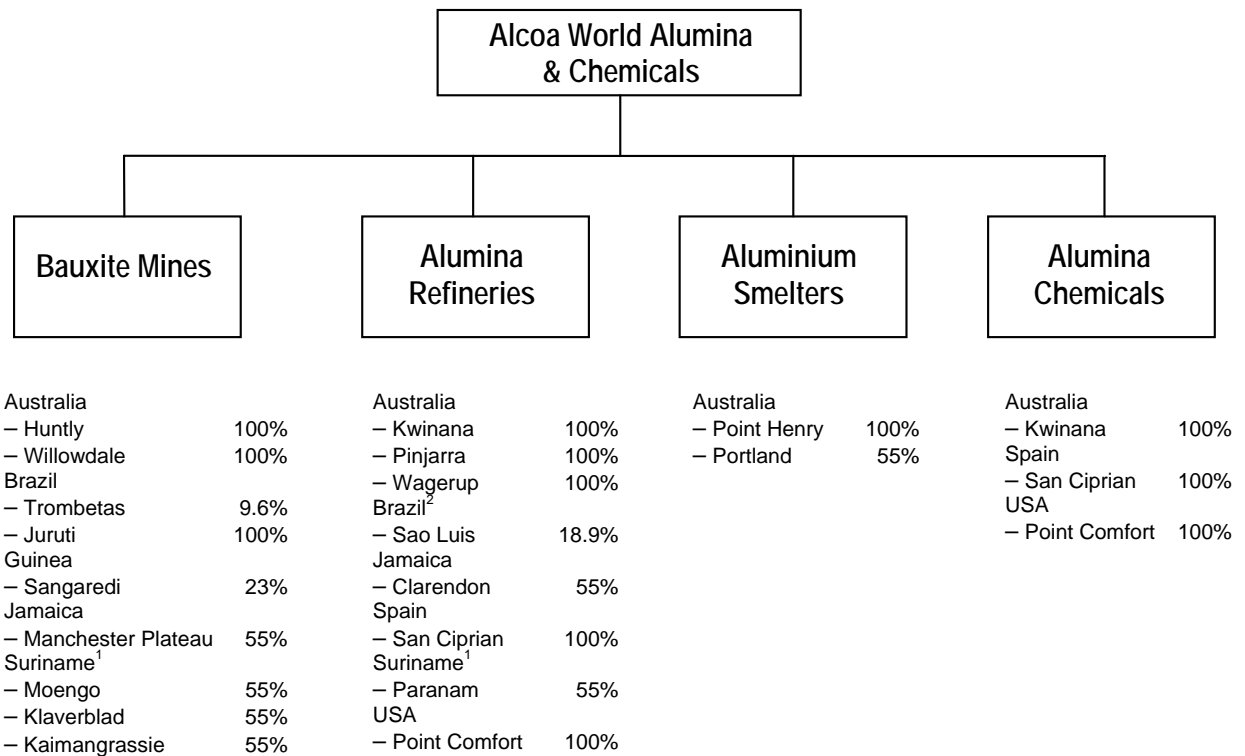


ALUMINA

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Diagram of AWAC Operations



¹ As at 31 July 2009, 100%

² AWAC entitled to 54% of expansion

Alcoa World Alumina and Chemicals (AWAC) Profit & Loss

US\$ Millions (US GAAP) 100%	Full Year 2008	1st Half 2008	2nd Half 2008	1st Half 2009
Sales and Operating Revenue	3,743.4	1,807.0	1,936.4	1,103.6
Revenue from Related Parties	2,566.0	1,336.0	1,230.0	606.9
Total Revenue	6,309.4	3,143.0	3,166.4	1,710.5
Cost of Goods Sold and Operating Expenses	(4,821.8)	(2,376.3)	(2,445.5)	(1,583.4)
Selling, Administration, Other Expenses and R&D Expenses	(128.7)	(60.0)	(68.7)	(51.7)
Provision for Depreciation, Depletion and Amortisation	(295.3)	(161.1)	(134.2)	(132.9)
Other	(39.1)	(14.7)	(24.4)	29.7
Total Expenses	(5,284.9)	(2,612.1)	(2,672.8)	(1,738.3)
Profit/(loss) before Taxes on Income	1,024.5	530.9	493.6	(27.8)
Provision for Taxes on Income	(432.5)	(174.9)	(257.6)	14.1
Net Income/(loss)	592.0	356.0	236.0	(13.7)
Members' Equity				
Opening Balance at Start of Period	5,417.9	5,417.9	6,579.3	6,023.6
Net Income/(loss)	592.0	356.0	236.0	(13.7)
Capital Contribution	1,618.2	748.0	870.2	647.4
Dividends Paid and Return of Capital to Partners	(736.7)	(291.2)	(445.5)	(196.5)
Common Stock Issued for Compensation Plans	5.0	4.1	0.9	1.9
Other Comprehensive Income/(Loss)	(872.8)	344.5	(1,217.3)	385.0
Closing Balance at End of Period	6,023.6	6,579.3	6,023.6	6,847.7

