AUDITED RESULTS

FOR THE YEAR ENDED 31 DECEMBER 2017

AGENDA

OPENING REMARKS / MARKET UPDATE

KEY POINTS IN 2017

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- Record sales of 233 000 tons (2015: 232 000 tons)
  - Rolled Products sales of 215 000 tons (2015: 214 000 tons)
- Major maintenance and upgrade outage successfully completed (12 days)
- ZAR 10% stronger in 2017– current spot 12% stronger
- Cash inflow R296 million (2016: R415 million)
  - Closing net borrowings reduced to R317 million (2016: R577 million)

MARKET OVERVIEW

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LME aluminium price continued to rise

- LME closed at $2 242/t (2016: $1 713/t)
- Geographic premiums have remained stable except in USA
  - US ITC '232' investigations have created supply concerns

USA market conditions unpredictable

- Anti-dumping and countervailing duties against Chinese foil imports
- Action against other Chinese rolled products 'imminent'
- Other US Defense prompted actions against steel and aluminium imminent

Automotive demand for aluminium continues to grow

Local economy stubbornly soft, however

- Demand for beverage can stock strong
- Building and construction and general engineering soft

FINANCIAL RESULTS

FINANCIAL HEADLINES

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- Group EBIT down 13% to R538 million, but up 27% on a comparable currency-adjusted basis
  - Strong operational performance and metal price lag gain mitigates against negative R267 million EBIT impact of the stronger currency during the year
  - Cost reduction targets achieved – R117 million net cost-out
- Headline earnings per share down 13% to 104 cents (2016: 119 cents)
- Cash generation before financing activities of R296 million supported by working capital efficiency improvements and capital discipline
- Stronger balance sheet, with closing net borrowings reducing to R317 million (2016: R577 million)
- Dividend of 15 cps declared (2016: 15 cps)

SALIENT FEATURES

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		2017	2016	% Change
Key parameters and activities				
Average LME	US$	**1 968**	1 604	23
Average exchange rate	R/US$	**13.32**	14.73	(10)
Group sales volume	Tons	**233 000**	232 000	-
Rolled Products sales volume	tons	**215 000**	214 000	1
Group turnover	Rm	**10 160**	10 099	1
Profitability				
Group EBIT excluding MPL	Rm	**388**	572	(32)
Metal price lag gain	Rm	**150**	50	200
Group EBIT	Rm	**538**	622	(13)
Group EBITDA	Rm	**754**	808	(7)
EBITDA / turnover	%	**7**	8	(1)
HEPS	cps	**104**	119	(13)

SALIENT FEATURES (CONTINUED)

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		2017	2016	% Change
Financial, cash flow and borrowings				
Capital expenditure	Rm	**261**	328	(20)
Net working capital as % of revenue	%	**22**	22	-
Cash flow before financing activities (free cash flow)	Rm	**296**	415	(28)
Net cash inflow	Rm	**232**	403	(42)
Closing net borrowings	Rm	**317**	577	(45)
Debt equity ratio	%	**7**	13	(6)

FOCUSING ON THE KEY VALUE DRIVERS

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Sales volume	↑ 1kt up to record level	• Driven by strong manufacturing performance in Rolled Products
Currency	↓ 10% stronger	• Resulting in a R267 million negative impact on operating profit
$ Aluminium price	↑ 23% stronger	• Increase in metal price lag benefit of R150 million (2016: R50 million), but cash outflow of R128 million
$ Rolling margins	= Consistent with 2016	• Improved mix maintained rolling margins in line with 2016, despite market pressures
ZAR Conversion costs / unit	↑ Down 4% (RP down 6%)	• Strong cost-out performance achieved in 2017
Working capital	= NWC / revenue consistent with 2016 despite higher LME	• Sustainable cash cycle improvement delivered • Working capital cash inflow despite rising LME prices
SIB* Capital expenditure	↑ Down > R30m	• Improved capital discipline

*Stay in business

NORMALISED EBITDA BEFORE METAL PRICE LAG

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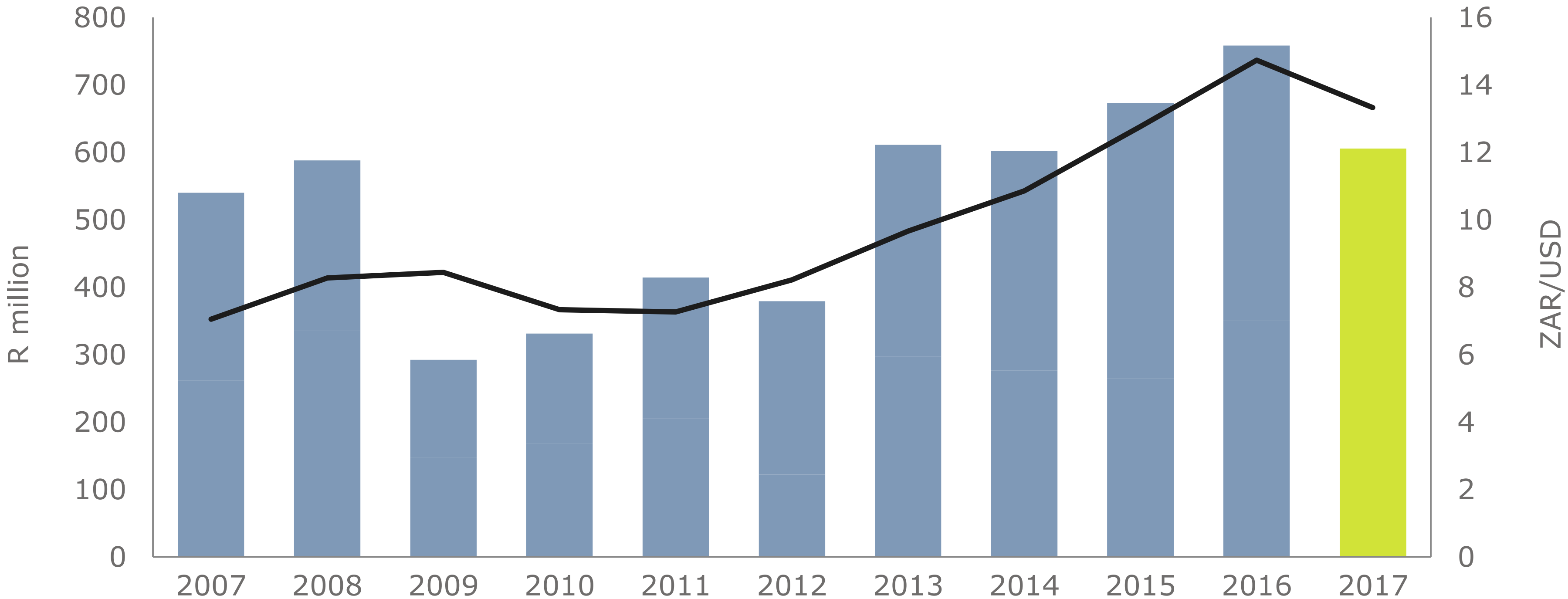

