SAPA

SVEIN TORE HOLSETHER, PRESIDENT & CEO
18 MAY 2015
SAPA INVESTOR CALL

THE SAPA STORY

THE CREATION OF A GLOBAL LEADER

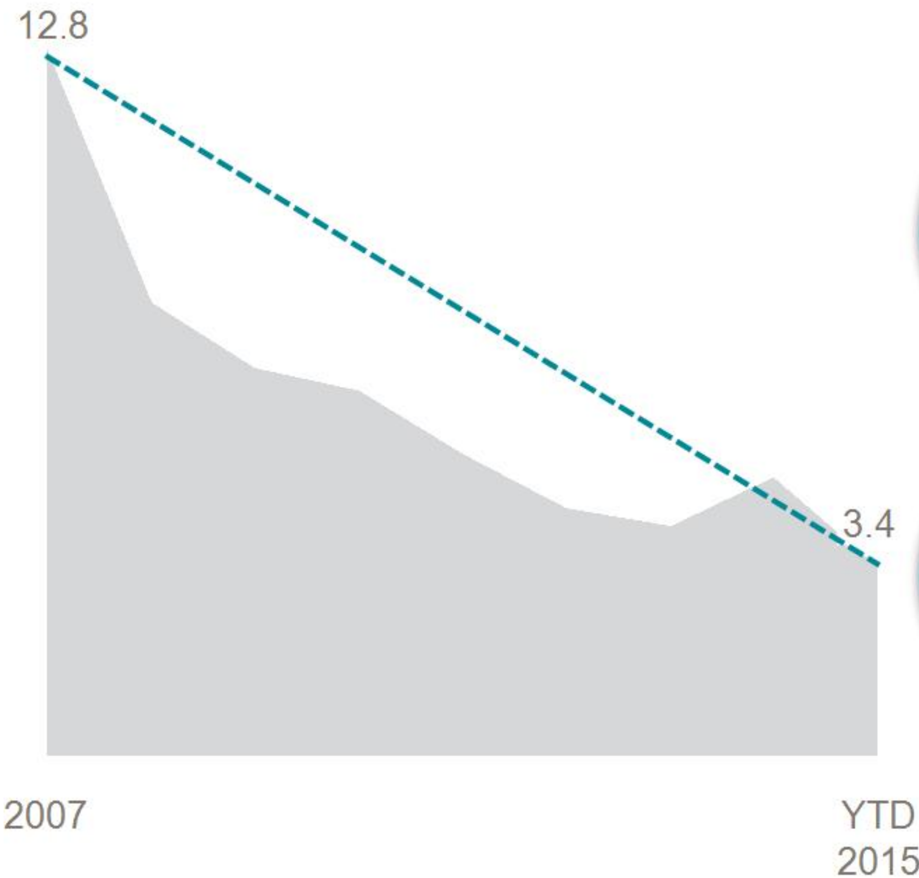
DELIVERING NOK 1 BILLION SYNERGY PROGRAM

LEVERAGING ON VALUE PROPOSITION

ATTRACTIVE, GROWING MARKETS

EHS, CSR, AND COMPLIANCE – INTEGRAL PARTS OF OUR BUSINESS

TOTAL RECORDABLE RATE (YTD)



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sapa:

SAPA TODAY - A TRULY GLOBAL PLAYER

With presence in more than **40** countries

With more than **100** production units

46 BNOK Sales

23,500 employees

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 – Builds first extrusion plant outside Norway

1971 – Opens first extrusion company outside Sweden

1986 – Acquires plants in Europe from Alcan

1997 – Enters South America, Brazil

2000 – First foothold in North America

2005 – Builds a tubing plant in Suzhou, China

2007 – JV between Sapa/Alcoa is created

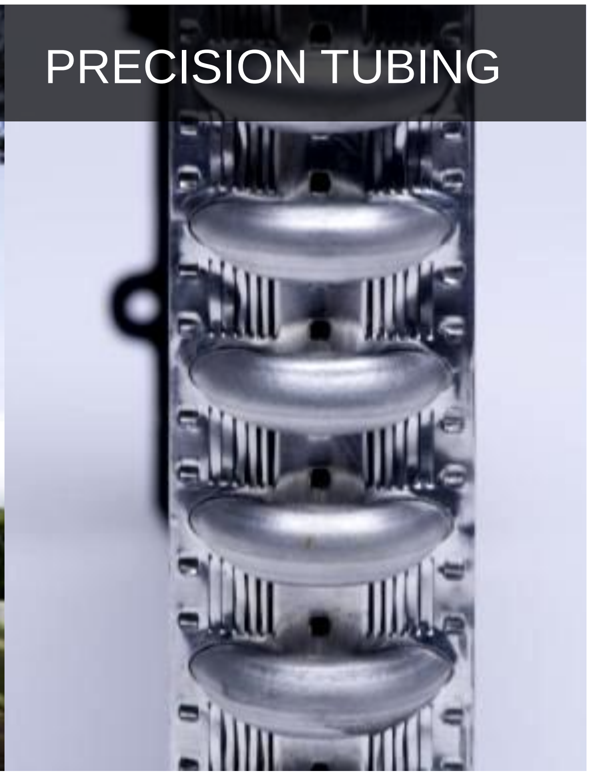
2009 – Indalex acquired

2010/11 – Expansion Asia

2013 – JV between Sapa/Hydro Extruded Products created

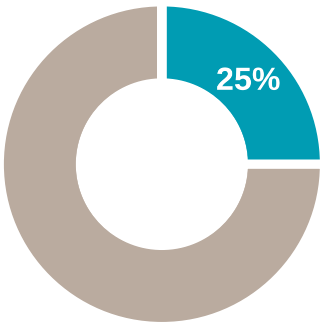
sapa:

