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AUDITED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2015

AGENDA

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1. Opening remarks / market update – Richard
2. Financial results – David
3. Operational review – Richard
4. Strategy update – Richard
5. Outlook – Richard

OPENING REMARKS / MARKET UPDATE

KEY POINTS

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- Lower Rolled Products sales volume 179 000 tons (2014: 196 000 tons)
- Improved Rolled Products manufacturing performance in H2 2015
  - H1 sales 84 ktons vs. H2 95 ktons
- Improved metal supply security
  - New 4-year melting ingot supply deal with South 32 approved (approx. 95 ktons p.a.)
- Cash outflows reflect higher capital expenditure, investments and working capital
- Metal price lag charge R161 million (LME on average US$372 lower)
- Uncertain market outlook prompts caution
  - No final dividend declared

MARKET OVERVIEW – KEY TRENDS

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- LME & geographic premiums have fallen further (since mid-2015)
  - LME between US$1 450 and US$1 550 per ton since September 2015
- Major growth in Chinese exports (primary and semi-fabricated products)
  - Impact on conversion margins
- Underlying international demand stable
- Industry focusing on protecting local markets through state interventions (anti-dumping / tariff protection)
  - Momentum gaining for further anti-dumping or tariff protection in USA and EU
- Ongoing growth in demand for aluminium components from Automotive markets

MARKET OVERVIEW – KEY UNCERTAINTIES

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- Local demand uncertain
  - Automotive and transport steady at low levels
  - Packaging uncertain
- SA Import duties on aluminium products
- Long term trend in automotive consumption (SA and globally)

ALL-IN ALUMINIUM PRICE (USD/TON)

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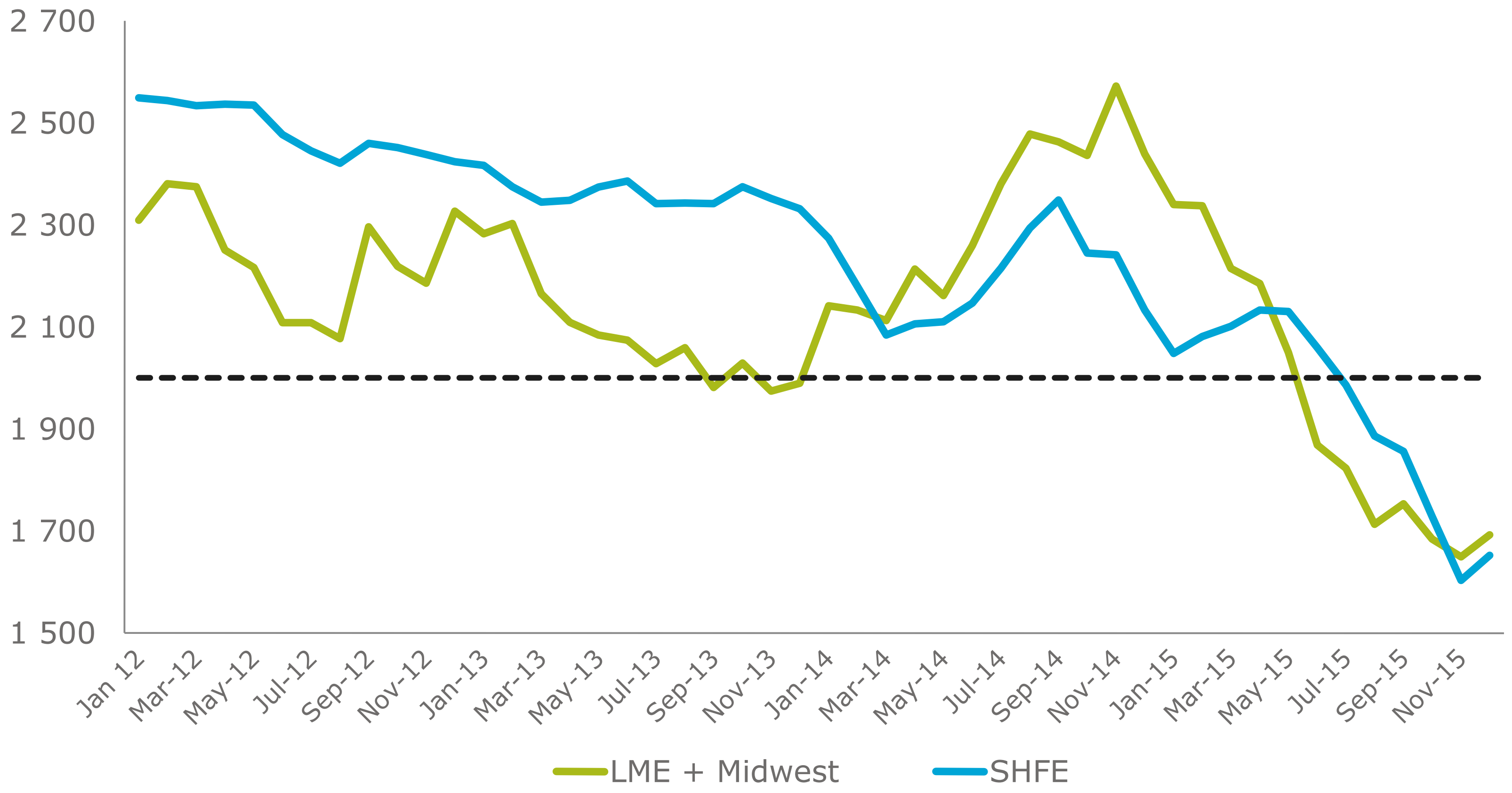

Source: Metal Bulletin

FINANCIAL RESULTS

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		2015	2014
Key parameters and activities			
Average LME	US$	**1 494**	1 866
Geographic premiums	US$	**234**	376
Average exchange rate	R / US$	**12.76**	10.85
Group sales volume	tons	**197 000**	214 000
Rolled Products sales volume	tons	**179 000**	196 000
Group turnover	Rm	**8 395**	8 038
Average rolling margins (Rolled Products)	US$	**1 395**	1 419
Profitability and asset management			
Group EBIT	Rm	**295**	585
Rolled Products EBIT excl. Isizinda	Rm	**258**	538
Rolled Products EBIT incl. Isizinda	Rm	**282**	538
Group EBITDA (excluding impairment)	Rm	**444**	660
EBITDA / turnover	%	**5.3**	8.2
ROE	%	**4.2**	9.9
HEPS	cps	**37**	112
Normalised EPS	cps	**55**	111