Alcoa World Alumina and Chemicals (AWAC) Balance Sheet

US\$ Millions (US GAAP) 100%	30 June 2008	31 December 2008	30 June 2009
Cash and Cash Equivalents	120.2	70.0	58.3
Restricted cash	-	-	54.0
Receivables	870.5 ¹	708.3	419.6
Inventories	659.7	674.1	746.6
Prepaid Expenses and Other Current Assets	164.0	123.3	158.7
Total Current Assets	1,814.4	1,575.7	1,437.2
Property Plant & Equipment	5,747.4	5,530.1	6,231.2
Investments	257.3	237.3	270.6
Other Assets and Deferred Charges	1,031.7	947.8	1,182.7
Total Non-Current Assets	7,036.4	6,715.2	7,684.5
Total Assets	8,850.8	8,290.9	9,121.7
Short Term Borrowings	143.4	181.6	308.3
Payables	963.3	789.5	619.8
Taxes Payable	125.0	277.2	216.7
Accrued Compensation and Retirement Costs	205.8	181.7	201.3
Other Current Liabilities	105.4	78.7	90.6
Total Current Liabilities	1,542.9	1,508.7	1,436.7
Long Term Debt	-	-	-
Deferred Taxes	358.4	255.1	308.5
Other Long Term Liabilities	370.2	503.5	528.8
Total Non-Current Liabilities	728.6	758.6	837.3
Total Liabilities	2,271.5	2,267.3	2,274.0
Minority Interest	-	-	-
Equity	6,579.3	6,023.6	6,847.7
Total Liabilities & Equity	8,850.8	8,290.9	9,121.7

¹ Receivables at 30 June 2008 included an amount of US\$40 million advanced by Alcoa of Australia to a non-AWAC Alcoa Company, which is at call. This amount has been treated as a cash equivalent in calculating AWAC's net debt.

Alcoa World Alumina and Chemicals (AWAC) Statement of Cashflows

US\$ Millions (US GAAP) 100%	Full Year 2008	1st Half 2008	2nd Half 2008	1st Half 2009
<u>Operating Activities</u>				
Net Income/(loss)	592.0	356.0	236.0	(13.7)
Adjustments to Reconcile Net Income to Cash from Operations				
Depreciation, Amortisation and Impairment	295.3	161.1	134.2	132.9
Other Items*	(235.9)	(234.1)	(1.8)	(278.2)
Cash from/(used) in Operating Activities	651.4	283.0	368.4	(159.0)
<u>Financing Activities</u>				
Dividends Paid & Return of Capital to Partners	(736.7)	(291.2)	(445.5)	(188.5)
Change in Debt	68.1	29.9	38.2	126.7
Additions to capital leases	30.0	-	30.0	(2.0)
Capital Contribution	1,618.2	748.0	870.2	647.4
Excess tax benefits from share based payment arrangements	0.6	1.2	(0.6)	-
Cash Used for Financing Activities	980.2	487.9	492.3	583.6
<u>Investing Activities</u>				
Capital Expenditure	(1,530.5)	(678.7)	(851.8)	(463.8)
Net changes in related party note receivable	(87.0)	(47.8)	(39.2)	87.0
Investments for restricted cash	-	-	-	(54.0)
Other	(9.4)	1.5	(10.9)	(18.5)
Cash Used for Investing Activities	(1,626.9)	(725.0)	(901.9)	(449.3)
Effect of Exchange Rate Changes on Cash	(3.0)	6.0	(9.0)	13.0
Cash Generated / (Used)	1.7	51.9	(50.2)	(11.7)
Cash and Cash Equivalents				
Cash and Cash Equivalents at Beginning of Period	68.3	68.3	120.2	70.0
Cash and Cash Equivalents at End of Period	70.0	120.2	70.0	58.3
Net Change in Cash and Cash Equivalents	1.7	51.9	(50.2)	(11.7)

* 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

	Full Year 2008	1st Half 2008	2nd Half 2008	1st Half 2009
USD Profit/(Loss) Before Taxes on Income (US GAAP)	1,024.5	530.9	493.6	(27.8)
Adjust for USD AIFRS Adjustments	(115.5)	(362.1)	246.6	60.4
Total USD Profit Before Taxes (AIFRS)	909.0	168.8	740.2	32.6
Total AUD Profit Before Taxes (AIFRS)	1,067.1	182.6	884.5	45.8
Alumina Limited Share of Equity Profit Before Tax	426.8	73.0	353.8	18.3
Less: Share of Equity Income Tax Expense	(184.2)	(27.1)	(157.1)	(3.5)
Alumina Limited Share of Equity Profit After Tax	242.6	45.9	196.7	14.8