TODAY WE HAVE THREE MAIN LINES OF BUSINESS

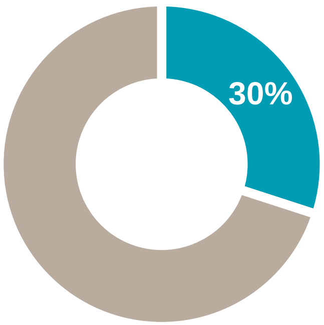


CLEAR MARKET LEADING POSITIONS

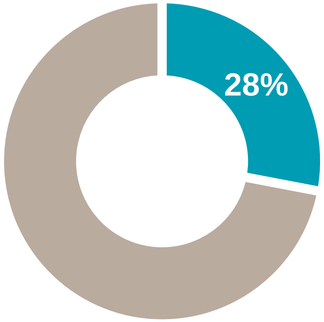
Sapa Europe



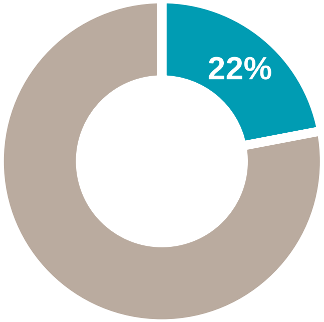
Sapa North America



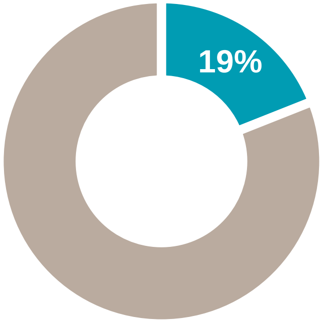
Extrusion North America



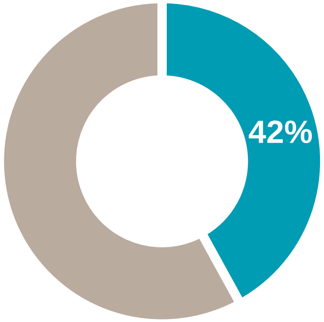
Extrusion Europe*



Building Systems*



Precision Tubing*



* 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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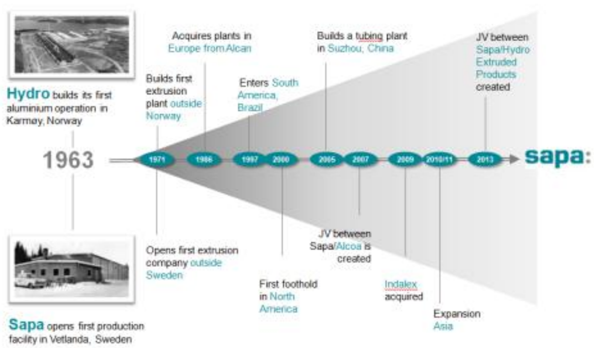
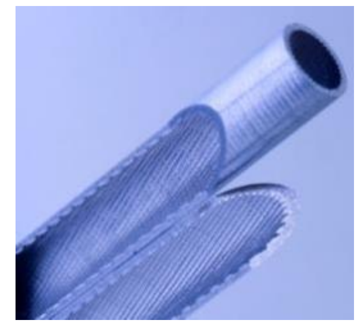
SYNERGY REALISATION AHEAD OF PLAN
- LEVERAGING BUSINESS MODEL AS ONE COMPANY