NORMALISED EARNINGS

	2015 Rm	2014 Rm
Earnings	164	385
(Profit) / loss on disposal and impairment of assets	7	(27)
Bargain purchase gain	(52)	-
Headline earnings	119	358
Abnormal items included in headline earnings		
Transaction costs	5	7
BEE share based costs	20	-
PRMA past service cost adjustment	5	(11)
Equity settled share based payment: Isizinda	27	-
Normalised earnings	176	354

CONDENSED INCOME STATEMENT

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	2015 Rm	2014 Rm
Revenue	**8 395**	**8 039**
Cost of sales	**(7 855)**	(7 120)
Gross profit	**540**	**919**
Selling, marketing, distribution and administrative expenses	**(494)**	(492)
Impairment reversal	**-**	43
Other gains and losses	**249**	115
Operating profit	**295**	**585**
Net interest expense	**(66)**	(46)
Profit before tax	**229**	**539**
Taxation	**(65)**	(154)
Net profit for the year	**164**	**385**
EBITDA (excluding impairment)	**444**	660
EBITDA / Sales (%)	**5**	**8.2**

METAL PRICE LAG

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Description	Total 2015	Hedge % achieved
Metal price lag gain / (loss) on sales	(292)	
LME Derivatives gain / (loss) traded to hedge	145	49.5%
Net price lag – excl. currency	(147)	
Exchange rate gain / (loss) on metal sales	284	
FEC's traded to hedge	(298)	106.1%
Net ROE gain / (loss)	(14)	
Metal price lag loss	(161)	

OPERATING PROFIT

	2015 Rm	2014 Rm	Change Rm
Operating profit	**295**	**585**	**(290)**
Impairment (reversal)	-	(43)	
Bargain purchase gain – Isizinda	(52)		
Loss on disposal of PPE	11	6	
"Headline EBIT"	**254**	**548**	**(294)**
Equity settled share based expense – Isizinda	27	-	
Transaction costs	**5**	**7**	
BEE share based costs	**20**		
PRMA past service cost adjustment	**5**	**(11)**	
"Normalised EBIT"	**311**	**544**	**(233)**
Timing mismatches: Insurance claim	50	-	
Metal price lag	161	(53)	
"Comparable EBIT"	**522**	**491**	**31**
Estimated impact of Rand weakening 18% on average (2014:12%)	**310**	**198**	

OTHER GAINS AND LOSSES

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	2015 Rm	2014 Rm
Loss on disposal of property, plant and equipment	**(11)**	(6)
Valuation adjustments on non-derivative items	**203**	46
Valuation adjustments on derivative items	**4**	75
Bargain purchase gain	**52**	-
	248	115
Valuation adjustments on non-derivative items		
Foreign exchange gains on debtors and creditors	**208**	50
Foreign currency denominated cash balances	**7**	(7)
Valuation (losses) / gains on firm commitments	**(12)**	3
	203	46
Valuation adjustments on derivative items		
FEC's: debtors and creditors	**(142)**	(16)
FEC's: forecast sales	**9**	(1)
Commodity futures	**26**	(6)
Gains / (losses) on fair value hedges	**(107)**	(23)
Forward points on FEC's	**111**	98
	4	75

GROUP EXPENSES BY NATURE

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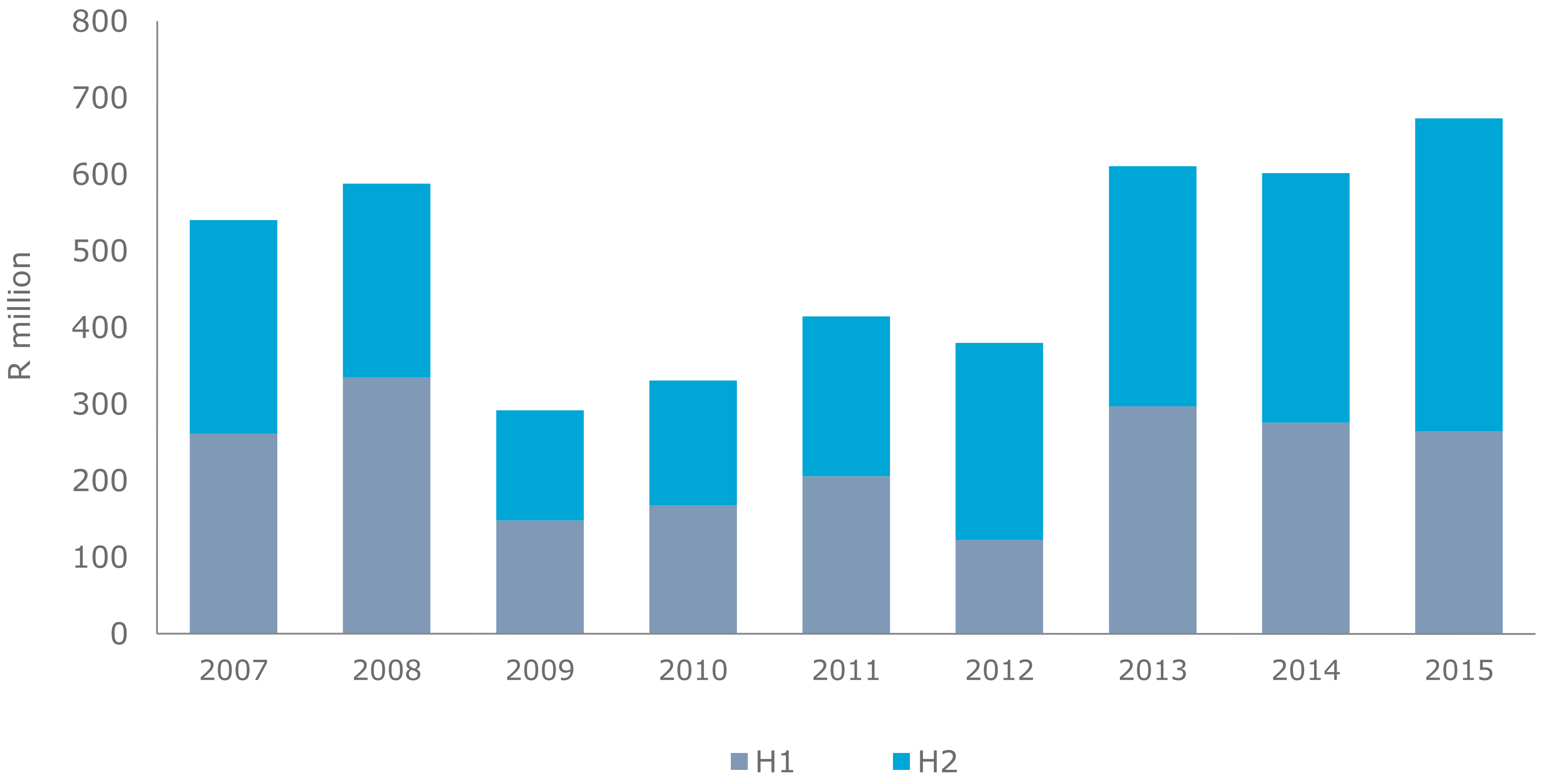
	2015 Rm	2014 Rm
Aluminium and other material costs	**5 667**	5381
Utilities and other direct manufacturing costs	**657**	637
Employment costs	**930**	776
Depreciation and amortisation	**149**	118
Repairs and maintenance	**255**	204
Freight and commissions	**309**	326
Other operating income and expenditure	**381**	170
	8 348	7 612
Classified as:		
Cost of sales	**7 855**	7120
Selling, marketing and distribution expenses	**382**	403
Administrative and other expenses	**111**	89
	8 348	7 612

