THE SAPA STORY

THE CREATION OF A GLOBAL LEADER

LEVERAGING ON VALUE PROPOSITION

DELIVERING NOK 1 BILLION SYNERGY PROGRAM

ATTRACTIVE, GROWING MARKETS
EHS, CSR, AND COMPLIANCE – INTEGRAL PARTS OF OUR BUSINESS

TOTAL RECORDABLE RATE (YTD)

2007

YTD 2015

12.8

3.4

Safety performance at industry benchmark

YTD 2015 performance

3.4
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ATTRACTIVE, GROWING MARKETS
SAPA TODAY - A TRULY GLOBAL PLAYER

With presence in more than 40 countries

With more than 100 production units

23,500 employees

46 BNOK Sales
SAPA – DEVELOPED A UNIQUE MARKET POSITION THROUGH MARKET CONSOLIDATION

**Hydro** builds its first aluminium operation in Karmøy, Norway

**1963**

Sapa opens first production facility in Vetlanda, Sweden

**1971**

Acquires plants in Europe from Alcan

**1986**

Builds first extrusion plant outside Norway

**1997**

Enters South America, Brazil

**2000**

Builds a tubing plant in Suzhou, China

**2005**

First foothold in North America

**2007**

JV between Sapa/Alcoa is created

**2009**

Indalex acquired

**2010/11**

Expansion Asia

**2013**

JV between Sapa/Hydro Extruded Products created
TODAY WE HAVE THREE MAIN LINES OF BUSINESS

EXTRUSION  BUILDING SYSTEMS  PRECISION TUBING
CLEAR MARKET LEADING POSITIONS

Sapa Europe
- 25% Extrusion

Sapa North America
- 30% Extrusion

Extrusion North America
- 28%

Extrusion Europe*
- 22%

Building Systems*
- 19%

Precision Tubing*
- 42%

* SOURCE: SAPA ANALYSIS. DEFINITIONS: SBS MARKET SHARE FOR EUROPE. EXTRUSION EUROPE MARKET SHARE INCLUDING INTERNAL SALES TO BUILDING SYSTEMS. Precision tubing weighted global market share.
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ATTRACTIVE, GROWING MARKETS
SYNERGY REALISATION AHEAD OF PLAN
- LEVERAGING BUSINESS MODEL AS ONE COMPANY

THE CREATION OF A GLOBAL LEADER

• Deep roots in aluminium
• Consolidation of market

DEDelivering ON NOK 1 BILLION SYNERGY PROGRAM

• Synergy realisation
• Position for growth

LEVERAGING ON VALUE PROPOSITION

• Leverage scale
• Expand margins
EUROPEAN RESTRUCTURING DRIVING SYNERGY PROGRAM WITH LEARNING FROM NORTH AMERICA

Restructuring Map: the locations marked with red on the map is locations that have been closed/sold.

- 9 full plant closures
- 1,450 FTE reduction
- 4* divestments

* Two divestments initiated prior to JV as result of European Commission Competition Filing.
CONTINUED IMPROVEMENT TREND – DELIVERING ON NOK 1 BILLION SYNERGY PROGRAM

UNDERLYING RESULTS (ROLLING 12 MONTHS)

- Synergy realization ahead of plan
- Approximately NOK 0.5 billion included in 2014 result
- Savings mainly from plant closures, sourcing and cost reductions
- Currency effects

*ROLLING 12 MONTHS BASED ON QUARTERLY FIGURES. Q4-13 TO Q2-14 CONTAINING PRO-FORMA FIGURES FOR Q1-Q3 2013.
STRONG MARKETS SUPPORT PERFORMANCE IN EXTRUSION AMERICAS AND PRECISION TUBING