One Company



THE CREATION OF A GLOBAL LEADER

- Deep roots in aluminium
- Consolidation of market

DELIVERING ON NOK 1 BILLION SYNERGY PROGRAM

- Synergy realisation
- Position for growth

LEVERAGING ON VALUE PROPOSITION

- Leverage scale
- Expand margins

PAST

PRESENT

FUTURE

EUROPEAN RESTRUCTURING DRIVING SYNERGY PROGRAM WITH LEARNING FROM NORTH AMERICA

9
full plant closures

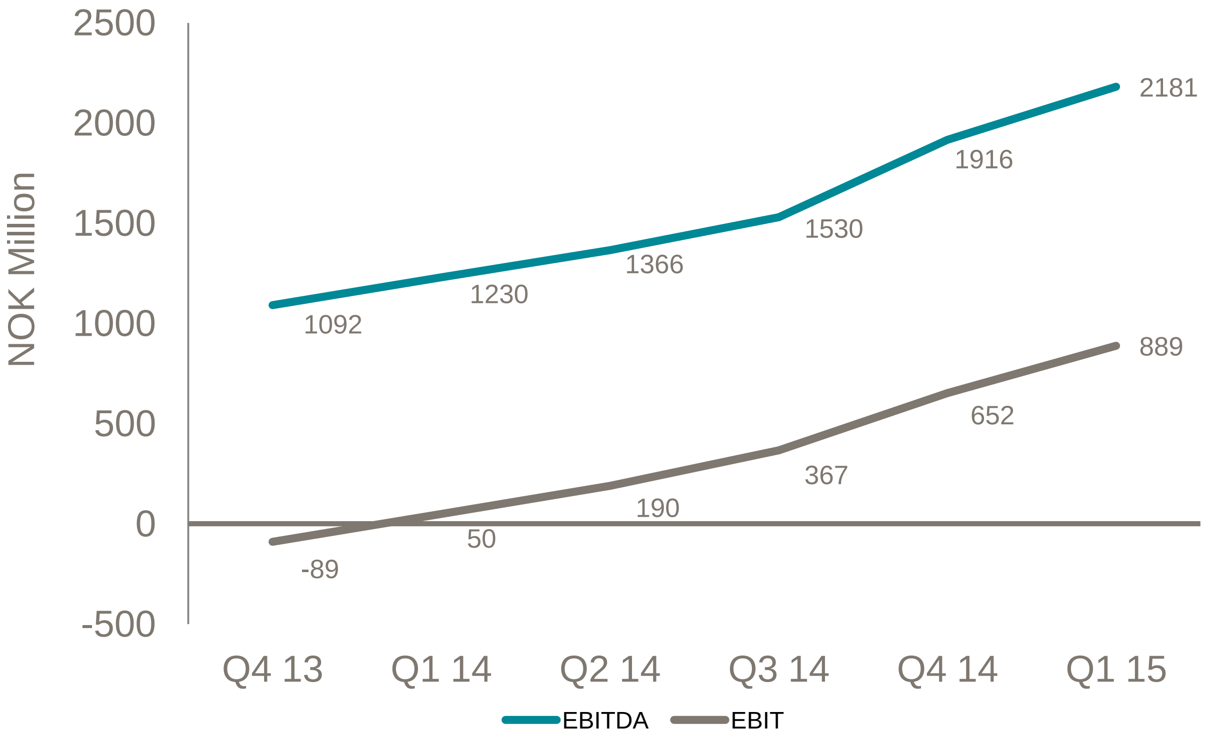
1,450
FTE reduction

4*
divestments

RESTRUCTURING MAP; THE LOCATIONS MARKED WITH RED ON THE MAP IS LOCATIONS THAT HAVE BEEN CLOSED/SOLD.
* 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)

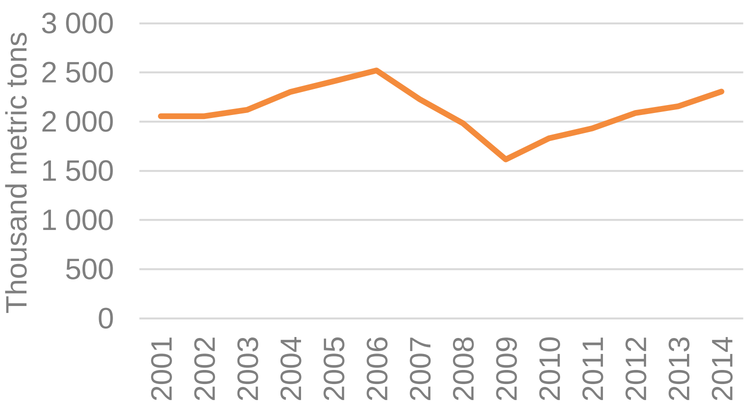


- Synergy realization ahead of plan
- Approximately NOK 0.5 billion included in 2014 result
- Savings mainly from plant closures, sourcing and cost reductions
- Currency effects

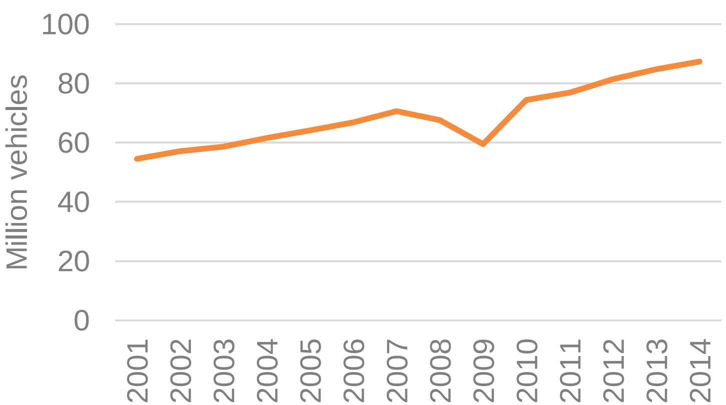
*ROLLING 12 MONTHS BASED ON QUARTERLY FIGURES. Q4-13 TO Q2-14 CONTAINING PRO-FORMA FIGURES FOR Q1-Q3 2013.

