSIONS CONVERSION REVENUE<sup>1</sup>



- 1Q 2023 shipments expected to increase 3-4% from 4Q 2022
- 1Q 2023 conversion revenue expected to increase 10-15% from 4Q 2022
  - Anticipate improved pricing and pass-through costs on certain programs
  - Ongoing semiconductor chip shortages impacting N.A. production expected to continue; meaningful recovery not expected until mid-to late 2023
- Continued strength in demand for automotive applications
  - 2023 N.A. build rates expected to increase to 15.1 M units from 14.3 M units in 2022<sup>2</sup>
  - Model design and consumer preference for larger vehicles and increasing shift to electric vehicles continues to drive aluminum content growth

**DEMAND SLOWLY RECOVERING DUE TO IMPROVING INDUSTRY SUPPLY CHAIN ISSUES**

# 1Q 2023 SUMMARY OUTLOOK



- Remain well positioned to benefit from positive demand trends in our served end markets
- Adjusted EBITDA<sup>1</sup> and margin<sup>2</sup> expected to improve throughout 2023
  - Expect full year 2022 Adjusted EBITDA<sup>1</sup> to be the trough
  - 1Q 2023 EBITDA margin<sup>2</sup> expected to improve approximately 200 basis points compared to 4Q 2022
- Cost reduction initiatives, efficiency improvements and continued commercial actions to mitigate ongoing inflationary cost pressures
- Continued strong inflationary conditions, macroeconomic uncertainty and recessionary concerns remain

**OPERATIONAL EXECUTION TO DRIVE IMPROVED 2023 PERFORMANCE**



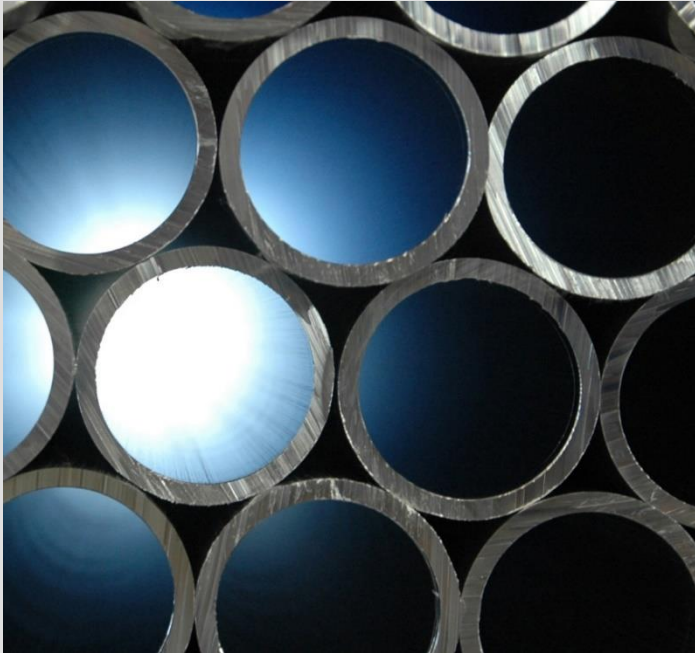
# CLOSING REMARKS

**KEITH A. HARVEY**

PRESIDENT AND CHIEF EXECUTIVE OFFICER

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# SUMMARY



- Strong diversified portfolio - secular demand growth for aerospace, packaging, and automotive, solid market dynamics in general engineering applications
- Solid market position - strong customer relationships and multi-year contracts with strategic partners support long-term profitable growth
- Aggressively addressing ongoing inflationary cost challenges
- Financial strength and operational flexibility to manage a potential downturn
- Continued investment to support end market growth opportunities and enhance shareholder value
- Strategy remains intact, well-positioned to deliver over the longer-term:
  - **Conversion revenue<sup>1</sup> ~\$2 billion;**
  - **EBITDA Margin<sup>2</sup> mid-to-high 20%**

**DIVERSIFIED PORTFOLIO POSITIONED FOR LONG-TERM PROFITABLE GROWTH**

The image is a composite of four industrial scenes related to aluminum processing. The top-left scene shows a worker in a hard hat and safety vest. The top-right scene shows a large aluminum roll being processed by machinery. The bottom-left scene shows a worker in a hard hat standing near a large aluminum sheet. The bottom-right scene shows a large aluminum sheet being processed by machinery with water sprays. The Kaiser Aluminum logo is overlaid on the top-left scene, and the word 'APPENDIX' is overlaid on the bottom-left scene.