FY 2016 V FY 2017 EBIT BRIDGE

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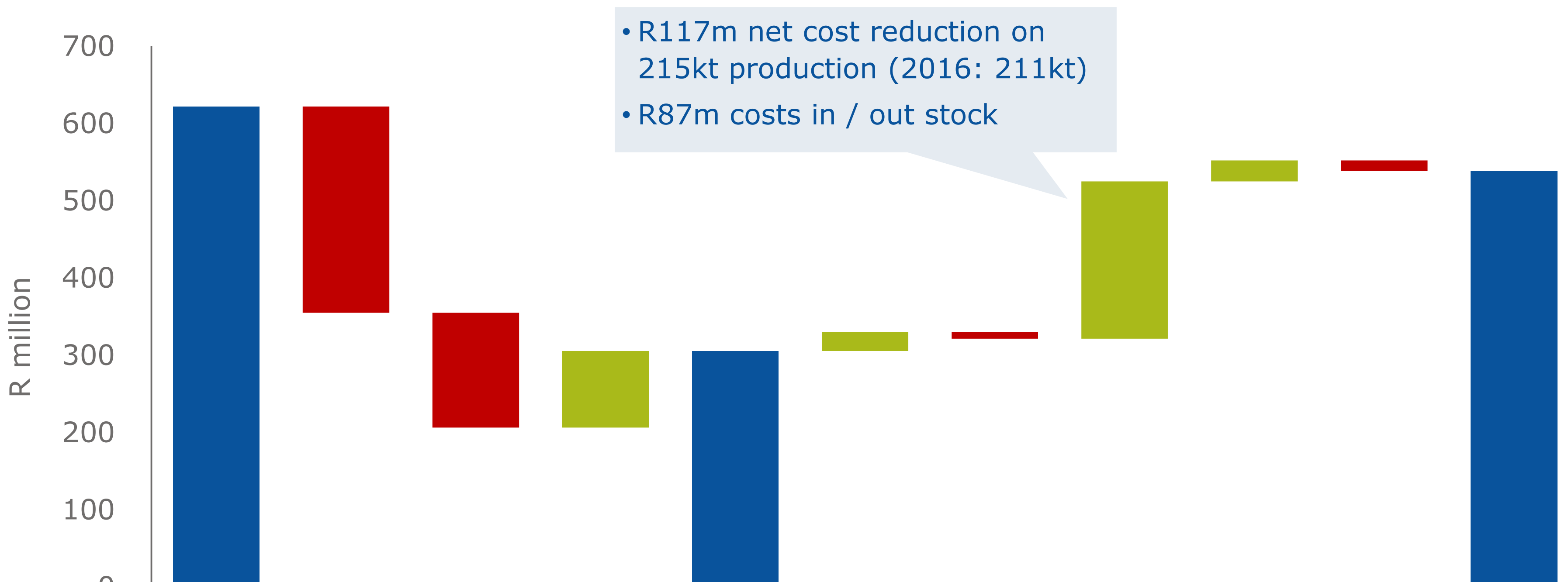

622	(267)	(149)	99	305	25	(9)	204	27	(14)	538
2016 Group EBIT	Exchange rate	Inflation	Metal price lag		Volume	Mix and margin	Conversion costs	Other	Other business units	2017 Group EBIT

External drivers **Operational performance**

COMPARABLE EBIT

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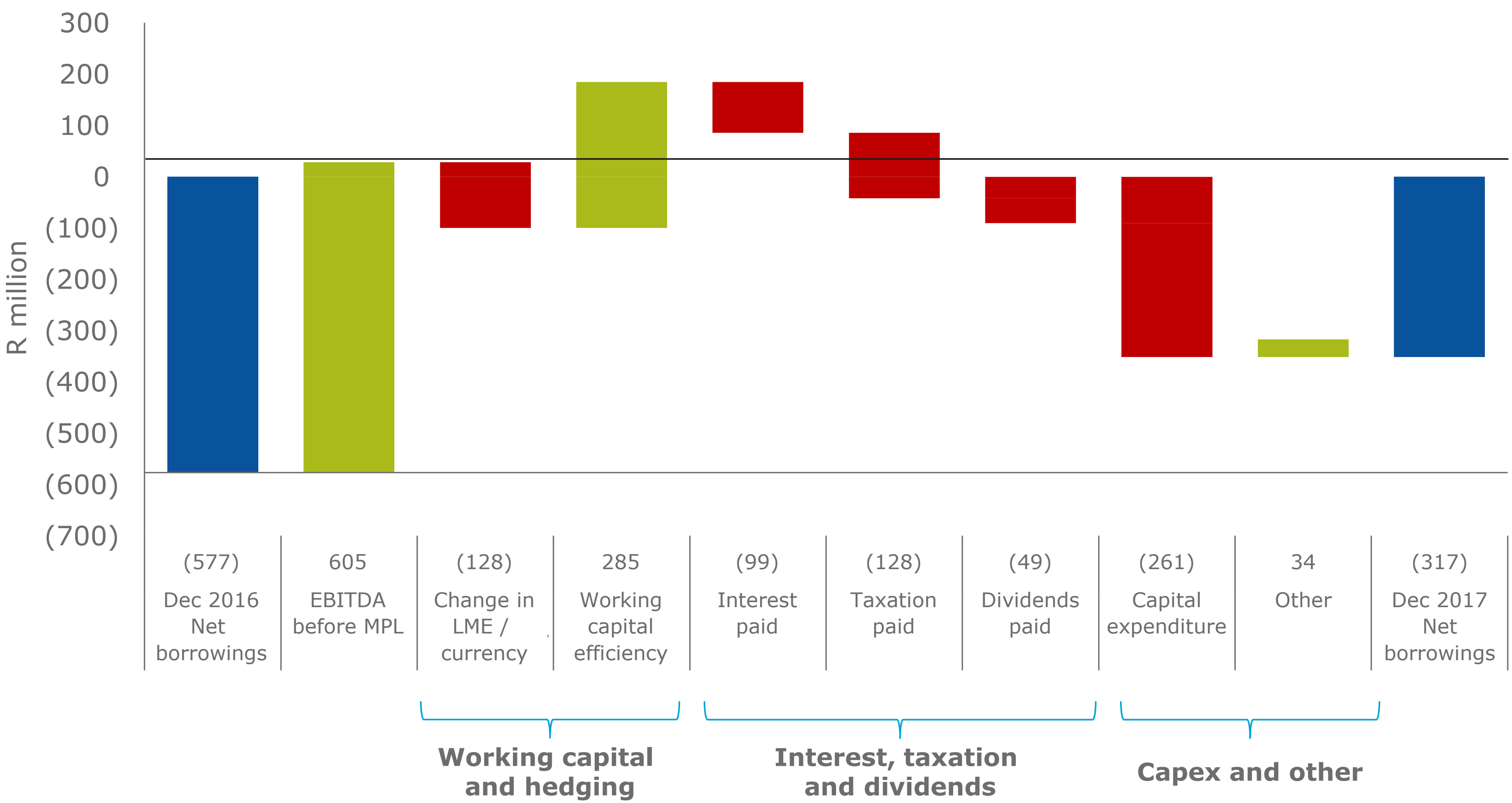
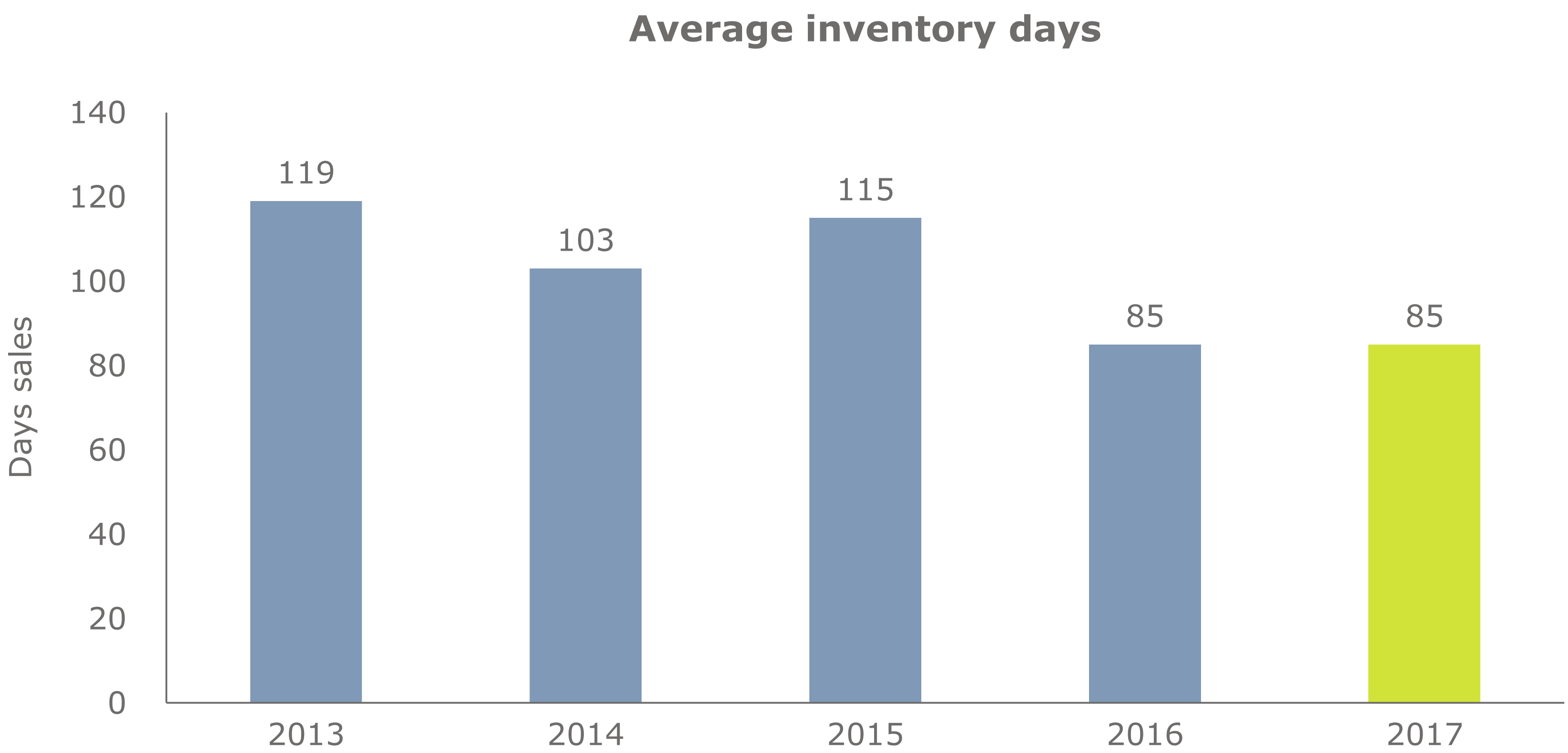
	2017 Rm	2016 Rm	Change %
Average ZAR / USD	13.32	14.73	
Operating profit	538	622	(13)
Loss / (profit) on disposal of property, plant and equipment	10	(6)	
Reversal of impairment on associate	(7)	-	
Headline EBIT	542	615	(12)
Equity-settled share-based payment: Isizinda	-	1	
Normalised EBIT	542	616	(12)
Timing mismatches: Insurance claim	(25)	-	
Comparable EBIT	517	616	(16)
Comparable EBIT (constant currency)*	784	616	27