STRONG MARKETS SUPPORT PERFORMANCE IN EXTRUSION AMERICAS AND PRECISION TUBING

NORTH AMERICA: EXTRUSION SHIPMENTS



GLOBAL MOTOR VEHICLE PRODUCTION



ROLLING TWELVE MONTHS PERFORMANCE

EXTRUSION AMERICAS Q1 2015

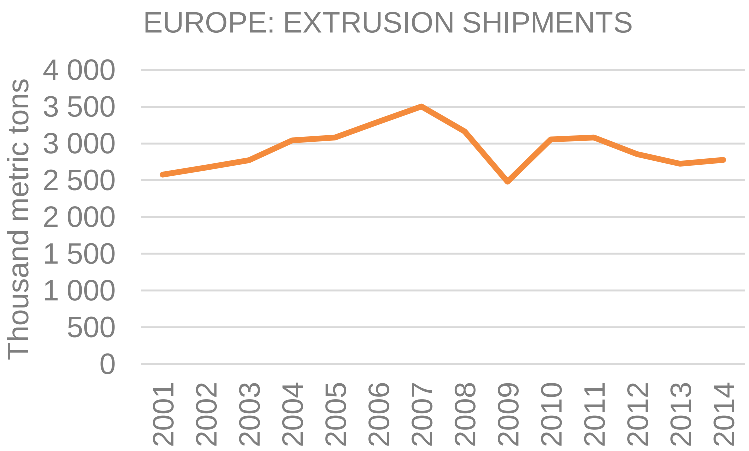
Sales (BNOK)	EBITDA %
19.1	**6.1%**

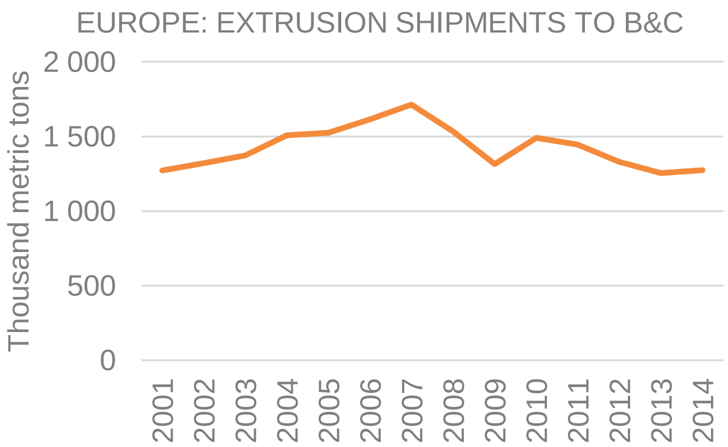
PRECISION TUBING Q1 2015

Sales (BNOK)	EBITDA %
3.9	**9.4%**

SOURCE: CRU AND IHS

SLOWER RECOVERY IN EUROPE AND BUILDING & CONSTRUCTION WEIGHS ON PERFORMANCE





ROLLING TWELVE MONTHS PERFORMANCE

EXTRUSION EUROPE Q1 2015

Sales (BNOK)	EBITDA %
19.3	4.5%

BUILDING SYSTEMS Q1 2015

Sales (BNOK)	EBITDA %
6.8	2.6%

SOURCE: CRU

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MACRO TRENDS DRIVE DEMAND FOR ALUMINIUM

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

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

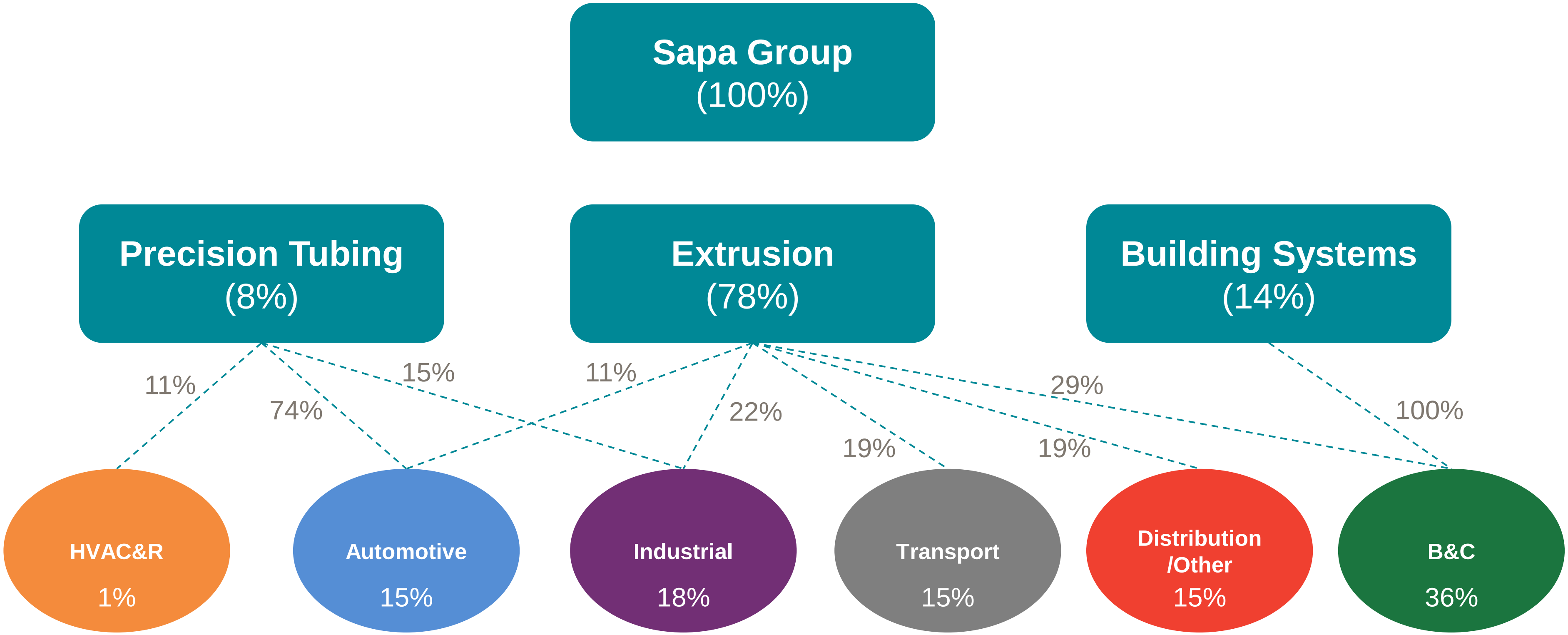
Selected components
Accessories
Side impact bars
Airbag deployment doors