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**APPENDIX**

# SALES ANALYSIS BY APPLICATION - QUARTERLY

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
<b>Shipments</b> (lbs, mm)												
Aero & High Strength Packaging	66.4	48.2	27.3	31.4	36.1	40.8	42.1	42.6	45.5	48.3	38.0	54.7
General Engineering	-	-	-	-	-	185.9	173.6	182.2	174.7	179.8	147.5	153.3
Automotive Extrusions	62.4	58.2	54.7	60.3	71.2	79.7	75.8	71.5	87.6	80.0	69.6	66.7
Other Applications <sup>1</sup>	24.3	9.5	24.7	25.6	27.2	23.6	19.6	23.6	23.3	24.0	24.1	25.1
<b>Total</b>	<b>2.5</b>	<b>2.7</b>	<b>2.2</b>	<b>2.0</b>	<b>2.4</b>	<b>6.6</b>	<b>4.1</b>	<b>13.0</b>	<b>4.3</b>	<b>3.0</b>	<b>2.7</b>	<b>2.0</b>
<b>Total</b>	<b>155.6</b>	<b>118.6</b>	<b>108.9</b>	<b>119.3</b>	<b>136.9</b>	<b>336.6</b>	<b>315.2</b>	<b>332.9</b>	<b>335.4</b>	<b>335.1</b>	<b>281.9</b>	<b>301.8</b>
<b>Conversion Revenue<sup>2</sup></b> (\$mm)												
Aero & High Strength Packaging	\$ 130.1	\$ 102.3	\$ 73.3	\$ 63.6	\$ 70.8	\$ 80.1	\$ 81.5	\$ 82.3	\$ 87.8	\$ 88.0	\$ 77.9	\$ 102.6
General Engineering	-	-	-	-	-	131.9	126.0	131.4	145.0	146.1	129.4	134.2
Automotive Extrusions	60.7	61.8	55.4	60.7	71.5	77.2	75.4	73.0	96.4	89.5	88.9	91.8
Other Applications <sup>1</sup>	24.0	9.0	24.2	25.8	27.7	24.8	21.1	23.0	21.8	24.6	24.1	25.3
<b>Total</b>	<b>1.8</b>	<b>1.5</b>	<b>1.5</b>	<b>1.4</b>	<b>1.7</b>	<b>3.9</b>	<b>1.4</b>	<b>6.5</b>	<b>2.9</b>	<b>3.2</b>	<b>1.5</b>	<b>1.7</b>
<b>Total</b>	<b>\$ 216.6</b>	<b>\$ 174.6</b>	<b>\$ 154.4</b>	<b>\$ 151.5</b>	<b>\$ 171.7</b>	<b>\$ 317.9</b>	<b>\$ 305.4</b>	<b>\$ 316.2</b>	<b>\$ 353.9</b>	<b>\$ 351.4</b>	<b>\$ 321.8</b>	<b>\$ 355.6</b>
<b>Conversion Revenue</b> (\$/lb.)												
Aero & High Strength Packaging	\$ 1.96	\$ 2.12	\$ 2.68	\$ 2.03	\$ 1.96	\$ 1.96	\$ 1.94	\$ 1.93	\$ 1.93	\$ 1.82	\$ 2.05	\$ 1.88
General Engineering	-	-	-	-	-	0.71	0.73	0.72	0.83	0.81	0.88	0.88
Automotive Extrusions	0.97	1.06	1.01	1.01	1.00	0.97	0.99	1.02	1.10	1.12	1.28	1.38
Other Applications <sup>1</sup>	0.99	0.95	0.98	1.01	1.02	1.05	1.08	0.97	0.94	1.03	1.00	1.01
<b>Overall<sup>3</sup></b>	<b>0.72</b>	<b>0.56</b>	<b>0.68</b>	<b>0.70</b>	<b>0.71</b>	<b>0.59</b>	<b>0.34</b>	<b>0.50</b>	<b>0.67</b>	<b>1.07</b>	<b>0.56</b>	<b>0.85</b>
<b>Overall<sup>3</sup></b>	<b>\$ 1.39</b>	<b>\$ 1.47</b>	<b>\$ 1.42</b>	<b>\$ 1.27</b>	<b>\$ 1.25</b>	<b>\$ 0.94</b>	<b>\$ 0.97</b>	<b>\$ 0.95</b>	<b>\$ 1.06</b>	<b>\$ 1.05</b>	<b>\$ 1.14</b>	<b>\$ 1.18</b>

