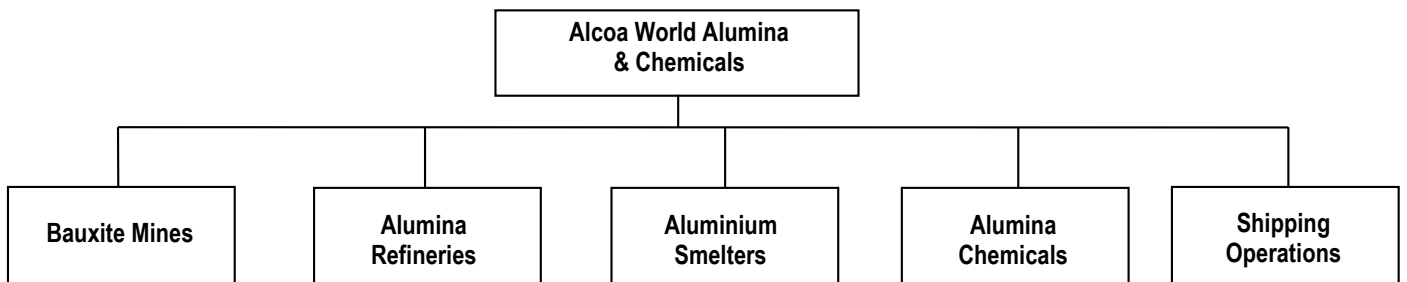


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Diagram of AWAC Operations



All operations 100% owned, unless otherwise indicated

**Australia** – Huntly & Willowdale  
**Brazil** – Trombetas (9.6%) & Juruti  
**Guinea** – Sangaredi (23%)  
**Jamaica** – Manchester Plateau (55%)  
**Suriname** – Moengo, Klaverblad & Kaimangrassie  
**Saudi Arabia** – mine being developed (25.1%)

**Australia** – Kwinana, Pinjarra & Wagerup  
**Brazil** – Sao Luis (39%)  
**Jamaica** – Clarendon (55%)  
**Spain** – San Ciprian  
**Suriname** – Paranam  
**USA** – Point Comfort  
**Saudi Arabia** – refinery being developed (25.1%)

**Australia** - Point Henry & Portland (55%)

**Australia** – Kwinana  
**Spain** – San Ciprian  
**USA** – Point Comfort

**Bauxite deposits:** AWAC’s bauxite deposits are large deposit areas with long term mining rights. Bauxite mining is planned on an incremental basis after detailed assessment of the deposits to achieve a uniform quality in the supply of blended feedstock to the relevant refinery.

**Refineries:** AWAC operates eight alumina refineries, six of which are located in proximity to bauxite deposits.

**Smelters:** AWAC produces primary aluminium in Australia, with alumina supplied by the Australian refineries.

**Alumina Chemicals:** AWAC produces chemical grade alumina from three refineries: Kwinana (Australia), Point Comfort (USA) and San Ciprian (Spain).

**Shipping Operations:** AWAC’s shipping operations use owned and chartered vessels to transport dry and liquid bulk cargoes, including bauxite, alumina, caustic soda, fuel oil, petroleum, coke and limestone.

**Alcoa World Alumina and Chemicals (AWAC) Profit & Loss**

US\$ Millions (US GAAP) 100%	1H 2011	2H 2010	1H 2010
Sales and Operating Revenue	2,088.1	1,788.4	1,664.0
Revenue from Related Parties	1,291.2	1,014.0	990.1
<b>Total Revenue</b>	<b>3,379.3</b>	<b>2,802.4</b>	<b>2,654.1</b>
Cost of Goods Sold and Operating Expenses	(2,697.6)	(2,370.1)	(2,153.2)
Selling, Administration, Other Expenses and R&D Expenses	(65.7)	(56.6)	(57.8)
Provision for Depreciation, Depletion and Amortisation	(225.8)	(214.6)	(209.9)
Other	(4.1)	(12.7)	(9.8)
<b>Total Expenses</b>	<b>(2,993.2)</b>	<b>(2,654.0)</b>	<b>(2,430.7)</b>
<b>Profit before Taxes on Income</b>	<b>386.1</b>	<b>148.4</b>	<b>223.4</b>
Provision for Taxes on Income	(107.5)	61.5	(98.0)
<b>Net Income</b>	<b>278.6</b>	<b>209.9</b>	<b>125.4</b>
<b>Members' Equity</b>			
<b>Opening Balance at Start of Period</b>	<b>8,634.8</b>	<b>7,674.8</b>	<b>7,604.5</b>
Net Income	278.6	209.9	125.4
Capital Contribution	325.0	269.0	164.5
Dividends Paid and Return of Capital to Partners	(467.6)	(359.4)	(281.2)
Common Stock Issued for Compensation Plans	2.6	1.2	2.8
Other Comprehensive Income	476.2	839.3	58.8
<b>Closing Balance at End of Period</b>	<b>9,249.6</b>	<b>8,634.8</b>	<b>7,674.8</b>