TRAVELLING

Train carriage bodies
Handrails
Luggage racks

* PICTURE WITH COURTESY OF FORD MOTORS

BROAD END-MARKET EXPOSURE

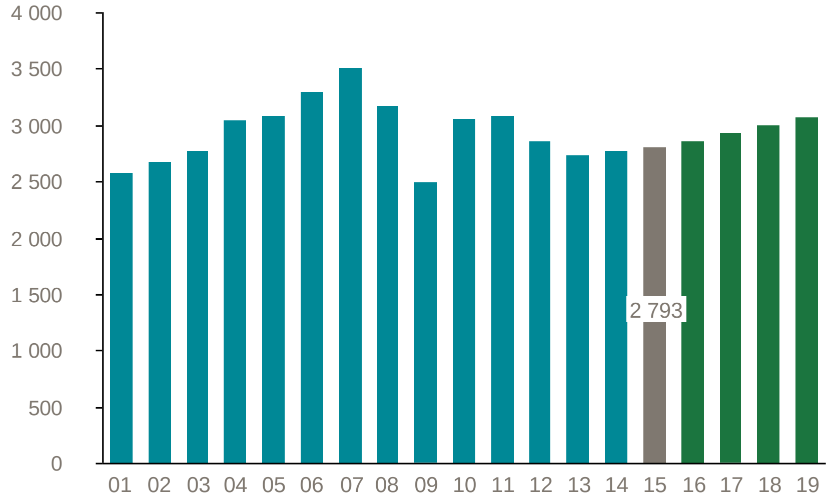


ESTIMATED SHARE OF REVENUES FROM EACH MARKET SEGMENT IN 2014
INDUSTRIAL INCLUDES MACHINERY & EQUIPMENT, ELECTRICAL, SOLAR AND CONSUMER ELECTRONICS
DISTRIBUTION/OTHER INCLUDES DISTRIBUTION, STOCKISTS, TRADERS AND OTHER