<sup>1</sup> Includes custom industrial products and billet

<sup>2</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; refer to slide 30; Effective in 2022 Conversion Revenue includes adjustment for full alloyed metal pass-through

<sup>3</sup> Total Conversion Revenue / Total Shipments

Totals may not sum due to rounding

# SALES ANALYSIS BY APPLICATION - ANNUAL

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Shipments</b> (lbs, mm)					
Aero & High Strength	248.8	273.6	173.3	161.6	186.5
Packaging	-	-	-	541.7	655.3
General Engineering	266.9	236.3	235.6	298.2	303.9
Automotive Extrusions	104.4	94.3	84.1	94.0	96.5
Other Applications <sup>1</sup>	32.3	20.8	9.4	26.1	12.0
<b>Total</b>	<b>652.4</b>	<b>625.0</b>	<b>502.4</b>	<b>1,121.6</b>	<b>1,254.2</b>
<b>Conversion Revenue<sup>2</sup></b> (\$mm)					
Aero & High Strength	\$ 455.0	\$ 511.2	\$ 369.3	\$ 314.7	\$ 356.3
Packaging	-	-	-	389.3	554.7
General Engineering	232.5	232.0	238.6	297.1	366.6
Automotive Extrusions	116.7	93.3	83.0	96.6	95.8
Other Applications <sup>1</sup>	23.7	19.0	6.2	13.5	9.3
<b>Total</b>	<b>\$ 827.9</b>	<b>\$ 855.5</b>	<b>\$ 697.1</b>	<b>\$ 1,111.2</b>	<b>\$ 1,382.7</b>
<b>Conversion Revenue</b> (\$/lb.)					
Aero & High Strength	\$ 1.83	\$ 1.87	\$ 2.13	\$ 1.95	\$ 1.91
Packaging	-	-	-	0.72	0.85
General Engineering	0.87	0.98	1.01	1.00	1.21
Automotive Extrusions	1.12	0.99	0.99	1.03	0.99
Other Applications <sup>1</sup>	0.73	0.91	0.66	0.52	0.78
<b>Overall<sup>3</sup></b>	<b>\$ 1.27</b>	<b>\$ 1.37</b>	<b>\$ 1.39</b>	<b>\$ 0.99</b>	<b>\$ 1.10</b>

<sup>1</sup> Includes custom industrial products and billet

<sup>2</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; refer to slide 31; Effective in 2022 Conversion Revenue includes adjustment for full alloyed metal pass-through