COMPARABLE EBITDA BEFORE METAL PRICE LAG



SALIENT FEATURES & KEY DRIVERS

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		2015	2014
Financial, cash flow and borrowings			
Capital expenditure	Rm	**573**	335
Cash flow before financing activities	Rm	**119**	518
Net borrowings	Rm	**975**	437
Debt equity ratio	%	**25**	11
NAV per share	cps	**1 206**	1 200
Share price	cps	**538**	810

CONDENSED BALANCE SHEET

	2015 Rm	2014 Rm
Capital employed		
Equity	**3 855**	3 834
Net borrowings	**975**	437
	4 830	**4 271**
Employment of capital		
Property, plant and equipment and intangibles (incl. asset held for sale)	**3 234**	2 757
Retirement benefit asset	**143**	139
Net working capital (incl. derivatives)	**2 148**	2 009
Net deferred tax liability	**(466)**	(453)
Retirement benefit obligations	**(228)**	(236)
	4 830	**4 271**

IMPAIRMENT ASSESSMENT

- Management must test assets for impairment at every reporting period
- R2.1 billion impairment in 2013
- Share price < NAV is a deemed indicator of impairment
- Full assessment with value-in-use R420m above carrying value
- Value-in-use is DCF for each CGU anticipated future cash flows
  - Based 5 year business plan
  - Key sensitivities are WACC, rolling margins and exchange rates
- Assessment is audited

Isizinda Aluminium (Pty) Ltd acquired the Bayside casthouse 1 July 2015

Funded by Hulamin with R100 million loan to Isizinda

Assets and liabilities acquired were:

	Rm
Cash payment	**100**
Sundry receivable	10
Plant and equipment	49
Land and buildings	68
Inventory	41
Net identifiable assets acquired	168
Deferred tax on assets	(16)
Bargain purchase	(52)
	100

Deemed control i.t.o. IFRS 3 due to funding. Consolidated 100% in the Group AFS

Deemed equity settled share based payment R27m (40%) has distorted HEPS

NEW BBBEE TRANSACTION & ESOP

- CPS completed and effective 22 December 2015
- A1, A2, B1, B2, B3 Ordinary shares were issued
- IFRS 2 cost of Strategic transaction, excl. transactional fees, R20m expensed
- Duration of partnership is 8 years
- IFRS 2 cost of ESOP of R59m expensed over vesting period of 5 years
- Shares issued to ESOP Trust to be allocated to qualifying employees

DERIVATIVES NET EXPOSURE

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	2015 Rm	2014 Rm
Derivative financial instruments		
Foreign currency management – forecast sales	**(183)**	(52)
Foreign currency management – trade debtors and creditors	**(44)**	(13)
Commodity price risk – metal	**-**	38
	(227)	**(27)**
Grouped as:		
Financial assets	**8**	**44**
Financial liabilities	**(235)**	**(71)**
	(227)	**(27)**

WORKING CAPITAL

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	2015 Rm	2014 Rm	Change Rm
Inventories	**1 785**	**1 959**	**(174)**
Trade and other receivables	**1 384**	**1 038**	**346**
- Trade receivables	1 200	931	269
- Other receivables	184	107	67
Trade and other payables	**(806)**	**(965)**	**159**
- Trade payables	(564)	(780)	216
- Other payables	(242)	(185)	(57)
	2 363	**2 032**	**330**
Net derivatives /other	(215)	(23)	(192)
Net working capital	**2 148**	**2 009**	**139**

NET BORROWINGS VS CAPITAL EXPENDITURE

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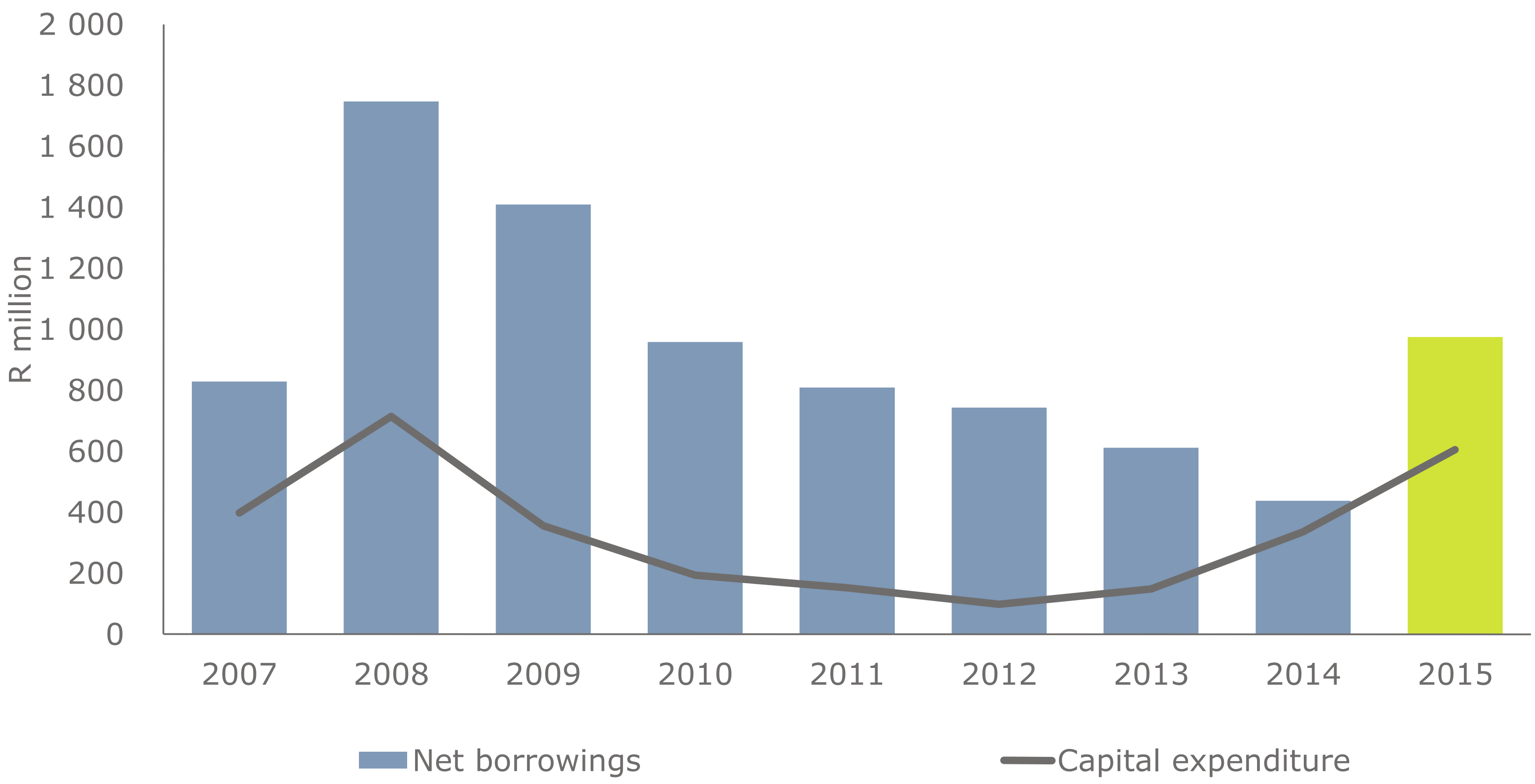