ROLLING TWELVE MONTHS PERFORMANCE

EXTRUSION AMERICAS Q1 2015

- Sales (BNOK): 19.1
- EBITDA %: 6.1%

PRECISION TUBING Q1 2015

- Sales (BNOK): 3.9
- EBITDA %: 9.4%

SOURCE: CRU AND IHS
SLOWER RECOVERY IN EUROPE AND BUILDING & CONSTRUCTION WEIGHS ON PERFORMANCE

**EUROPE: EXTRUSION SHIPMENTS**

**EUROPE: EXTRUSION SHIPMENTS TO B&C**

**ROLLING TWELVE MONTHS PERFORMANCE**

**EXTRUSION EUROPE Q1 2015**

<table>
<thead>
<tr>
<th>Sales (BNOK)</th>
<th>EBITDA %</th>
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<tr>
<td>19.3</td>
<td>4.5%</td>
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**BUILDING SYSTEMS Q1 2015**

<table>
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<tr>
<th>Sales (BNOK)</th>
<th>EBITDA %</th>
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<tbody>
<tr>
<td>6.8</td>
<td>2.6%</td>
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</table>

SOURCE: CRU
THE SAPA STORY

THE CREATION OF A GLOBAL LEADER

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DELIVERING NOK 1 BILLION SYNERGY PROGRAM

ATTRACTIVE, GROWING MARKETS
MACRO TRENDS DRIVE DEMAND FOR ALUMINIUM

CLIMATE CHANGE
By 2030 the temperature will increase with 0.5 to 1.5 °C

DEMOGRAPHIC CHANGE
By 2050 the population will reach 9.8 billion people

URBANIZATION
By 2050 70% of the population will be living in cities
THE FUTURE OF ALUMINIUM WILL BE DRIVEN BY DEMAND FOR ITS UNIQUE PROPERTIES

- Low weight
- High strength
- Superior malleability
- Corrosion resistance

Recyclable with low energy input
YOU WILL FIND OUR PRODUCTS ALL AROUND YOU

AT HOME
Front doors
Windows
Stepladders
Designer furniture

IN YOUR OFFICE
Building construction
Windows
Partition walls
Computers

IN YOUR CAR
Selected components
Accessories
Side impact bars
Airbag deployment doors

TRAVELLING
Train carriage bodies
Handrails
Luggage racks

* PICTURE WITH COURTESY OF FORD MOTORS
BROAD END-MARKET EXPOSURE

Sapa Group
(100%)

Precision Tubing
(8%)

Extrusion
(78%)

Building Systems
(14%)

HVAC&R
1%

Automotive
15%

Industrial
18%

Transport
15%

Distribution/Other
15%

B&C
36%

11%
74%
15%
11%
22%
19%
29%
100%
LONG-TERM CORRELATION BETWEEN EXTRUSION DEMAND AND GENERAL ECONOMIC GROWTH

ALUMINIUM EXTRUSION CONSUMPTION

LEGISLATION IS KEY DRIVER FOR ALUMINIUM GROWTH IN AUTO SEGMENT

US: CAFE TARGET

EUROPEAN UNION: EMISSIONS TARGET

SOURCE: CRU, HYDRO ANALYSIS * CORPORATE AVERAGE FUEL ECONOMY (CAFE)
ALUMINIUM OFFERS DRASTIC REDUCTIONS IN SIZE, WEIGHT, AND REFRIGERANT CHARGE IN HVAC&R

- All-aluminium solutions make recycling far easier and more efficient than its copper based counterpart
- Copper is approximately 3 x the price of aluminium
- Sapa is the technology and market leader
- Estimated potential if all copper is substituted in HVAC&R is ~275 ktonnes
DRIVERS OF THE DEVELOPMENT IN BUILDING AND CONSTRUCTION

Regional legislation

- US Building Energy Use laws
- Regional/country-specific legislation

Global trends

Aluminium in buildings
THE SAPA STORY

THE CREATION OF A GLOBAL LEADER

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LEVERAGING ON VALUE PROPOSITION

ATTRACTIVE, GROWING MARKETS
LEVERAGING OUR COMPETITIVE ADVANTAGES

- We utilize scale and competence across markets
  - Global customer insights and R&D collaboration
  - Global sourcing
  - Flexible production across 100 plants