<sup>3</sup> Total Conversion Revenue / Total Shipments

Totals may not sum due to rounding

# RECONCILIATION OF NET SALES TO CONVERSION REVENUE – QUARTERLY

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
<b>Net Sales</b> (\$mm)												
Aero & High Strength Packaging	\$ 196.0	\$ 144.6	\$ 100.9	\$ 96.4	\$ 111.7	\$ 133.9	\$ 142.0	\$ 146.1	\$ 176.6	\$ 175.4	\$ 140.8	\$ 183.3
General Engineering	-	-	-	-	-	358.8	367.3	393.2	448.0	450.7	341.5	345.1
Automotive Extrusions	121.7	110.8	105.1	121.2	150.4	180.9	187.1	187.7	251.2	247.7	200.3	184.6
Other Applications <sup>1</sup>	47.4	16.7	46.2	51.1	57.6	55.6	50.1	61.7	63.8	71.6	60.6	58.8
<b>Total</b>	<b>4.2</b>	<b>3.6</b>	<b>3.5</b>	<b>3.3</b>	<b>4.3</b>	<b>11.8</b>	<b>4.1</b>	<b>17.7</b>	<b>9.2</b>	<b>8.8</b>	<b>5.7</b>	<b>4.2</b>
<b>Total</b>	<b>\$ 369.3</b>	<b>\$ 275.7</b>	<b>\$ 255.7</b>	<b>\$ 272.0</b>	<b>\$ 324.0</b>	<b>\$ 741.0</b>	<b>\$ 750.6</b>	<b>\$ 806.4</b>	<b>\$ 948.8</b>	<b>\$ 954.2</b>	<b>\$ 748.9</b>	<b>\$ 776.0</b>
<b>Hedged Cost of Alloyed Metal</b> <sup>2</sup> (\$mm)												
Aero & High Strength Packaging	\$ 65.9	\$ 42.3	\$ 27.6	\$ 32.8	\$ 40.9	\$ 53.8	\$ 60.5	\$ 63.8	\$ 88.8	\$ 87.4	\$ 62.9	\$ 80.7
General Engineering	-	-	-	-	-	226.9	241.3	261.8	303.0	304.6	212.1	210.9
Automotive Extrusions	61.0	49.0	49.7	60.5	78.9	103.7	111.7	114.7	154.8	158.2	111.4	92.8
Other Applications <sup>1</sup>	23.4	7.7	22.0	25.3	29.9	30.8	29.0	38.7	42.0	47.0	36.5	33.5
<b>Total</b>	<b>2.4</b>	<b>2.1</b>	<b>2.0</b>	<b>1.9</b>	<b>2.6</b>	<b>7.9</b>	<b>2.7</b>	<b>11.2</b>	<b>6.3</b>	<b>5.6</b>	<b>4.2</b>	<b>2.5</b>
<b>Total</b>	<b>\$ 152.7</b>	<b>\$ 101.1</b>	<b>\$ 101.3</b>	<b>\$ 120.5</b>	<b>\$ 152.3</b>	<b>\$ 423.1</b>	<b>\$ 445.2</b>	<b>\$ 490.2</b>	<b>\$ 594.9</b>	<b>\$ 602.8</b>	<b>\$ 427.1</b>	<b>\$ 420.4</b>
<b>Conversion Revenue</b> <sup>3</sup> (\$mm)												
Aero & High Strength Packaging	\$ 130.1	\$ 102.3	\$ 73.3	\$ 63.6	\$ 70.8	\$ 80.1	\$ 81.5	\$ 82.3	\$ 87.8	\$ 88.0	\$ 77.9	\$ 102.6
General Engineering	-	-	-	-	-	131.9	126.0	131.4	145.0	146.1	129.4	134.2
Automotive Extrusions	60.7	61.8	55.4	60.7	71.5	77.2	75.4	73.0	96.4	89.5	88.9	91.8
Other Applications <sup>1</sup>	24.0	9.0	24.2	25.8	27.7	24.8	21.1	23.0	21.8	24.6	24.1	25.3
<b>Total</b>	<b>1.8</b>	<b>1.5</b>	<b>1.5</b>	<b>1.4</b>	<b>1.7</b>	<b>3.9</b>	<b>1.4</b>	<b>6.5</b>	<b>2.9</b>	<b>3.2</b>	<b>1.5</b>	<b>1.7</b>
<b>Total</b>	<b>\$ 216.6</b>	<b>\$ 174.6</b>	<b>\$ 154.4</b>	<b>\$ 151.5</b>	<b>\$ 171.7</b>	<b>\$ 317.9</b>	<b>\$ 305.4</b>	<b>\$ 316.2</b>	<b>\$ 353.9</b>	<b>\$ 351.4</b>	<b>\$ 321.8</b>	<b>\$ 355.6</b>

<sup>1</sup> Includes custom industrial products and billet

<sup>2</sup> 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.

<sup>3</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; Effective in 2022 Conversion Revenue includes adjustment for full alloyed metal pass-through  
Totals may not sum due to rounding



# RECONCILIATION OF NET SALES TO CONVERSION REVENUE – ANNUAL

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>Net Sales</b> (\$mm)					
Aero & High Strength	\$ 739.4	\$ 803.2	\$ 537.9	\$ 533.7	\$ 676.1
Packaging	-	-	-	1,119.3	1,585.3
General Engineering	546.0	480.1	458.8	706.1	883.8
Automotive Extrusions	239.3	190.5	161.4	225.0	254.8
Other Applications <sup>1</sup>	61.2	40.3	14.6	37.9	27.9
<b>Total</b>	<b>\$ 1,585.9</b>	<b>\$ 1,514.1</b>	<b>\$ 1,172.7</b>	<b>\$ 2,622.0</b>	<b>\$ 3,427.9</b>
<b>Hedged Cost of Alloyed Metal</b> <sup>2</sup> (\$mm)					
Aero & High Strength	\$ 284.4	\$ 292.0	\$ 168.6	\$ 219.0	\$ 319.8
Packaging	-	-	-	730.0	1,030.6
General Engineering	313.5	248.1	220.2	409.0	517.2
Automotive Extrusions	122.6	97.2	78.4	128.4	159.0
Other Applications <sup>1</sup>	37.5	21.3	8.4	24.4	18.6
<b>Total</b>	<b>\$ 758.0</b>	<b>\$ 658.6</b>	<b>\$ 475.6</b>	<b>\$ 1,510.8</b>	<b>\$ 2,045.2</b>
<b>Conversion Revenue</b> <sup>3</sup> (\$mm)					
Aero & High Strength	\$ 455.0	\$ 511.2	\$ 369.3	\$ 314.7	\$ 356.3
Packaging	-	-	-	389.3	554.7
General Engineering	232.5	232.0	238.6	297.1	366.6
Automotive Extrusions	116.7	93.3	83.0	96.6	95.8
Other Applications <sup>1</sup>	23.7	19.0	6.2	13.5	9.3
<b>Overall</b>	<b>\$ 827.9</b>	<b>\$ 855.5</b>	<b>\$ 697.1</b>	<b>\$ 1,111.2</b>	<b>\$ 1,382.7</b>