CAPITAL EXPENDITURE: 2015

	2015 Rm	2014 Rm
Rolled products		
Normal Capex	**276**	200
Projects	**185**	92
Rotating assets	**6**	19
	421	**311**
Extruded products		
Normal Capex	**8**	4
Rotating assets	**19**	17
	27	**21**
Isizinda	**100**	
Containers (Hulacon)	**1**	3
Start-up costs	**3**	-
Capitalised borrowing costs	**21**	5
Total Capex	**573**	**340**

CONDENSED CASH FLOW STATEMENT

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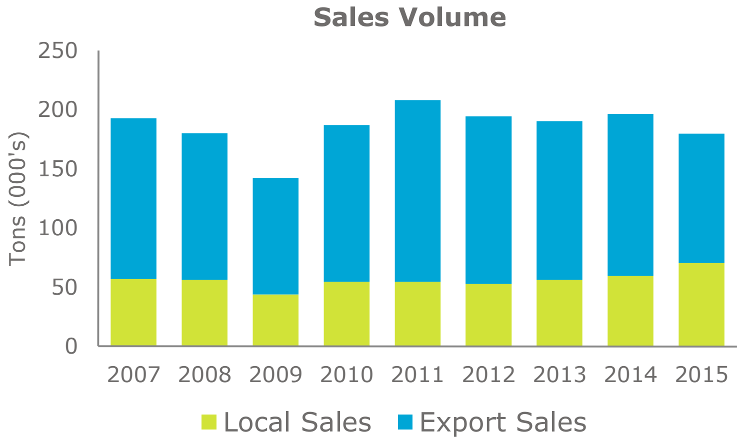
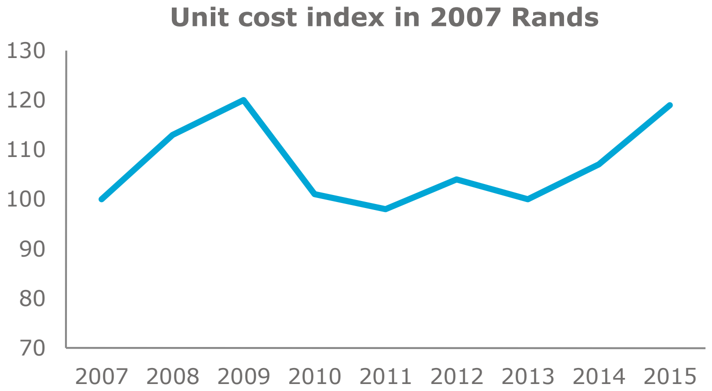
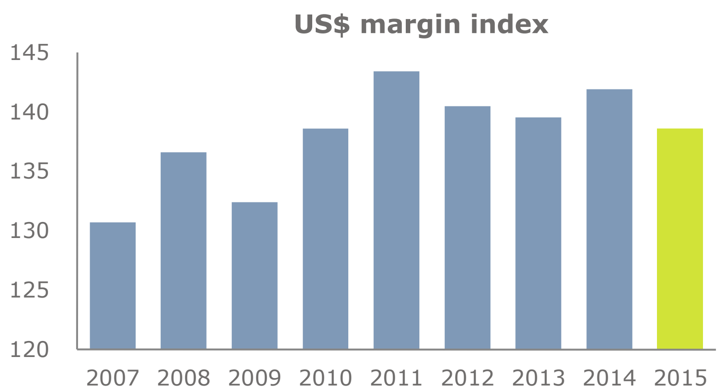
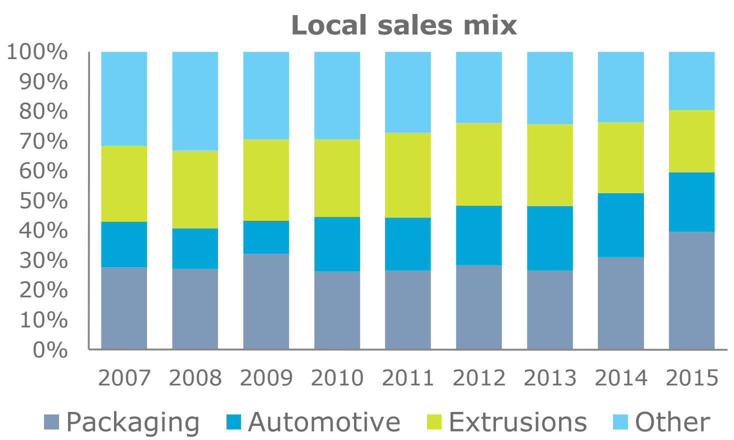
	2015 Rm	2014 Rm
Cash flows from operating activities		
Operating profit	**295**	585
Net interest paid	**(87)**	(51)
Impairment reversal	**-**	(43)
Depreciation and other non-cash items	**246**	191
Income tax payment	**(50)**	(85)
Changes in working capital	**(280)**	(79)
	119	**518**
Cash flows from investing activities		
Net Additions to property, plant and equipment and intangibles	**(543)**	(335)
	(543)	**(335)**
CASH FLOWS BEFORE FINANCING ACTIVITIES	**(419)**	**183**
Cash flows – equity transactions & other	**(119)**	(8)
NET BORROWINGS – BEGINNING OF PERIOD	**(437)**	**(612)**
NET BORROWINGS – END OF PERIOD	**(975)**	**(437)**