**Alcoa World Alumina and Chemicals (AWAC) Balance Sheet**

US\$ Millions (US GAAP) 100%	30 June 2011	31 December 2010	30 June 2010
Cash and Cash Equivalents	190.2	331.6	207.5
Receivables	558.4	427.1	478.1
Related Party Notes Receivable	13.7	120.0	100.1
Inventories	785.5	717.3	648.1
Prepaid Expenses and Other Current Assets	171.9	141.8	163.2
<b>Total Current Assets</b>	<b>1,719.7</b>	<b>1,737.8</b>	<b>1,597.0</b>
Property Plant & Equipment	7,860.7	7,548.7	6,815.1
Investments	422.8	359.5	273.6
Other Assets and Deferred Charges	1,712.6	1,542.6	1,176.7
<b>Total Non-Current Assets</b>	<b>9,996.1</b>	<b>9,450.8</b>	<b>8,265.4</b>
<b>Total Assets</b>	<b>11,715.8</b>	<b>11,188.6</b>	<b>9,862.4</b>
Short Term Borrowings	36.3	253.9	254.0
Payables	819.4	792.5	619.8
Taxes Payable	280.2	214.0	166.2
Accrued Compensation and Retirement Costs	249.7	237.7	212.2
Other Current Liabilities	124.6	125.9	142.2
<b>Total Current Liabilities</b>	<b>1,510.2</b>	<b>1,624.0</b>	<b>1,394.4</b>
Capital lease obligations	39.7	41.5	42.4
Deferred Taxes	272.8	261.8	215.4
Other Long Term Liabilities	643.5	626.5	535.4
<b>Total Non-Current Liabilities</b>	<b>956.0</b>	<b>929.8</b>	<b>793.2</b>
<b>Total Liabilities</b>	<b>2,466.2</b>	<b>2,553.8</b>	<b>2,187.6</b>
Equity	9,249.6	8,634.8	7,674.8
<b>Total Liabilities &amp; Equity</b>	<b>11,715.8</b>	<b>11,188.6</b>	<b>9,862.4</b>

## Alcoa World Alumina and Chemicals (AWAC) Statement of Cash Flows

US\$ Millions (US GAAP) 100%	1H 2011	2H 2010	1H 2010
<u>Operating Activities</u>			
Net Income	278.6	209.9	125.4
Adjustments to Reconcile Net Income to Cash from Operations			
Depreciation, Amortisation and Impairment	225.8	214.6	209.9
Other Items*	(212.2)	(0.1)	(35.3)
<b>Cash from/(used) in Operating Activities</b>	<b>292.2</b>	<b>424.4</b>	<b>300.0</b>
<u>Financing Activities</u>			
Dividends Paid & Return of Capital to Partners	(467.6)	(359.4)	(281.2)
Change in Debt	(217.6)	10.8	(21.0)
Changes to capital lease obligations	(1.8)	(4.6)	-
Capital Contribution	325.0	269.0	164.5
<b>Cash Used for Financing Activities</b>	<b>(362.0)</b>	<b>(84.2)</b>	<b>(137.7)</b>
<u>Investing Activities</u>			
Capital Expenditure	(133.5)	(152.6)	(145.8)
Acquisitions, net of cash acquired (Suriname)	-	(4.8)	4.8
Net changes in related party note receivable	106.3	(19.9)	(8.1)
Other	(52.8)	(62.5)	(8.1)
<b>Cash Used for Investing Activities</b>	<b>(80.0)</b>	<b>(239.8)</b>	<b>(157.2)</b>
Effect of Exchange Rate Changes on Cash	8.4	23.7	(1.0)
<b>Cash Generated/(Used)</b>	<b>(141.4)</b>	<b>124.1</b>	<b>4.1</b>
Cash and Cash Equivalents			
Cash and Cash Equivalents at Beginning of Period	331.6	207.5	203.4
Cash and Cash Equivalents at End of Period	190.2	331.6	207.5
<b>Net Change in Cash and Cash Equivalents</b>	<b>(141.4)</b>	<b>124.1</b>	<b>4.1</b>

\* Other Items consists of net movement in working capital and other non-current assets and liabilities

**Alcoa World Alumina and Chemicals (AWAC) Reconciliation of Profit to Alumina Limited Share of AWAC's Equity Profit**

	1H 2011	2H 2010	1H 2010
AWAC Profit before tax (US GAAP)	386.1	148.4	223.4
Adjust for AIFRS			
- embedded derivatives	15.1	(132.2)	152.5
- retirement benefit obligations	(50.6)	51.1	(78.6)
- other	12.5	(9.7)	(3.9)
<b>AWAC Profit before tax (AIFRS)</b>	<b>363.1</b>	<b>57.6</b>	<b>293.4</b>
AWAC Tax (US GAAP)	(107.5)	61.5	(98.0)
Adjust for AIFRS			
- reversal tax credit in Brazil	(24.9)	(105.4)	-
- other	2.6	19.1	(16.8)
<b>AWAC Tax (AIFRS)</b>	<b>(129.8)</b>	<b>(24.8)</b>	<b>(114.8)</b>
AWAC Profit before tax (AIFRS)	363.1	57.6	293.4
AWAC Tax (AIFRS)	(129.8)	(24.8)	(114.8)
<b>AWAC Profit after tax (AIFRS)</b>	<b>233.3</b>	<b>32.8</b>	<b>178.6</b>
<b>Alumina Limited Share of Equity Profit after tax</b>	<b>93.3</b>	<b>13.1</b>	<b>71.4</b>