*2017 profits rebased on 2016 currency levels

FY 2017 CASH FLOW



MAINTAIN WORKING CAPITAL EFFICIENCIES



CAPITAL EXPENDITURE

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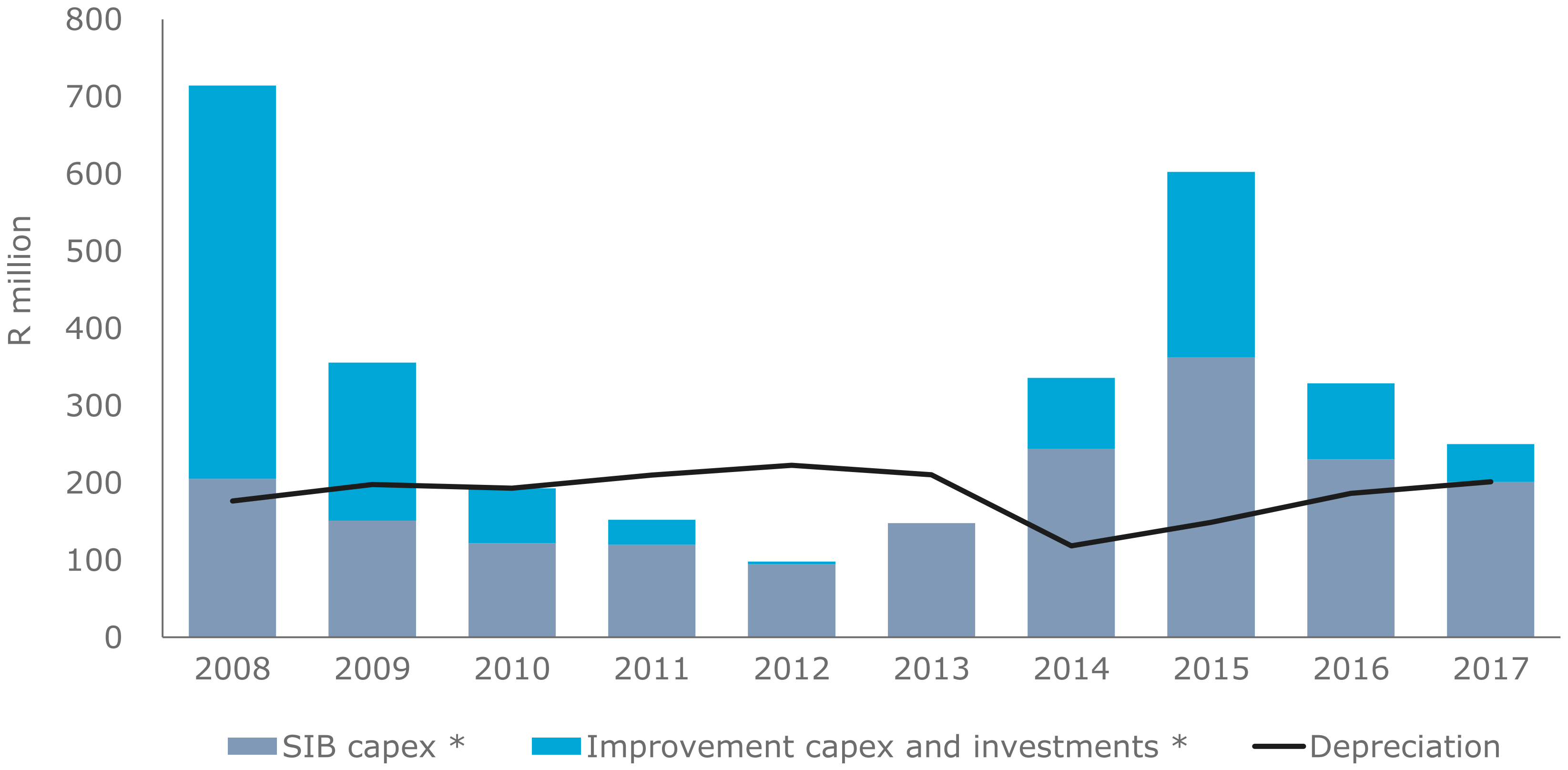

* Excludes capitalised borrowing costs

LIQUIDITY AND CAPITAL STRUCTURE

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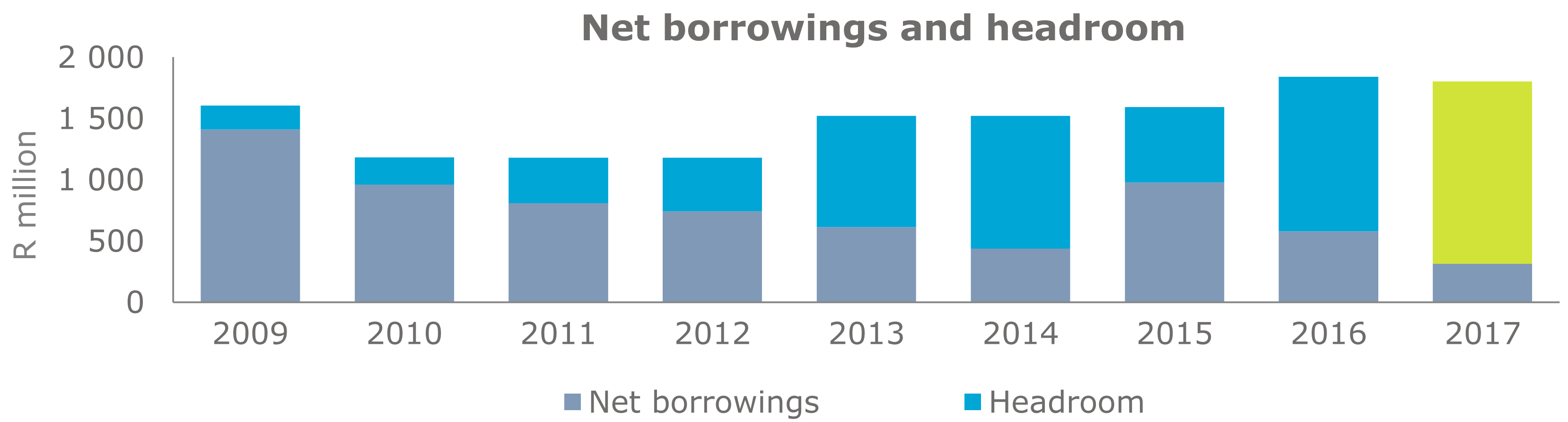