OPERATIONAL REVIEW


Sales Volume
250
200
150
100
50
0
Tons (000's)
2007 2008 2009 2010 2011 2012 2013 2014 2015
Local Sales
Export Sales


Unit cost index in 2007 Rands
130
120
110
100
90
80
70
2007 2008 2009 2010 2011 2012 2013 2014 2015


US$ margin index
145
140
135
130
125
120
2007 2008 2009 2010 2011 2012 2013 2014 2015


Local sales mix
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
2007 2008 2009 2010 2011 2012 2013 2014 2015
Packaging
Automotive
Extrusions
Other

QUARTERLY VOLUME PERFORMANCE – ROLLED PRODUCTS (ANNUALISED)

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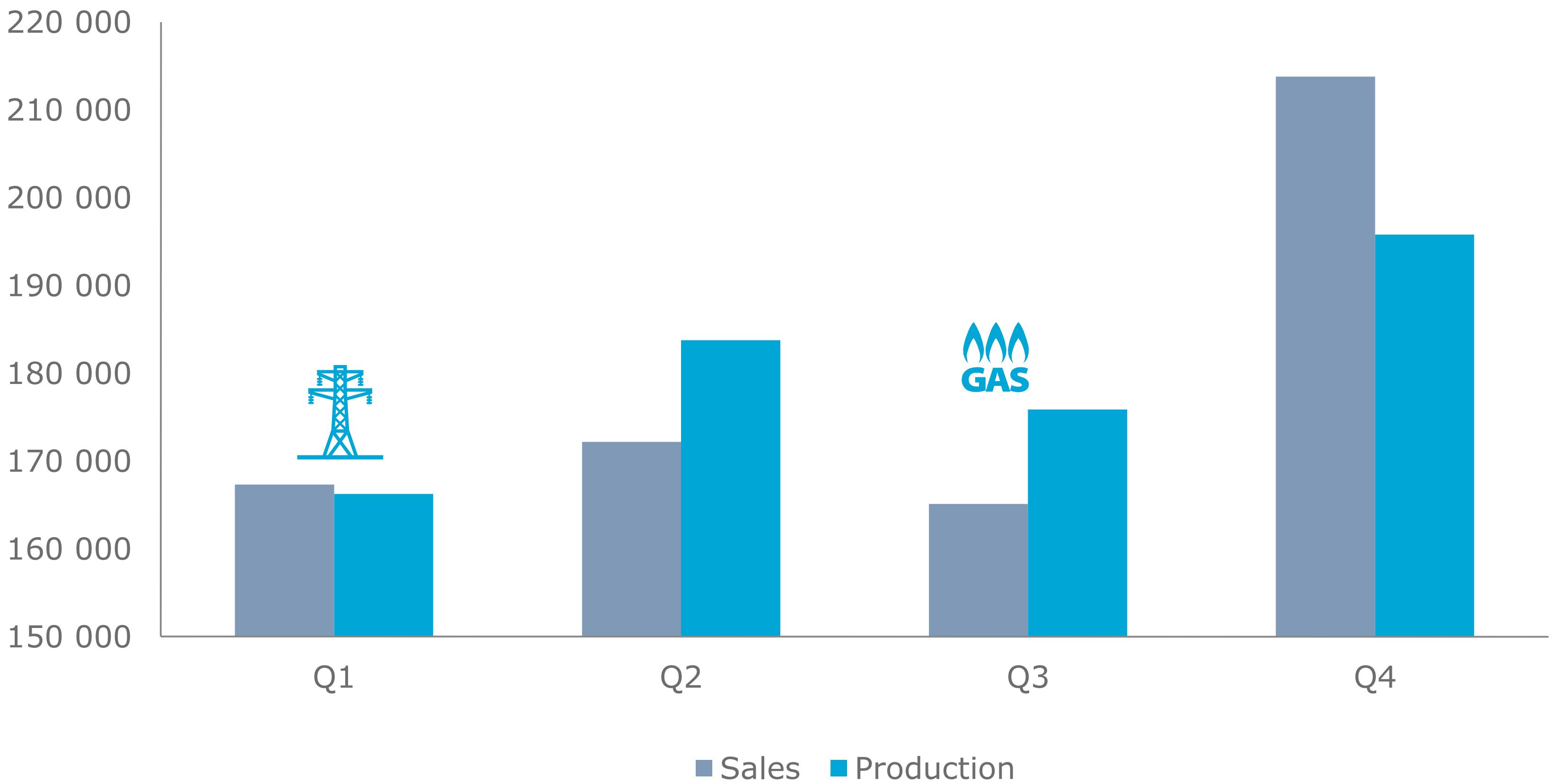