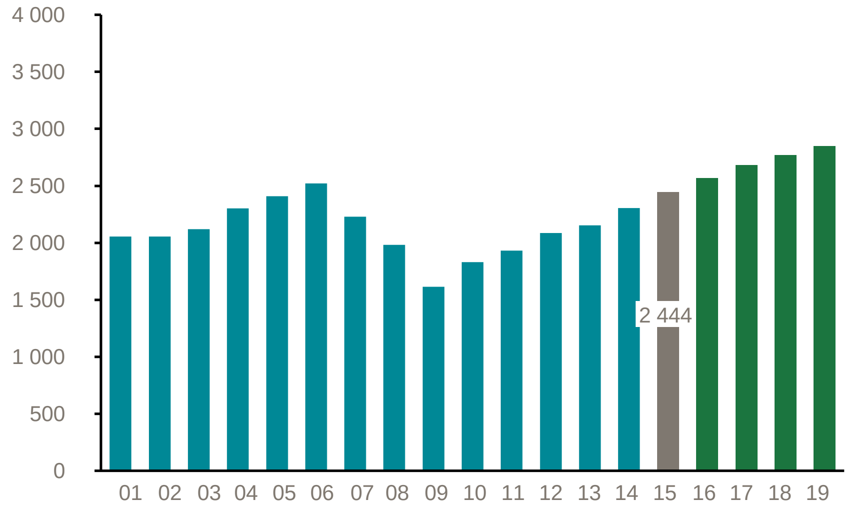
LONG-TERM CORRELATION BETWEEN EXTRUSION DEMAND AND GENERAL ECONOMIC GROWTH

ALUMINIUM EXTRUSION CONSUMPTION

EUROPE



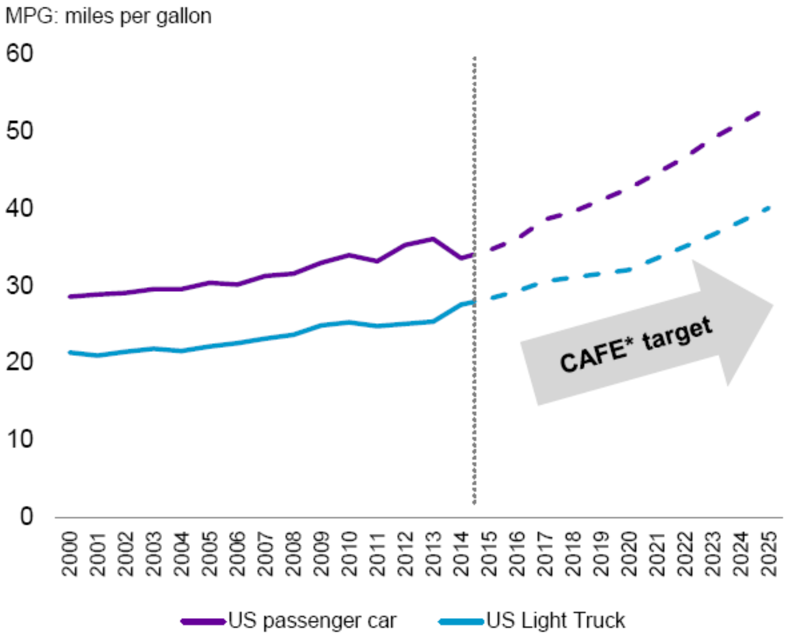
NORTH AMERICA



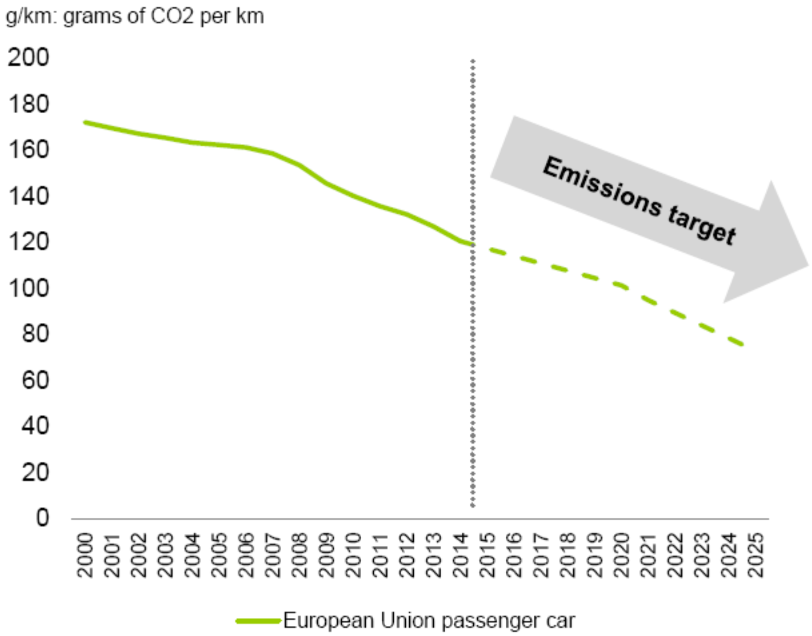
SOURCE: CRU OCTOBER 2014 REPORT AND SAPA ANALYSIS. 2015-2019 ESTIMATES

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

European Union
2012 Energy Efficiency Directive

US
Building Energy Use laws

Regional/country-specific legislation

Global trends