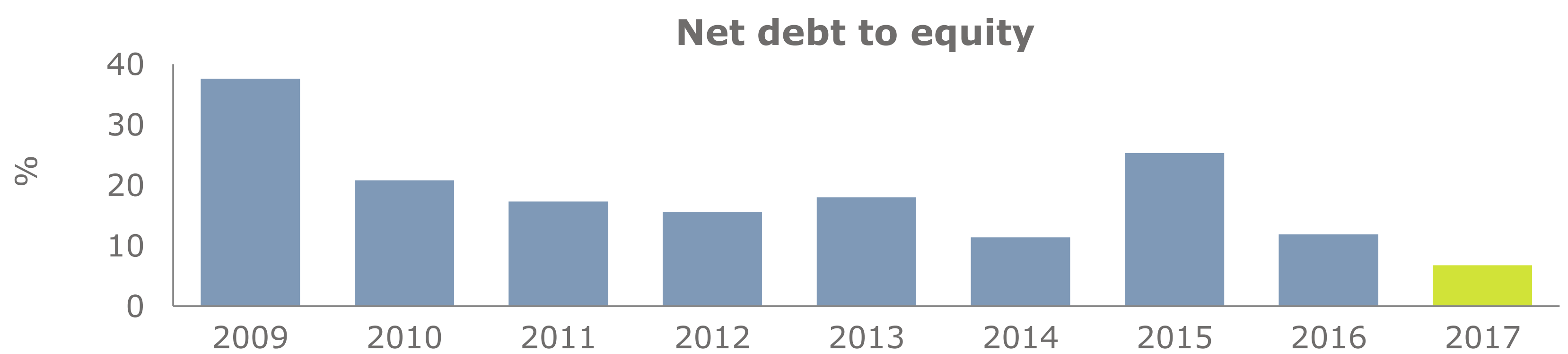

2017 FOCUS ON VALUE IMPROVEMENT

Drive free cash flow generation	• Maximise production at optimum mix, stable flow • Drive mix / margin improvement • Focused, sustainable cost reduction • Improve metal input mix • Drive inventory efficiencies, shorten cash cycle to accelerate cash reduction • Strengthen capital discipline
Strengthen financial stability, lay platform for growth	• Reduce borrowings and improve liquidity • Optimise hedging programme

DRIVING FREE CASH FLOW AND IMPROVING FINANCIAL STABILITY

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Focus areas	FY2017 delivery	Medium-term target
Drive cost competitiveness	• Cost management system rollout • Cost reduction targets for FY2017 achieved	• Additional R300m cumulative cost savings (10% of costs excl. metal)
Develop and sustain manufacturing performance	• Record 24-month performance • Strengthening process control • Focus on equipment reliability, integrated shut in Q3 • Business improvement projects • Competency and capability development	• >225kt of rolled products at optimum mix
Improve metal input mix	• Rapid growth in scrap utilisation • Leveraging investment in recycling	• Scrap >20% of input metal
Grow rolling margins	• Growth in local market sales and end-user mix • Investment in sales capability	• End-user mix >70% • Local market sales >50%

COST OPTIMISATION PROGRAMME

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Focus on three cost reduction levers to reduce the cost base, as well as enabling activities required to implement and sustain these reductions

I. Efficiency Consumption / usage / management	II. Pricing Buying power / strategic sourcing	III. Structure Product mix / production lines / other structural
Increased visibility and better cost management in terms of the **consumption and usage** of key cost areas	**Pro-active management and tighter controls** of goods and services procured	**Critically assess** product mix and the production lines required to ensure **maximum value add**, and **other structural cost reduction actions** • LPG to CNG conversion • TRC (Twin Roll Caster) rationalisation

Governance Forums, committees, cost management monitoring	• **Cost management committee** established to own Hulamin's strategic cost agenda and to drive cost management initiatives • Enhanced zero-based **budgeting process**
Processes and controls Processes, policies, procedures, delegation of authority	• Increased discipline around **critical processes** and tightening of **cost controls**
Systems and reporting Key metrics, standardisation of reports, project management, system integration	• **Key cost metrics** defined and measured, and reported on in a **standardised and consistent** manner • **Project management office, methodologies and toolsets** established
Cost culture / discipline Communication, capability, accountability	• **Cost culture** embedment process

DRIVING FREE CASH FLOW AND IMPROVING FINANCIAL STABILITY

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Focus areas	FY2017 delivery	Medium-term target
Reduce borrowings and cost of capital	• Committed working capital facility in place, covenant light • Adequate liquidity • Medium-term funding review in progress • Hedging strategy review concluded – move to 50%/50% Fx / LME hedge of metal price lag	• Capital structure to support growth • Reduced volatility in reported profits and cash flows
Working capital	• Maintained gains in inventory efficiencies • Focus on reducing receivable days and increasing payable days • Delivered cash cycle improvements – R285 million	• Working capital efficiency improvements >20%
Capital discipline	• Strengthening asset management structure • Optimising stay-in-business capex	• Discipline maintained

METAL PRICE LAG HEDGING STRATEGY

Hedging of metal price lag*	2007 - 2017		2018 →
LME aluminium price movements	**Hedge ratio 50%** Equal profit and cash flow volatility	**FY2017** **P&L MPL gain** R150m **Cash flow impact** (R128m)	**Hedge ratio 50%** Equal profit and cash flow volatility
Currency movements	**Hedge ratio 100%** No profit volatility High cash flow volatility		**Hedge ratio 50%** Equal profit and cash flow volatility

* Metal price lag is the impact of change in Rand LME between date of purchase and sale on profit and loss

MEDIUM-TERM TARGETS

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		FY2017 (Actual)	FY2018 (Target)	FY2022 (5yr target)
NAV R14.50 > Share price R5.00 – R6.00		**ROCE – 8%** Currency R13.32/USD		**ROCE > 12%** Currency R14.64/USD
Sales volume (group)	Tons	**233 000**	236 000	>250 000
Rolling margin index (USD/t)	Index	**82**	87	> 100
Conversion cost reduction (annualised savings)	Rm	**117**	*90	*300
Scrap as % of input metal	%	**11**	14	> 20
Net working capital as % revenue	%	**22**	21	< 18

* Annualised cost savings on 2017 cost base

OPERATIONAL REVIEW

ROLLED PRODUCTS – KEY FEATURES

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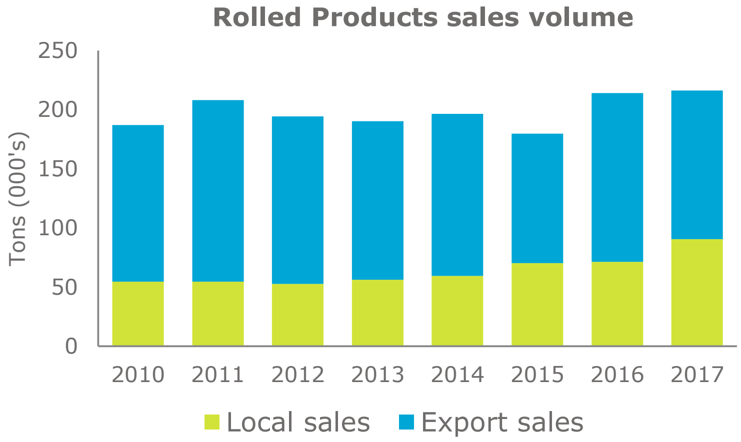