OPERATIONAL PERFORMANCE – YIELD

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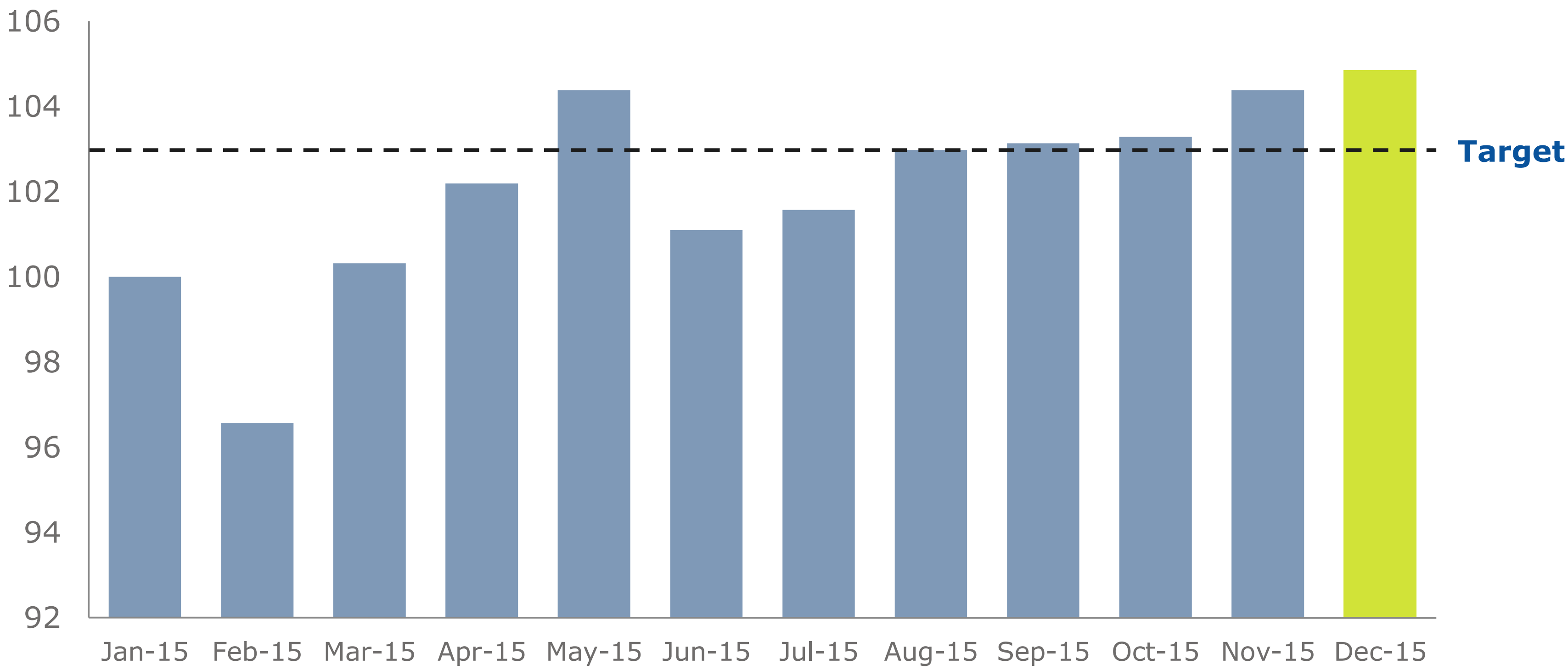
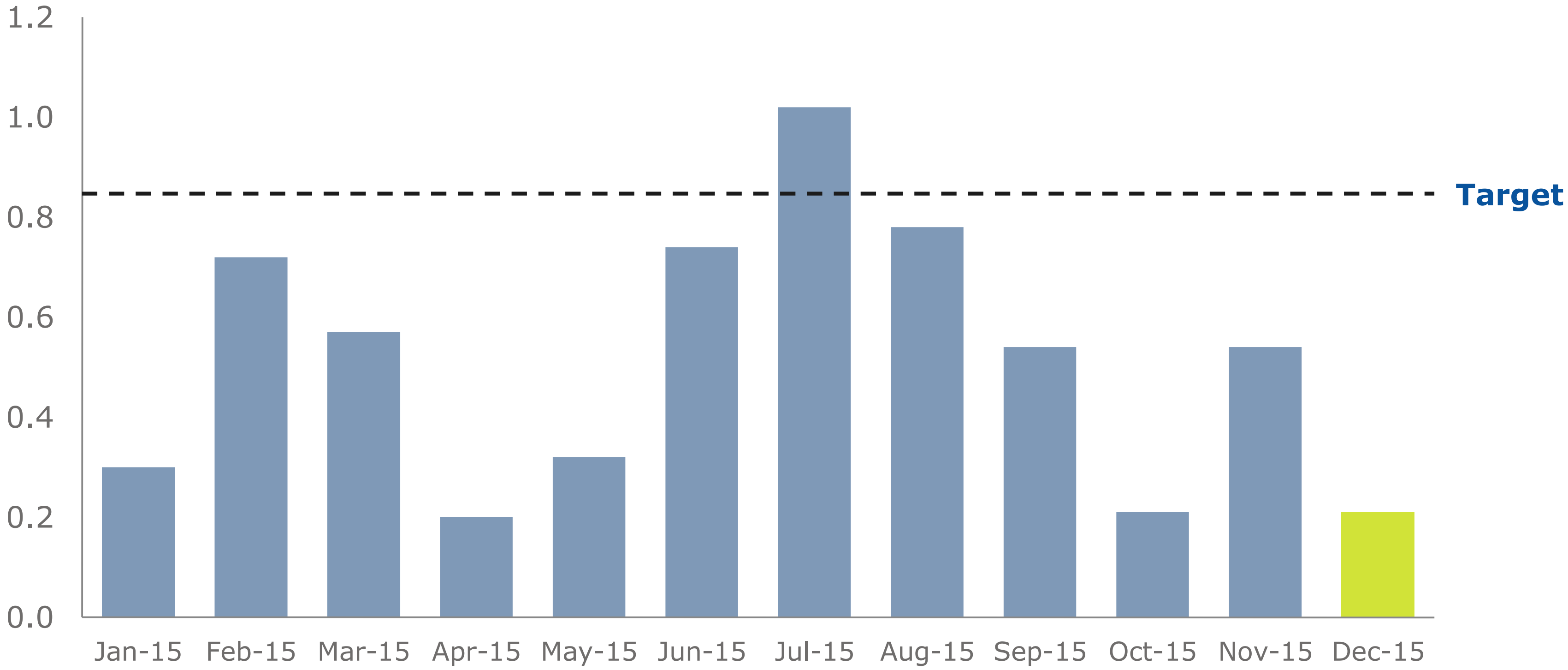