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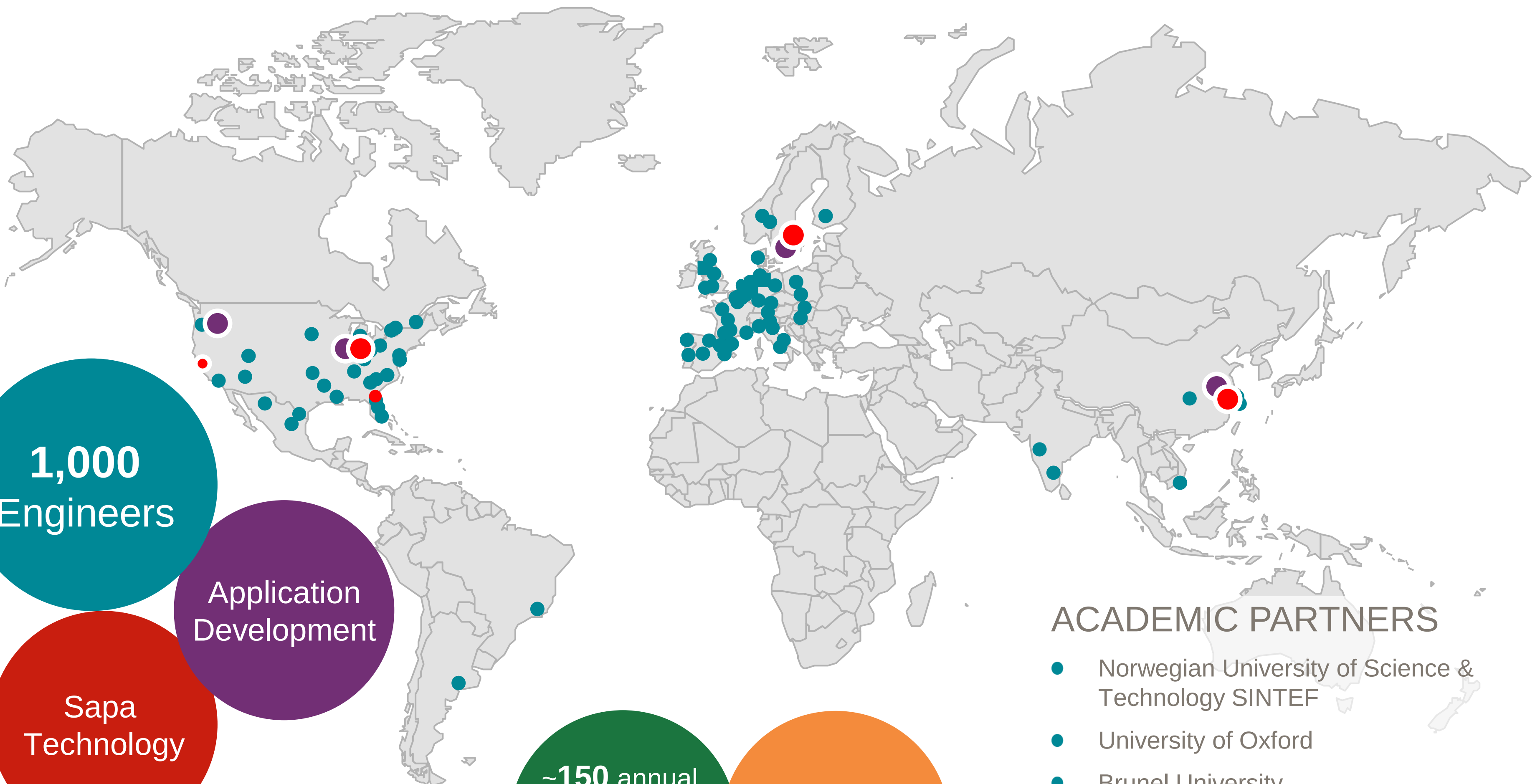
LEVERAGING OUR COMPETITIVE ADVANTAGES

- 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

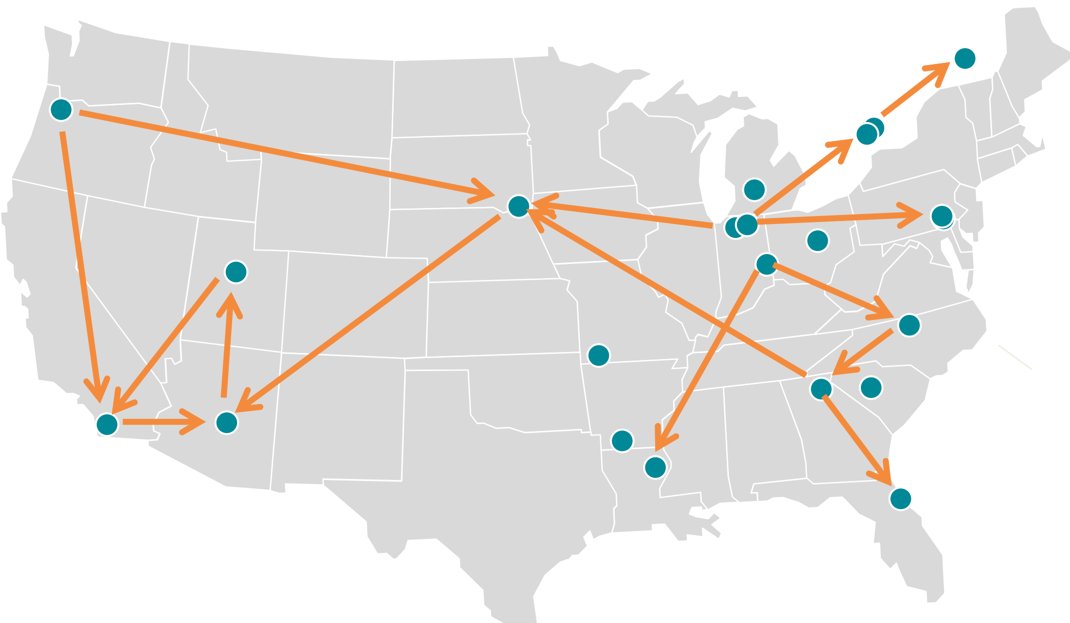
~**150** annual customer academies and work shops

~**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

EXTRUSION AMERICAS
- PLANT-NETWORK PROVIDING CUSTOMER FLEXIBILITY



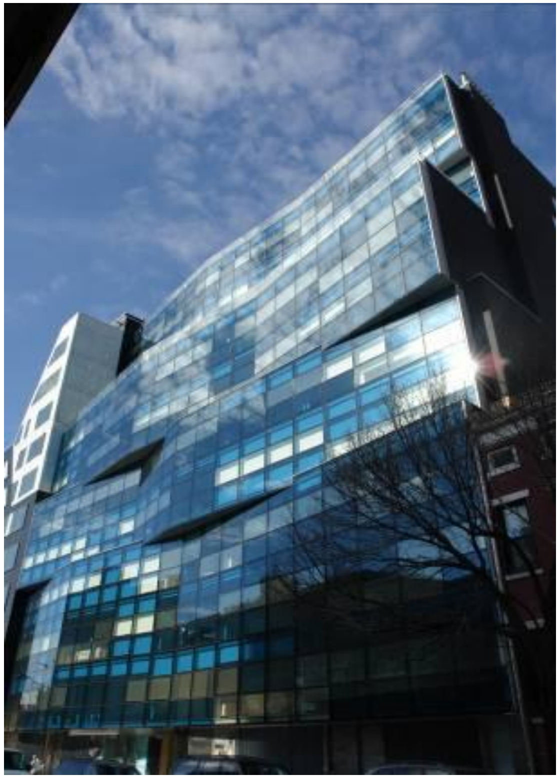
- Network of plants increases flexibility and reliability
- More than 75% of volume serviced by more than one plant