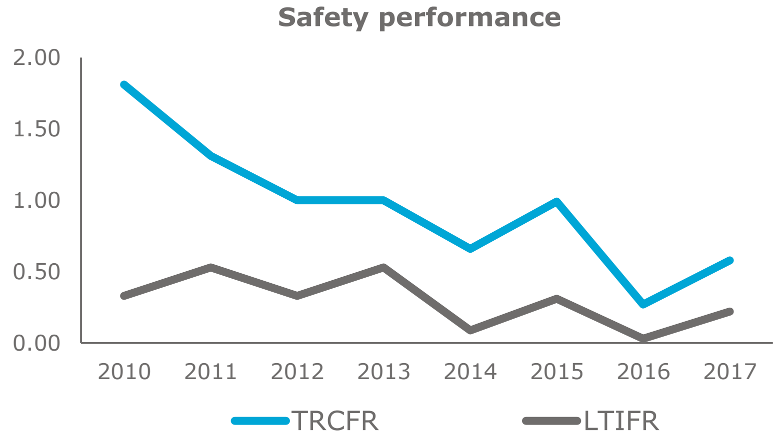

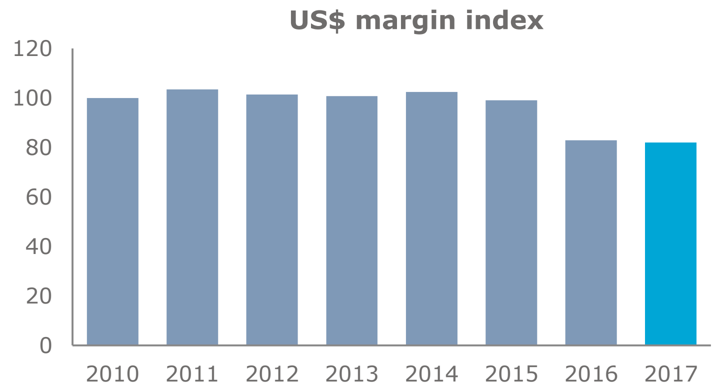

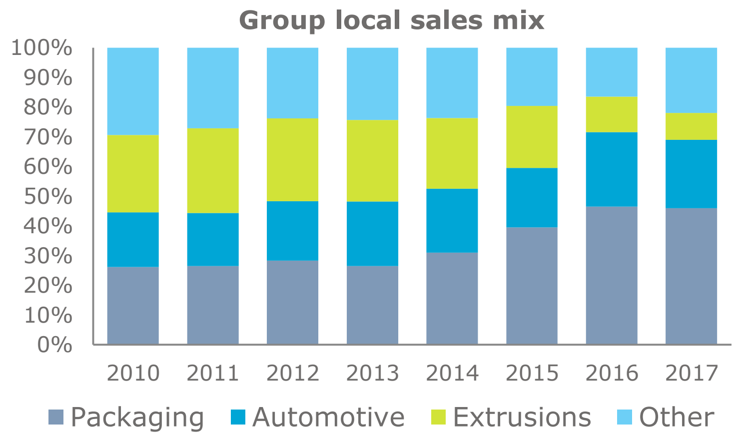

A HULAMIN EBITDA MODEL

Sales volume ✖ Rolling margin ✖ Rand/$ = Revenue

Less: Costs	Manpower
	Energy
	Maintenance
	Material
	Consumables
Other	Metal price lag
Other e.g.	Extrusions; scrap
EBITDA	Result

ROLLED PRODUCTS PRODUCTION (ANNUALISED)

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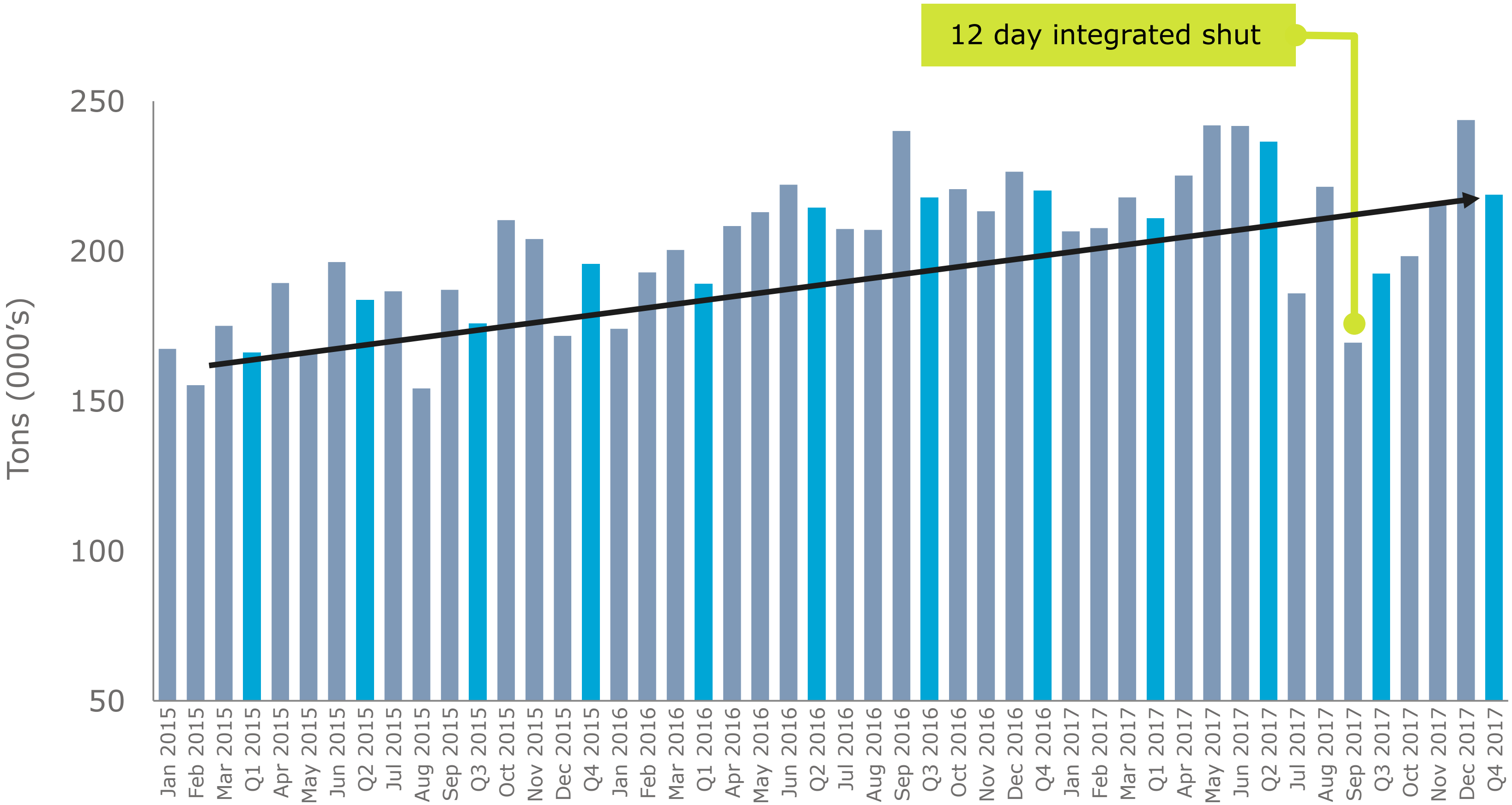

STRONG SALES AND PRODUCTION PERFORMANCE

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Record sales volume in Rolled Products – 215 000 tons

- In spite of 12-day planned shutdown for maintenance and upgrades

Strong can stock production and sales

- Local End and tab stock sales up 49%
- Can Body Stock sales up 63% (supports further scrap purchases)

Commodity exports down 18%

- Deliberate action to increase volume of high value products

Automotive sales continue to grow

- Heat exchanger products up 7%

NO EXTERNAL DISRUPTION

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No externally imposed disruptions

- Gas supply risk largely mitigated by CNG as LPG alternative
- Electricity in SA in oversupply

12-day shutdown successfully completed

- Planned maintenance and plant upgrade
- Further conversion from LPG to CNG
- Recycling furnace improvements
- Hot Mill drive and Coil Coating upgrades
- Impact: approx. 7 200 tons lost sales

A HULAMIN EBITDA MODEL

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Sales volume × Rolling margin × Rand/$ = Revenue

	Revenue
Less: Costs	Manpower
	Energy
	Maintenance
	Material
	Consumables
Other	Metal price lag
Other e.g.	Extrusions; scrap
EBITDA	Result