OPERATIONAL PERFORMANCE – CUSTOMER RETURNS



ROLLED PRODUCTS OPERATING MARGIN IN RAND

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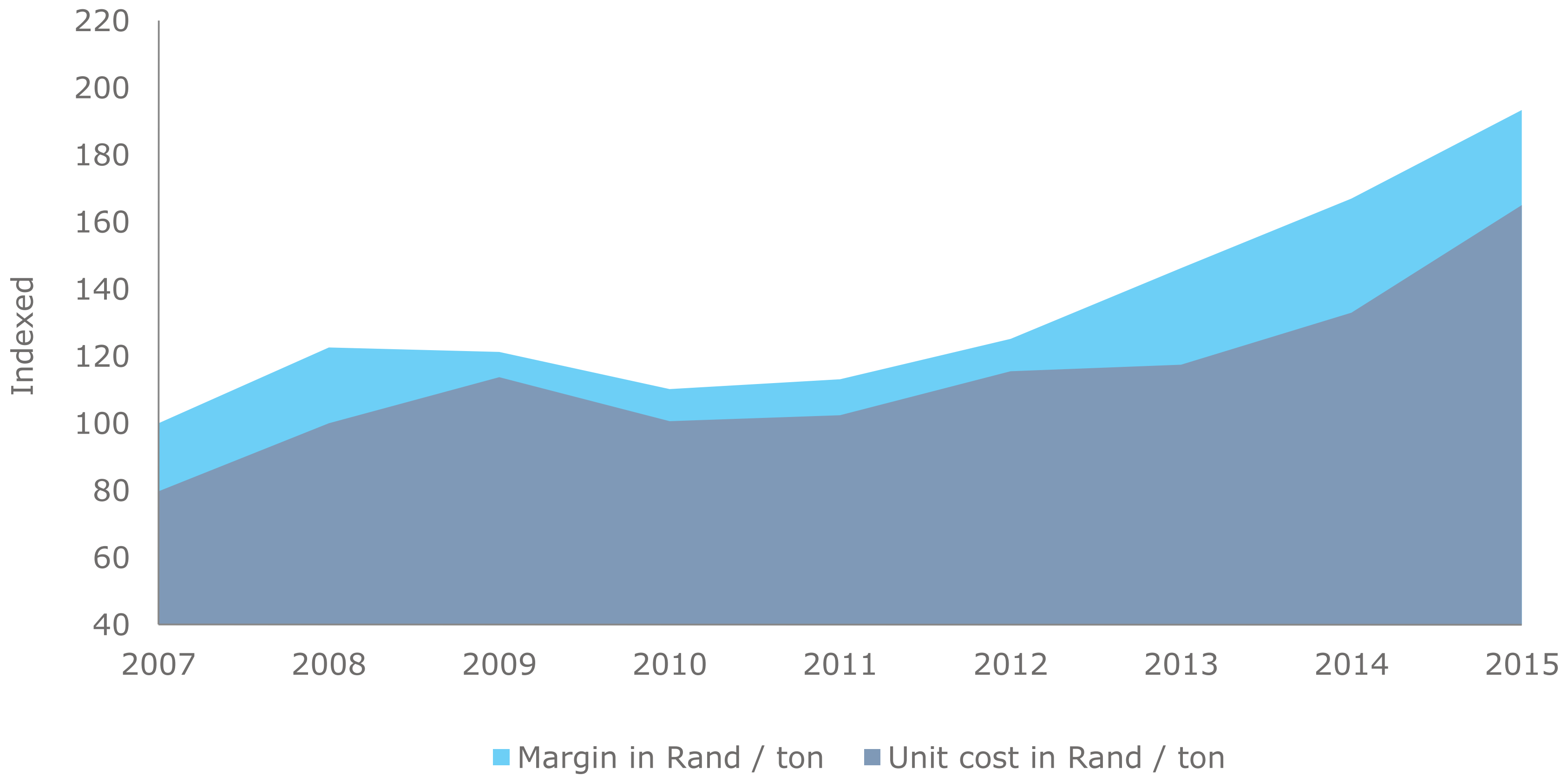

HULAMIN ROLLED PRODUCT MIX COMPARISON

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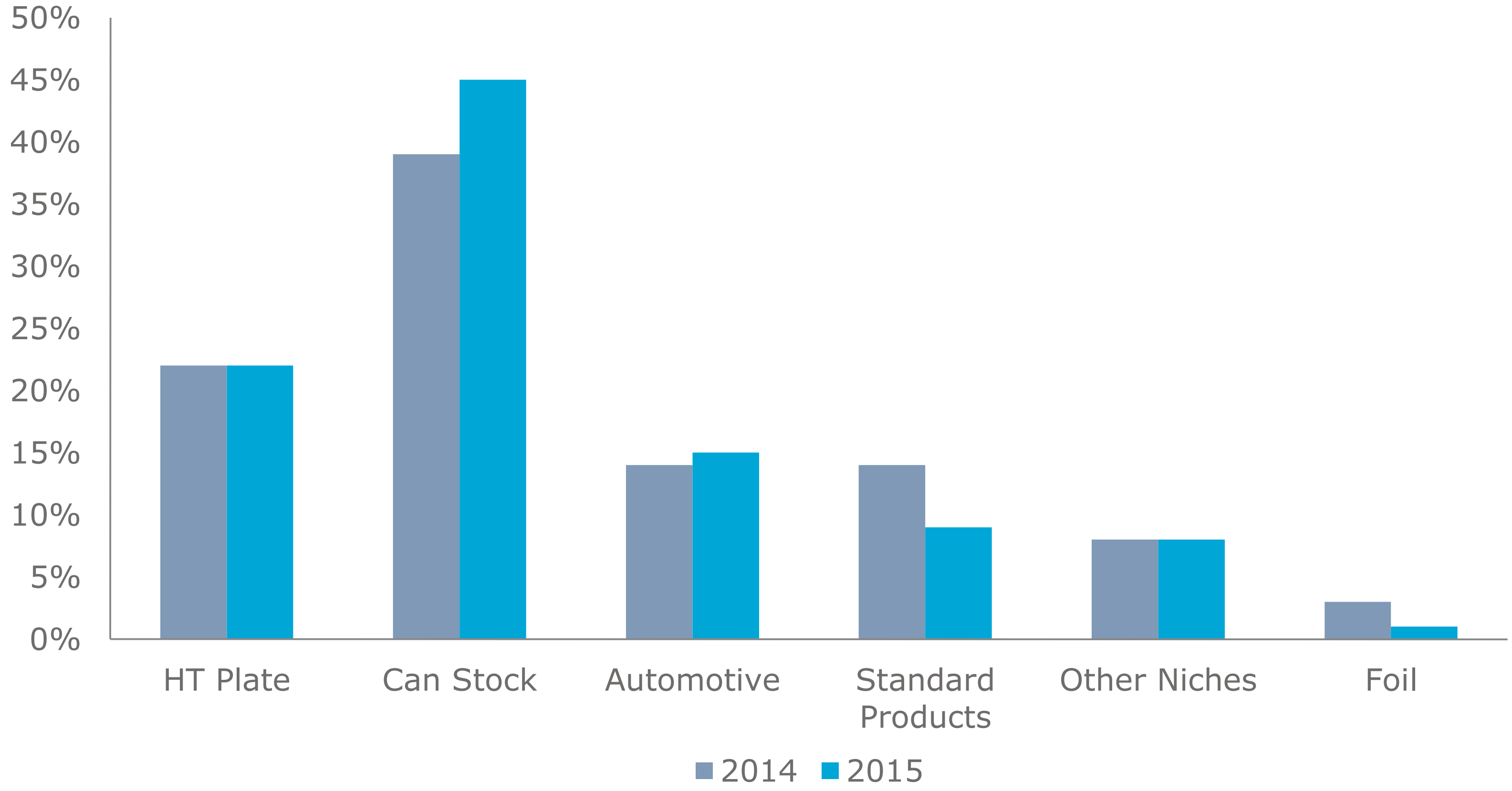

COST REDUCTION

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Target

- 3.8% of actual Rands

Immediate focus

- Employment
- Outside services and contractors
- Energy (gas and electricity)

Methodology

- Specific target per operating area
- Increased transparency and accountability
- Improved reporting

HULAMIN EXTRUSIONS

- Steady volume (modest increase)
- Operating cost reduced by 15%, improved operating margin
- Profits down 73% driven by metal price losses (similar to metal price lag)
- Strategic review underway