EXTRUSION AMERICAS – COST COMPETITIVE SOLUTIONS TO UTILITY TRAILERS

- 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

PICTURE WITH COURTESY OF FORD MOTORS

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BACK-UP

CAUTIONARY NOTE IN RELATION TO CERTAIN FORWARD-LOOKING STATEMENTS

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.

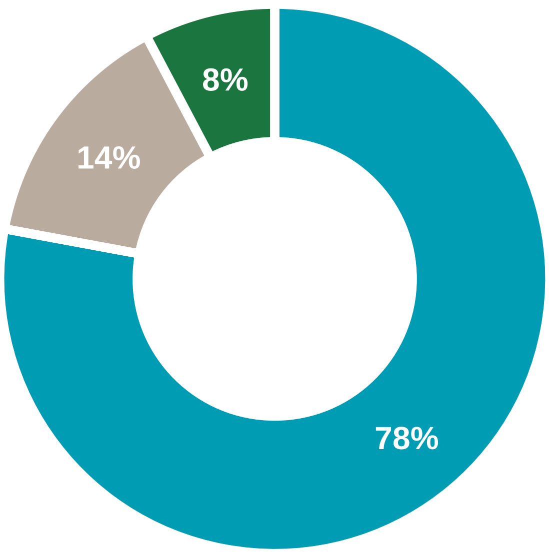
Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially 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

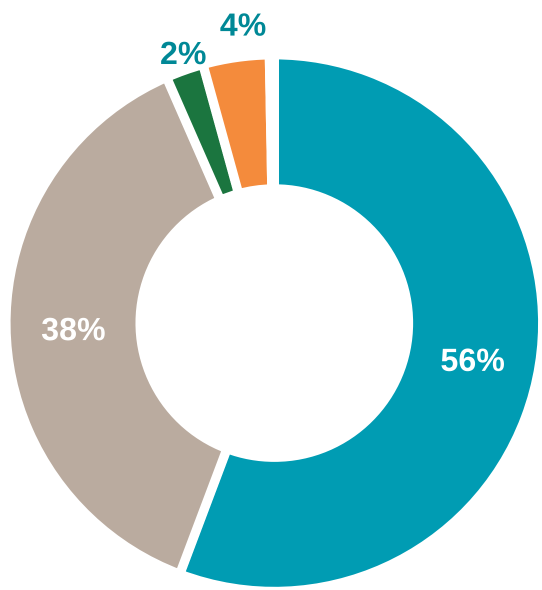
SAPA’S BUSINESS IS DIVERSE

BY BUSINESS



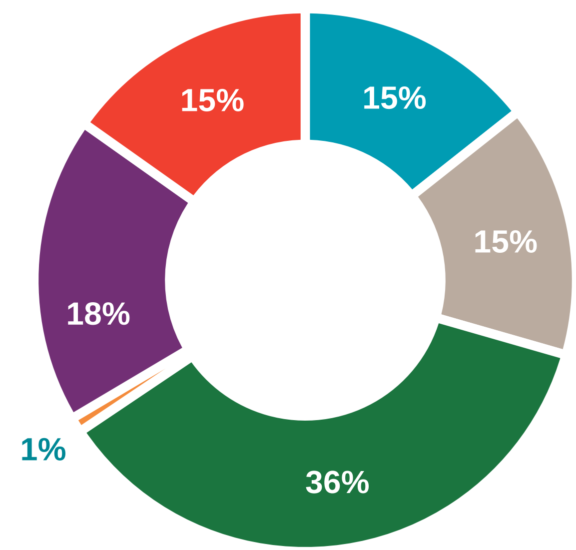
- Extrusion
- Building System
- Precision Tubing

BY GEOGRAPHY



- Europe
- North & Central America
- South America
- Asia incl ME

BY MARKET



- Automotive
- B&C
- Industrial
- Transportation
- HVAC&R
- Distribution/other

”2014 REVENUES BY BUSINESS LINE, GEOGRAPHY AND MARKET VERTICAL.

REPORTED QUARTERLY FINANCIALS

Key figures	Q4 -13	Q1 -14	Q2 -14	Q3 -14	Q4 -14	Q1 -15
Volumes	314	359	368	350	322	353
Revenues	10 133	11 347	11 544	11 603	11 890	14 134
Underlying EBITDA	- 43	440	641	492	343	705
Underlying EBIT	- 339	155	350	201	- 55	392
Reported EBIT	- 787	- 3	168	198	- 679	201