ROLLING MARGIN IN US DOLLARS INDEX

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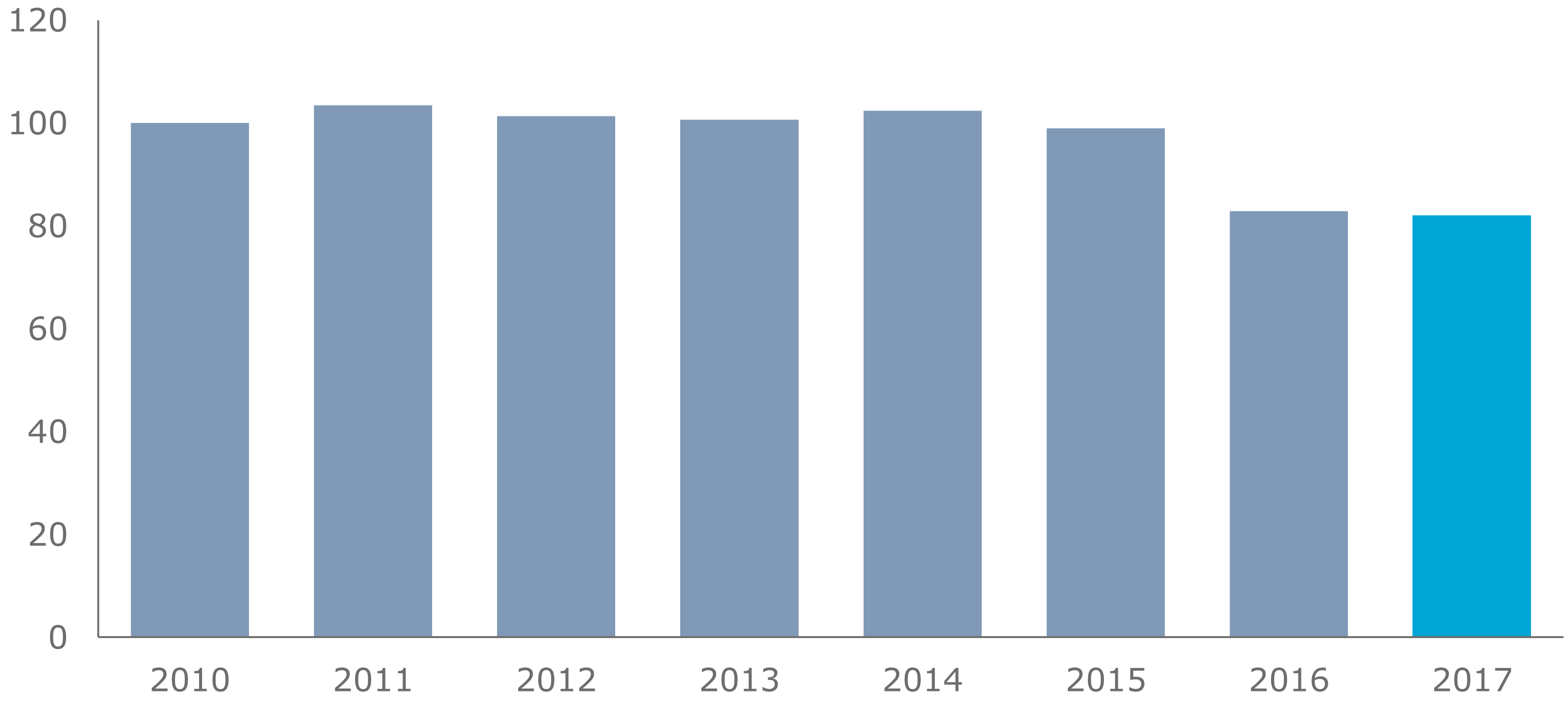

FOUNDATION FOR INCREASES IN 2018

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Duty free access to USA and EU remains intact

- Anti-Chinese trade actions in USA positively impacting supply-demand balance
- Hulamin contracting 2018 volumes at higher conversion prices

Can stock conversion prices stable (volume up 5% to 40% of mix)

- Local End and tab stock sales up 49%
- Local Can Body Stock sales up 63% (supports further scrap purchases)

Flexibility to capitalize on emerging opportunities

- Light gauge foil in USA
- Standard products in the USA

EFFECT OF MARGIN OPPORTUNITIES ON THE AVERAGE ROLLING MARGIN

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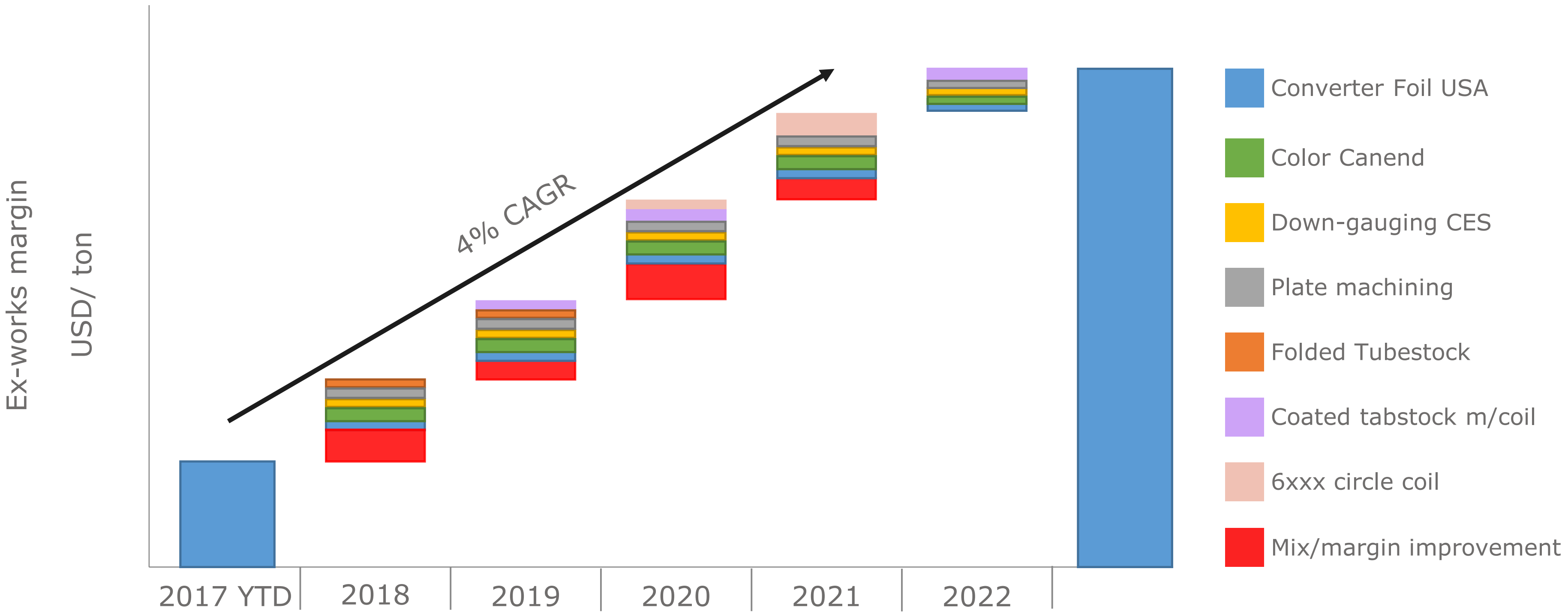
A summary of the specific higher margin opportunities to drive improvements in overall margins is summarised below



A HULAMIN EBITDA MODEL

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Sales volume ✖ Rolling margin ✖ Rand/$ = Revenue

Less: Costs	Manpower
	Energy
	Maintenance
	Material
	Consumables
Other	Metal price lag
Other e.g.	Extrusions; scrap
EBITDA	Result