HULAMIN SAFETY PERFORMANCE

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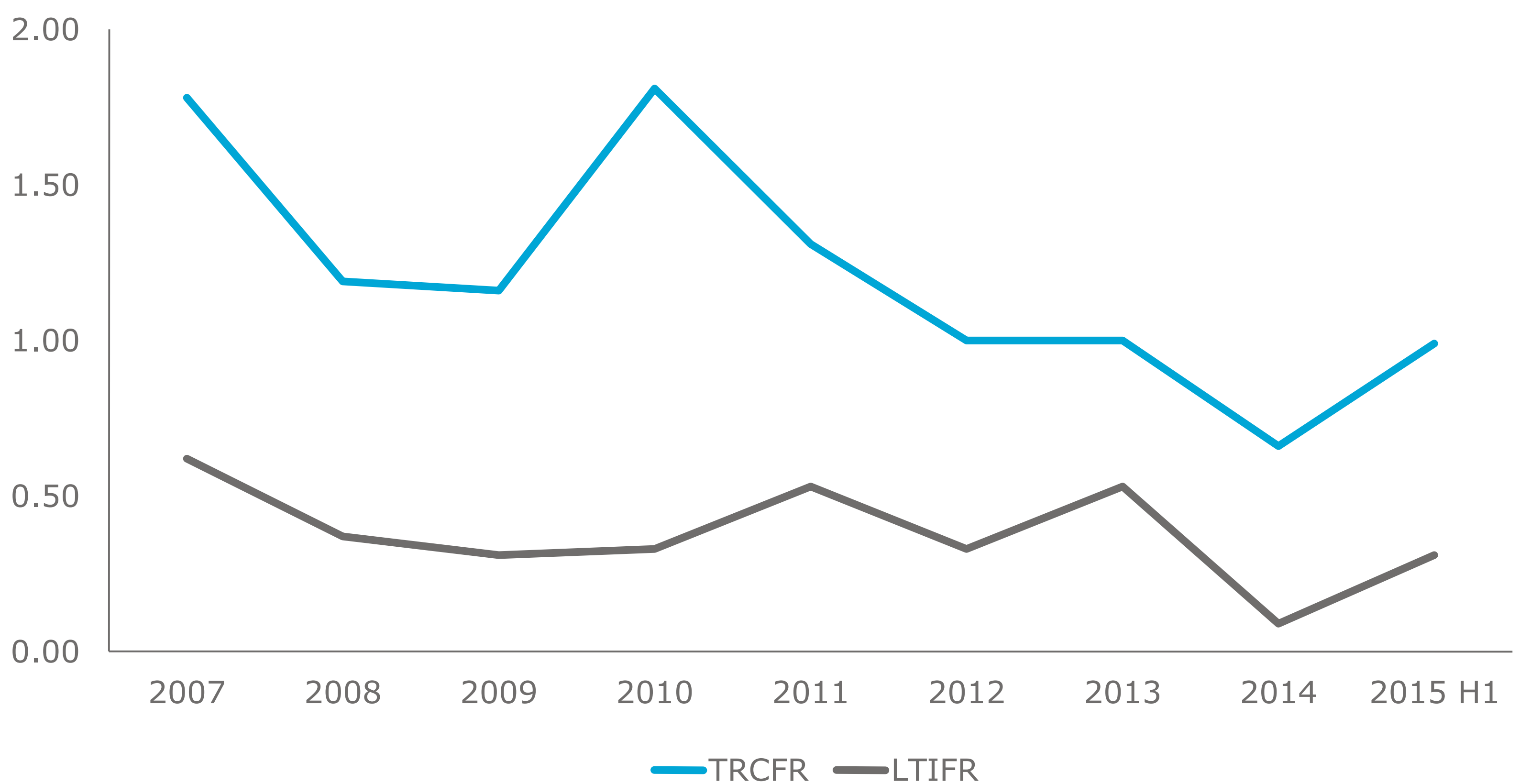

*The Total Recordable Case Frequency Rate (TRCFR) and the Lost Time Injuries Frequency Rate (LTIFR) is the number of recordable injuries divided by the number of hours worked, multiplied by 200 000

STRATEGY UPDATE

ROLLED PRODUCTS OPERATIONAL PERFORMANCE TARGETS

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Progress on targets	Target	2015	2014
Sales volume	220 ktons	179 ktons	196 ktons
Yield	>67%	65.3%	65%
Total unit cost (excl. metal and distribution)*	US$1 175 per ton	US$1 089 per ton	US$1 130 per ton
Rolling margin	US$1 400 per ton	US$1 386 per ton	US$1 419 per ton
Stock and debtors cash cycle	120 days	156 days	136 days

* To be revised in new rand US Dollar environment

HULAMIN FIVE STRATEGIC PILLARS –UPDATE 2015

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1	**Operational performance**	• Disruptive year (Electricity and Gas)
		• Partial conversion to CNG complete
		• Improvement in H2 after challenging H1 (despite LPG disruption)
		  - Volume
		  - Yields
		  - Unit cost

2	**Cost competitiveness**	• Major focus going forward – Target saving R50 million – employee, contractor and energy costs • Saving of R10 million achieved in LPG usage • Unit cost reduced by 5% in US Dollars
3	**Growth in regional sales**	• Local sales up 18% • New 3-year contract signed with Nampak • Automotive sheet feasibility study underway
4	**Secure and competitive metal supply**	• Bayside supply secured in 2015 • New melting ingot contract approved • Growing scrap supply and recycling
5	**Supportive regulatory environment**	• ITAC tariff application underway • AGOA • Possibility of carbon taxes

ENERGY SUPPLY 2015 AND 2016 OUTLOOK

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LP Gas supply remains a risk

- Ageing infrastructure (refineries)
- Increased cost of imports (logistics costs due to distant offloading port – PE)

Electricity

- No new power station capacity in 2016
- On site Generation available at premium cost
- Outlook improving

CNG supply

- First phase operational
- Two additional phases planned – constrained by logistics
- Reduced dependence on LPG

REGULATORY ENVIRONMENT

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AGOA

- Concluded for non-agricultural products
- Most uncertainties eliminated

Carbon taxes

- From 2016

ITAC

- Process largely concluded
- Outcome awaited

MANAGEMENT INCENTIVISATION

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- Changes to short and long term incentivisation
- Alignment between stakeholder / shareholder and management interests
- Simpler (easier to understand)
- Higher minimum thresholds
- Greater operational weighting

1 2 3 4 5

OUTLOOK

OUTLOOK

Momentum in improving operational performance

Weaker market conditions locally and internationally

Management focus on:

1. Controls over costs
2. Optimise sales
3. Cost efficiency

Benefits from weaker Rand