<sup>1</sup> Includes custom industrial products and billet

<sup>2</sup> 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.

<sup>3</sup> Conversion Revenue = Net Sales less hedged cost of alloyed metal; Effective in 2022 Conversion Revenue includes adjustment for full alloyed metal pass-through  
Totals may not sum due to rounding

# ADJUSTED NET INCOME AND EPS - QUARTERLY

(in \$ millions except EPS)

	<u>1Q20</u>	<u>2Q20</u>	<u>3Q20</u>	<u>4Q20</u>	<u>1Q21</u>	<u>2Q21</u>	<u>3Q21</u>	<u>4Q21</u>	<u>1Q22</u>	<u>2Q22</u>	<u>3Q22</u>	<u>4Q22</u>
<b>Reported Net Income (Loss)</b>	\$ 29.1	\$ (6.6)	\$ 0.4	\$ 5.9	\$ 4.5	\$ (22.4)	\$ (2.3)	\$ 1.7	\$ 8.1	\$ (13.8)	\$ 2.5	\$ (26.4)
Operating NRR <sup>1</sup> Items <sup>2</sup>	1.3	14.0	5.1	(2.3)	10.0	7.7	6.0	5.2	(0.4)	6.1	(0.1)	25.4
Non-Operating NRR Items <sup>3</sup>	1.2	1.2	1.1	1.2	0.6	36.4	0.5	0.6	0.9	0.9	1.0	0.9
Tax impact of above NRR items	(0.7)	(4.8)	(1.4)	1.3	(2.6)	(16.4)	5.3	(2.2)	(0.1)	(1.4)	1.3	(7.1)
<b>Adjusted Net Income (Loss)</b>	\$ 30.9	\$ 3.8	\$ 5.2	\$ 6.1	\$ 12.5	\$ 5.3	\$ 9.5	\$ 5.3	\$ 8.5	\$ (8.2)	\$ 4.7	\$ (7.2)
Reported net income (loss) per diluted share <sup>4</sup>	\$ 1.81	\$ (0.41)	\$ 0.02	\$ 0.37	\$ 0.28	\$ (1.42)	\$ (0.14)	\$ 0.11	\$ 0.51	\$ (0.87)	\$ 0.16	\$ (1.66)
<b>Adjusted net income (loss) per diluted share<sup>4</sup></b>	\$ 1.93	\$ 0.24	\$ 0.33	\$ 0.38	\$ 0.78	\$ 0.33	\$ 0.59	\$ 0.33	\$ 0.53	\$ (0.51)	\$ 0.29	\$ (0.45)

<sup>1</sup> NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

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

<sup>3</sup> 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

<sup>4</sup> Diluted shares for EPS calculated using treasury stock method

Totals may not sum due to rounding. Note: All periods presented have been revised to remove the NRR item "Consolidated LIFO to Plant LIFO Adjustment"



# ADJUSTED NET INCOME AND EPS - ANNUAL

(in \$ millions except EPS)

	Annual				
	2018	2019	2020	2021	2022
<b>Reported Net Income (Loss)</b>	\$ 91.7	\$ 62.0	\$ 28.8	\$ (18.5)	\$ (29.6)
Operating NRR <sup>1</sup> Items	20.4	34.5	18.1	28.9	31.0
Non-Operating NRR Items <sup>2</sup>	6.1	26.9	4.7	38.1	3.7
Tax impact of above NRR items	(6.5)	(15.0)	(5.6)	(15.9)	(7.3)
<b>Adjusted Net Income (Loss)</b>	\$ 111.7	\$ 108.4	\$ 46.0	\$ 32.6	\$ (2.2)
Reported net income (loss) per diluted share <sup>3</sup>	\$ 5.43	\$ 3.83	\$ 1.81	\$ (1.17)	(1.86)
<b>Adjusted net income (loss) per diluted share<sup>3</sup></b>	\$ 6.62	\$ 6.69	\$ 2.89	\$ 2.03	\$ (0.14)

<sup>1</sup> NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

<sup>2</sup> 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.