RAND VS. US DOLLAR 2014 TO 2017

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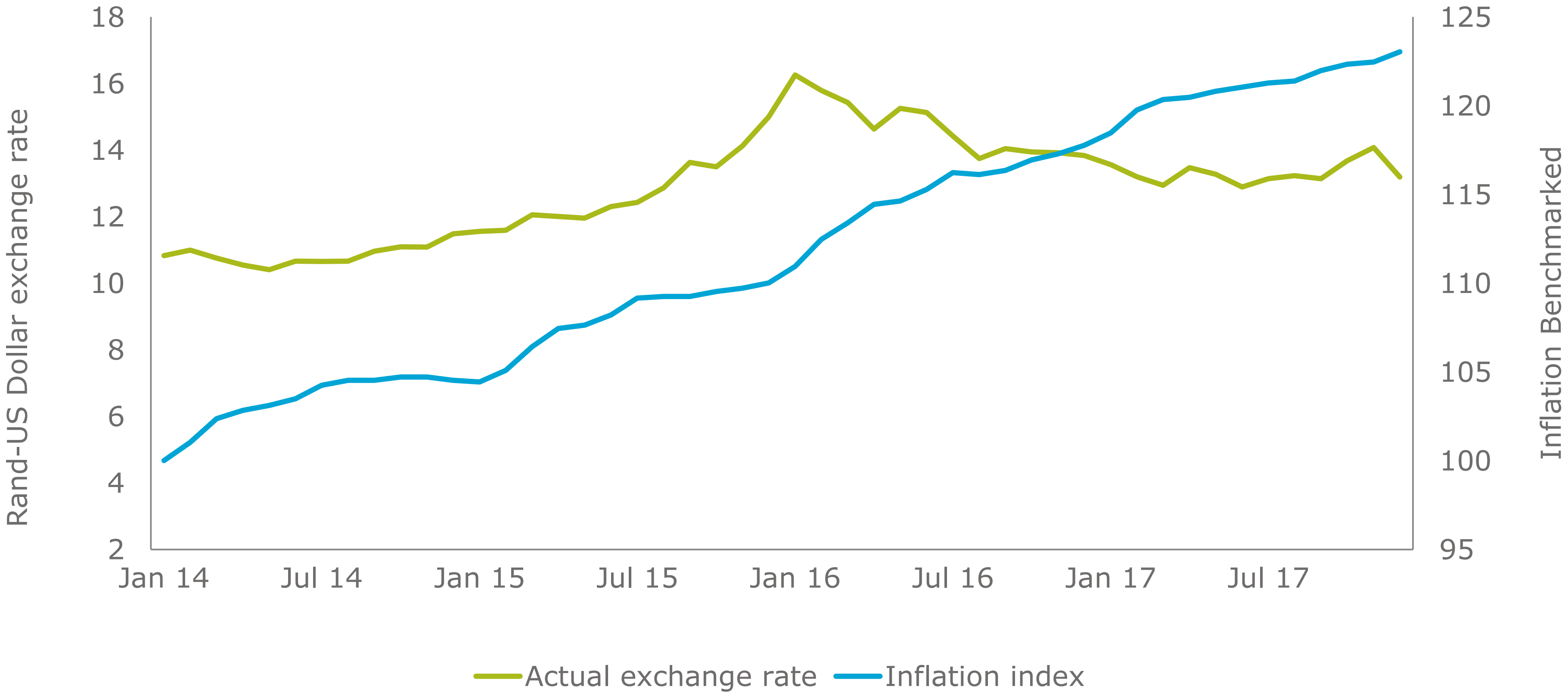

ROLLED PRODUCTS OPERATING MARGIN IN RAND

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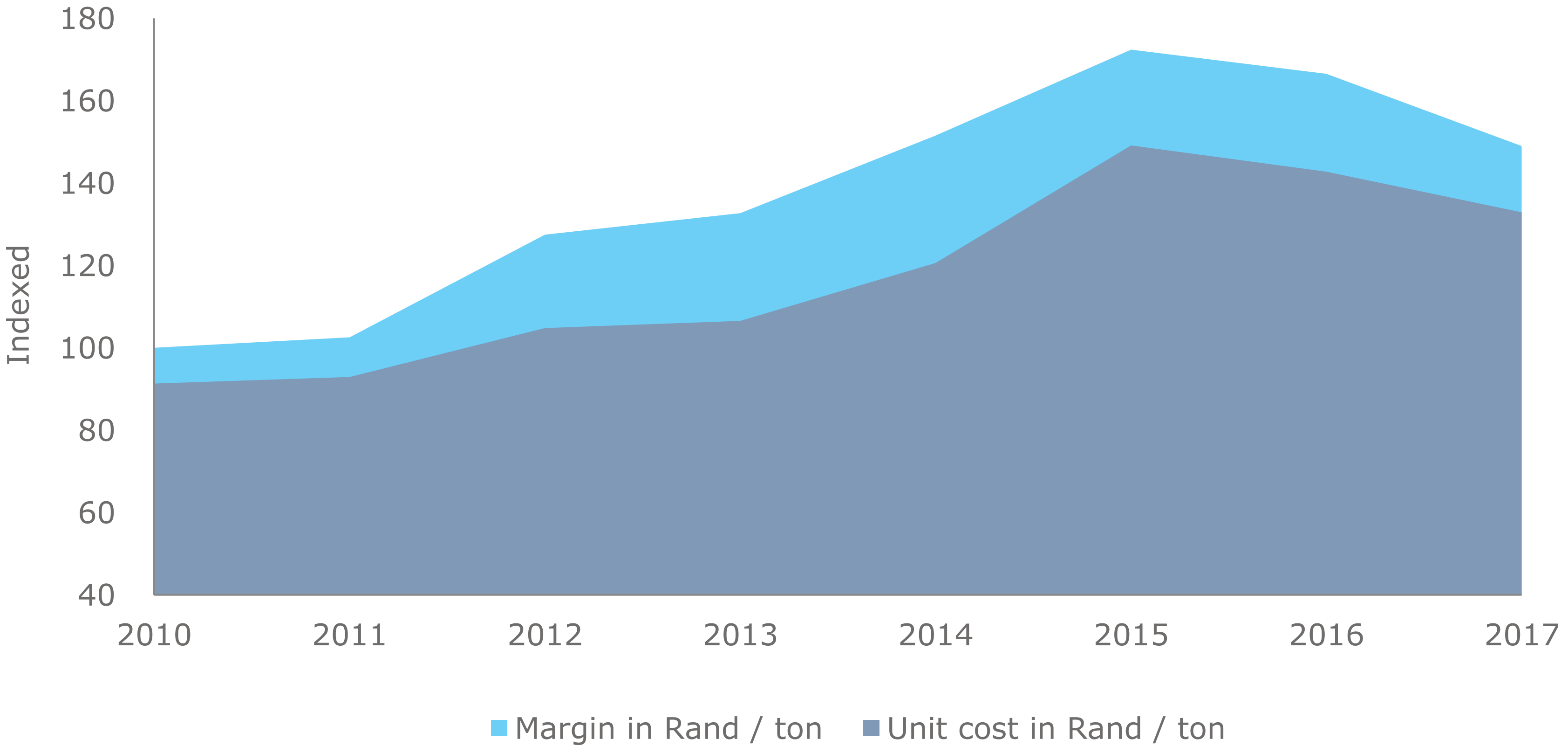

A HULAMIN EBITDA MODEL

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Sales volume	✖	Rolling margin	✖	Rand/$	=	Revenue
				Less: Costs		Manpower
						Energy
						Maintenance
						Material
						Consumables
				Other		Metal price lag
				Other e.g.		Extrusions; scrap
				EBITDA		Result

FURTHER ROLLED PRODUCTS COST REDUCTIONS IN 2017

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Conversion cost reduction efforts delivered net R117 million savings in 2017 from

- Operating supplies
  - Down 11.5% (16.8% in real terms)
- Salaries and wages
  - Up 5.3% (down 1% in real terms)
- Energy, oils and chemical cost savings
  - Up 1.7% (down 3.6% in real terms)
  - Energy consumption improved by 1.2% (GJ/ton)
  - Conversion from Liquid Petroleum Gas (LPG) to Compressed Natural Gas (CNG)