- We have strong positions in growing niche markets
  - Precision Tubing
  - Building Systems
  - Automotive and Transportation

- We offer cost-competitive solutions for high volume extrusions to larger customers
UNMATCHED GLOBAL INNOVATION AND SERVICE NETWORK

1,000 Engineers
Application Development
Sapa Technology

~150 annual customer academies and work shops
~100,000 annual customer visits

ACADEMIC PARTNERS
- Norwegian University of Science & Technology SINTEF
- University of Oxford
- Brunel University
- The Royal Institute of Technology
- Michigan Technological University
- Massachusetts Institute of Technology
Network of plants increases flexibility and reliability

More than 75% of volume serviced by more than one plant
Sapa’s largest customer globally

Five trailer manufacturing plants in the US

Signed new three year contract post JV, 100% supply to Sapa

Sapa and Utility developing new trailer alloy (HSTT, High Strength Truck Trailer).

The first new high strength aluminum alloy introduced in over 40 years
HIGH-END SOLUTIONS AND COMPLETE SERVICE OFFERING IN BUILDING SYSTEMS

CHELSEA MODERN, MANHATTAN NYC

THE CRYSTAL, LONDON UK
PARTNERING WITH TESLA ON INNOVATIVE ALUMINIUM SOLUTIONS

100% committed to aluminium

Process development, alloy development and complex extrusion & fabrication between 5 states and 3 countries
SAPA AND FORD F-150, A MULTI-PLANT DELIVERY TO THE AMERICA’S MOST SELLING VEHICLE
THE SAPA STORY

- The Creation of a Global Leader
- Leveraging on Value Proposition
- Delivering NOK 1 Billion Synergy Program
- Attractive, Growing Markets
BACK-UP
Certain statements included within this announcement contain forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management’s plans, objectives and strategies for Sapa, such as planned expansions, investments or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in Sapa’s markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by “expected”, “scheduled”, “targeted”, “planned”, “proposed”, “intended” or similar statements.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in Sapa's key markets and competition; and legislative, regulatory and political factors.

No assurance can be given that such expectations will prove to have been correct. Sapa disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
SAPA IS THE LEADER IN EXTRUDED ALUMINIUM
SAPA’S BUSINESS IS DIVERSE

**BY BUSINESS**
- Extrusion (78%)
- Building System (14%)
- Precision Tubing (8%)

**BY GEOGRAPHY**
- Europe (56%)
- North & Central America (38%)
- South America (2%)
- Asia incl ME (4%)

**BY MARKET**
- Automotive (18%)
- B&C (15%)
- Industrial (15%)
- Transportation (15%)
- HVAC&R (15%)
- Distribution/other (36%)

*2014 REVENUES BY BUSINESS LINE, GEOGRAPHY AND MARKET VERTICAL.*
### REPORTED QUARTERLY FINANCIALS

<table>
<thead>
<tr>
<th>Key figures</th>
<th>Q4 -13</th>
<th>Q1 -14</th>
<th>Q2 -14</th>
<th>Q3 -14</th>
<th>Q4 -14</th>
<th>Q1 -15</th>
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<td>Volumes</td>
<td>314</td>
<td>359</td>
<td>368</td>
<td>350</td>
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<td>Revenues</td>
<td>10 133</td>
<td>11 347</td>
<td>11 544</td>
<td>11 603</td>
<td>11 890</td>
<td>14 134</td>
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<td>Underlying EBITDA</td>
<td>- 43</td>
<td>440</td>
<td>641</td>
<td>492</td>
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<td>Underlying EBIT</td>
<td>- 339</td>
<td>155</td>
<td>350</td>
<td>201</td>
<td>- 55</td>
<td>392</td>
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<td>Reported EBIT</td>
<td>- 787</td>
<td>- 3</td>
<td>168</td>
<td>198</td>
<td>- 679</td>
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