<sup>3</sup> Diluted shares for EPS calculated using treasury stock method

Totals may not sum due to rounding. Note: All periods presented have been revised to remove the NRR item "Consolidated LIFO to Plant LIFO Adjustment"

# RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED EBITDA - QUARTERLY

(in \$ millions)

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
<b>Consolidated - Reported Net Income (Loss)</b>	<b>\$ 29.1</b>	<b>\$ (6.6)</b>	<b>\$ 0.4</b>	<b>\$ 5.9</b>	<b>\$ 4.5</b>	<b>\$ (22.4)</b>	<b>\$ (2.3)</b>	<b>\$ 1.7</b>	<b>\$ 8.1</b>	<b>\$ (13.8)</b>	<b>\$ 2.5</b>	<b>\$ (26.4)</b>
Interest Expense	6.1	10.5	12.1	12.2	12.3	12.4	12.5	12.3	12.2	12.2	12.1	11.8
Other Expense (Income)	0.8	(0.5)	0.5	0.6	0.4	36.6	1.2	0.7	1.6	3.7	(12.7)	1.0
Income Tax Provision (Benefit)	9.6	1.3	(0.7)	(0.2)	(0.3)	(15.5)	8.4	1.9	3.3	(4.1)	1.1	(8.6)
<b>Consolidated - Reported Operating Income (Loss)</b>	<b>\$ 45.6</b>	<b>\$ 4.7</b>	<b>\$ 12.3</b>	<b>\$ 18.5</b>	<b>\$ 16.9</b>	<b>\$ 11.1</b>	<b>\$ 19.8</b>	<b>\$ 16.6</b>	<b>\$ 25.2</b>	<b>\$ (2.0)</b>	<b>\$ 3.0</b>	<b>\$ (22.2)</b>
Operating NRR <sup>1</sup> items:												
Mark-to-Market Loss (Gain) <sup>2</sup>	0.1	0.5	(1.7)	(1.5)	(0.3)	0.4	2.0	(0.7)	(1.0)	2.9	-	(0.5)
Workers' Compensation Discount Rate Effect	0.7	-	0.7	0.4	-	-	-	-	-	-	-	-
Goodwill Impairment	-	-	-	-	-	-	-	-	-	-	-	20.5
Restructuring Charges (Benefits)	-	11.9	0.5	(4.9)	(0.7)	(0.1)	-	-	-	-	-	2.2
Impairment Loss	-	-	0.5	-	-	-	-	-	-	3.2	-	-
Legacy Environmental	0.5	1.6	3.8	(0.6)	-	-	0.2	-	-	0.1	-	3.1
Acquisition Costs (Credits) <sup>3</sup>	-	-	1.3	4.2	11.0	7.4	3.8	5.8	0.6	(0.1)	(0.1)	-
VEBA Net Periodic Benefit Cost	-	-	-	0.1	-	-	-	0.1	-	-	-	0.1
<b>Total Operating NRR Items</b>	<b>1.3</b>	<b>14.0</b>	<b>5.1</b>	<b>(2.3)</b>	<b>10.0</b>	<b>7.7</b>	<b>6.0</b>	<b>5.2</b>	<b>(0.4)</b>	<b>6.1</b>	<b>(0.1)</b>	<b>25.4</b>
Consolidated Operating Income before operating NRR	46.9	18.7	17.4	16.2	26.9	18.8	25.8	21.8	24.8	4.1	2.9	3.2
Depreciation & Amortization - Consolidated	13.2	13.0	12.9	13.1	13.5	25.8	24.9	27.3	27.5	27.1	25.8	26.5
<b>Consolidated - Adjusted EBITDA</b>	<b>\$ 60.1</b>	<b>\$ 31.7</b>	<b>\$ 30.3</b>	<b>\$ 29.3</b>	<b>\$ 40.4</b>	<b>\$ 44.6</b>	<b>\$ 50.7</b>	<b>\$ 49.1</b>	<b>\$ 52.3</b>	<b>\$ 31.2</b>	<b>\$ 28.7</b>	<b>\$ 29.7</b>