RP MANUFACTURING COSTS EXCL. METAL

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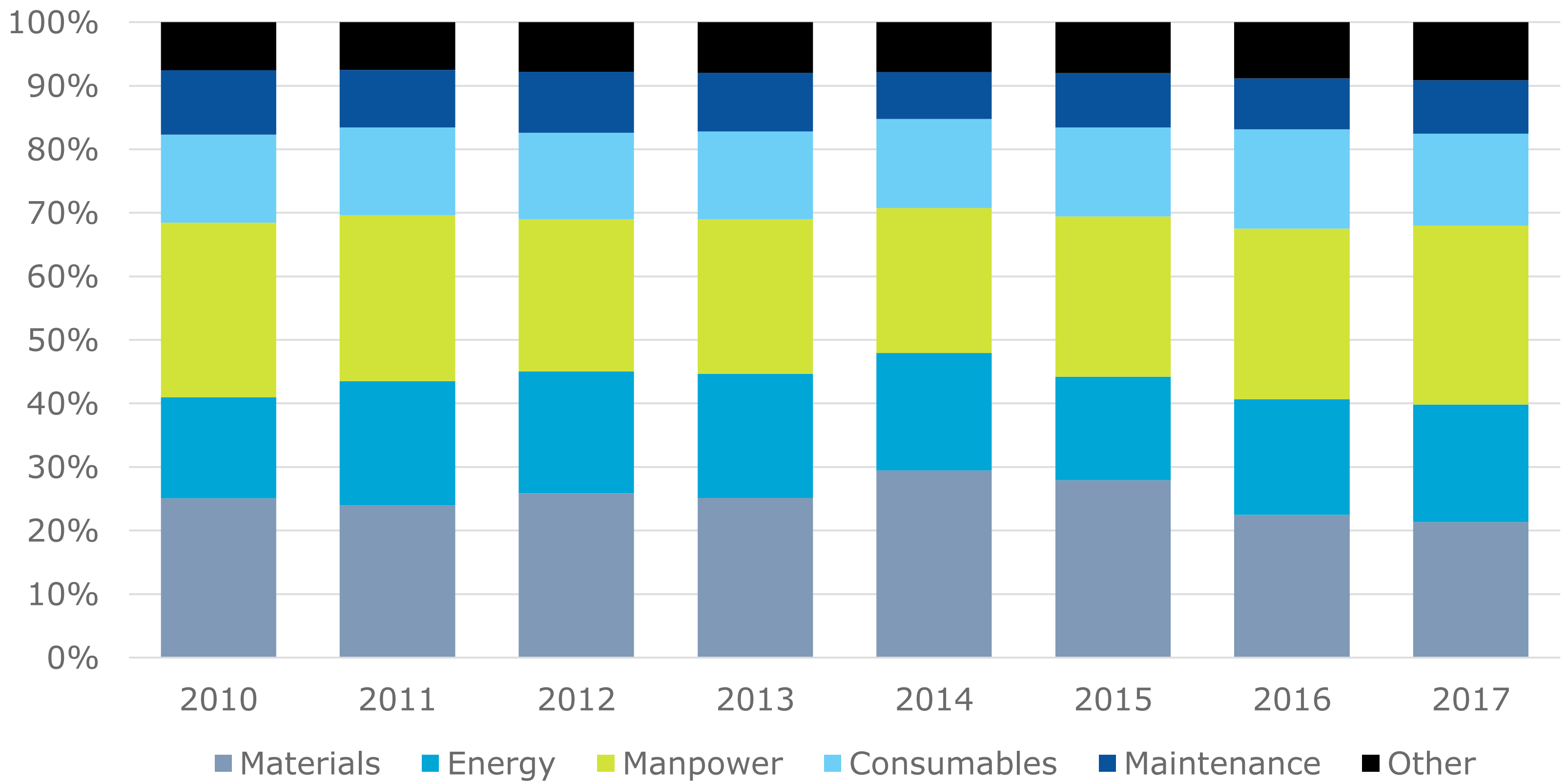

STRATEGIC PROSPECTS

THREE STRATEGIC PHASES

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I. Strengthen the core to compete today

- Cost competitiveness
- Operational performance
- Risk management
- Maximise asset productivity
- Product mix optimisation
- Leverage existing Hulamin brand strength for better margins
- Rationalise product portfolio
- Capital discipline

II. Improve rolling margins to grow

- Leverage Hulamin brand strength for better margins
- Develop new niche products
- Existing products
- New markets
- New channels
- Local and regional opportunities
- Increase scrap input
- Other business models e.g. trading of selected products in niche markets

III. Build the assets of tomorrow to win

- Equipment to create niche differentiated positions for higher margins
- Scrap and recycling
- Vertical integration
  - Isizinda
  - On site / downstream
  - Richard Bay IDZ
- Drive industry transformation for improved market position
- Alliances with international players

SEEKING / CAPITALISING ON EXPANSION OPPORTUNITIES

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- Strong Hulamin brand & reputation
- Deploying world-class capability beyond Pietermaritzburg
- Optimal deployment of existing capability, technology assets
- Capitalising on global opportunities
- Mitigating single site risk through international alliances and partnerships

HULAMIN IN A STRONG RAND ENVIRONMENT

SHORT TERM TACTICS

Operational actions

- Attack costs especially through procurement
  - Energy
  - Outsourced contracts
- Manpower – attrition
- Increased scrap and recycling benefits – R89m saving YoY
- Improve US Dollar conversion prices by
  - Increasing volumes into attractive market opportunities
  - e.g. foil and common alloy in USA
  - Expediting product developments e.g. coloured end and tab stock

Increase total sales through re-roll outsourcing

- To de-bottleneck hot and cold rolling – 5 000 tons

Realise attractive exchange rate sales opportunities (e.g. weak USD / strong Euro)

PROSPECTS

A VOLATILE YEAR AHEAD…

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The stronger currency

- Squeezing the operating margin
  - Rises in US Dollar rolling margins insufficient to counter strong Rand
  - Disciplined management of working capital and discriminate cost cutting

Further effort to increase US Dollar margins

Identify and deliver complementary investments

Primary metal supply negotiations

US trade ruling?

APPENDIX

CONDENSED INCOME STATEMENT

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	2017 Rm	2016 Rm
Revenue	**10 160**	10 099
Cost of sales	**(9 115)**	(8 958)
Gross profit	**1 045**	**1 141**
Selling, marketing, distribution and administrative expenses	**(599)**	(588)
Other gains and losses	**92**	69
Operating profit	**538**	**622**
Net interest expense	**(78)**	**(87)**
Profit before tax	**460**	**535**
Taxation	**(128)**	(150)
Net profit for the period	**332**	**385**
EBITDA	**754**	**808**
EBITDA / Sales (%)	**7.4**	**8.0**

GROUP EXPENSES BY NATURE

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	2017 Rm	2016 Rm
Aluminium and other material costs	**6 509**	6 627
Utilities and other direct manufacturing costs	**775**	774
Employment costs	**1 145**	1 048
Depreciation and amortisation	**216**	186
Repairs and maintenance	**282**	258
Freight and commissions	**361**	366
Other operating income and expenditure	**426**	288
	9 714	**9 546**
Classified as		
Cost of sales	**9 115**	8 958
Selling, marketing and distribution expenses	**450**	444
Administrative and other expenses	**149**	145
	9 714	**9 546**

CONDENSED BALANCE SHEET

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	2017 Rm	2016 Rm
Capital employed		
Equity	**4 648**	4 347
Net borrowings	**317**	577
	4 965	**4 924**
Employment of capital		
Property, plant and equipment and intangibles	**3 389**	3 333
Retirement benefit asset	**127**	117
Net working capital (incl. derivatives)	**2 274**	2 224
Net deferred tax liability	**(557)**	(491)
Retirement benefit obligations	**(267)**	(259)
	4 965	**4 924**

CONDENSED CASH FLOW STATEMENT

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	2017 Rm	2016 Rm
Cash flows from operating activities		
Operating profit	**538**	622
Net interest paid	**(99)**	(102)
Depreciation and other non-cash items	**178**	121
Income tax payment	**(128)**	(128)
Changes in working capital	**68**	166
	557	**679**
Cash flows from investing activities		
Net additions to property, plant and equipment and intangibles and investments	**(261)**	(264)
Cash flows before financing activities	**296**	**415**
Cash flows – equity, dividend and other transactions	**(36)**	(17)
Cash flows for the period	**260**	**398**
Net borrowings – beginning of period	**(577)**	**(975)**
Net borrowings – end of period	**(317)**	**(577)**