<sup>1</sup> NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

<sup>2</sup> Mark-to-market loss (gain) on derivative instruments primarily includes: (i) the reversal of mark-to-market loss (gain) on hedges entered into prior to the adoption of ASU 2017-12 and settled in the period; (ii) loss (gain) on non-designated commodity hedges; and (iii) reclassifications out of Accumulated other comprehensive loss due to forecasted transactions no longer probably of occurring

<sup>3</sup> Non-run rate acquisition costs are acquisition-related transaction costs, which include professional fees, as well as non-cash hedging charges recorded in connection with our Warrick acquisition

Totals may not sum due to rounding. Note: All periods presented have been revised to remove the NRR item "Consolidated LIFO to Plant LIFO Adjustment"

# RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED EBITDA - ANNUAL

(in \$ millions)

	Annual				
	2018	2019	2020	2021	2022
<b>Consolidated - Reported Net Income (Loss)</b>	<b>\$ 91.7</b>	<b>\$ 62.0</b>	<b>\$ 28.8</b>	<b>\$ (18.5)</b>	<b>\$ (29.6)</b>
Interest Expense	22.7	24.6	40.9	49.5	48.3
Other Expense (Income)	0.9	20.7	1.4	38.9	(6.4)
Income Tax Provision (Benefit)	28.3	18.4	10.0	(5.5)	(8.3)
<b>Consolidated - Reported Operating Income</b>	<b>\$ 143.6</b>	<b>\$ 125.7</b>	<b>\$ 81.1</b>	<b>\$ 64.4</b>	<b>\$ 4.0</b>
Operating NRR <sup>1</sup> items:					
Mark-to-Market Loss <sup>2</sup> (Gain)	17.7	5.8	(2.6)	1.4	1.4
Workers' Compensation Discount Rate Effect	(0.5)	0.8	1.8	-	-
Goodwill Impairment	-	25.2	-	-	20.5
Restructuring Charge (Benefits)	-	-	7.5	(0.8)	2.2
Impairment Loss	1.4	0.9	0.5	-	3.2
Legacy Environmental	1.7	1.7	5.3	0.2	3.2
Acquisition Costs <sup>3</sup>	-	-	5.5	28.0	0.4
VEBA Net Periodic Benefit Cost	0.1	0.1	0.1	0.1	0.1
<b>Total Operating NRR Items</b>	<b>20.4</b>	<b>34.5</b>	<b>18.1</b>	<b>28.9</b>	<b>31.0</b>
Consolidated Operating Income before operating NRR	164.0	160.2	99.2	93.3	35.0
Depreciation & Amortization - Consolidated	43.9	49.1	52.2	91.5	106.9
<b>Consolidated - Adjusted EBITDA</b>	<b>\$ 207.9</b>	<b>\$ 209.3</b>	<b>\$ 151.3</b>	<b>\$ 184.8</b>	<b>\$ 141.9</b>

<sup>1</sup> NRR is an abbreviation for Non-Run-Rate; NRR items are pre-tax

<sup>2</sup> Mark-to-market loss (gain) on derivative instruments primarily includes: (i) the reversal of mark-to-market loss (gain) on hedges entered into prior to the adoption of ASU 2017-12 and settled in the period; (ii) loss (gain) on non-designated commodity hedges; and (iii) reclassifications out of Accumulated other comprehensive loss due to forecasted transactions no longer probably of occurring

<sup>3</sup> Non-run rate acquisition costs are acquisition-related transaction costs, which include professional fees, as well as non-cash hedging charges recorded in connection with our Warrick acquisition  
Totals may not sum due to rounding. Note: All periods presented have been revised to remove the NRR item "Consolidated LIFO to Plant LIFO Adjustment"

A detailed view of an industrial aluminum processing facility. The scene is dominated by large, horizontal rollers and a continuous sheet of aluminum being processed. The rollers are metallic and show signs of use. The aluminum sheet is being fed through a series of rollers, and there is a significant amount of water spray or mist being applied to the material, likely for cooling or lubrication. The background is slightly blurred, showing more of the industrial environment. The overall lighting is bright, highlighting the metallic surfaces and the dynamic nature of the process.

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