

ASX Announcement

13 January 2015

### Alcoa Fourth Quarter Earnings Release

Alumina Limited notes Alcoa Inc's ("Alcoa") quarterly earnings release and attaches it for reference. Selected information from the Alcoa alumina business segment and relevant market data to assist readers in understanding the market, operational and commercial matters of Alcoa World Alumina & Chemicals ("AWAC") are also attached.

Alumina Limited owns 40% of each of the AWAC entities, which form a part of the Alcoa alumina business segment. The AWAC Point Henry (closed 1 August 2014) and Portland smelting operations are included in the Alcoa primary metals business segment. As a result, the AWAC results cannot be directly inferred from the Alcoa earnings release. Further, unlike Alumina Limited, Alcoa reports according to US GAAP.

Alumina Limited's CEO Peter Wasow, commented, "Margins in the fourth quarter for the alumina segment significantly improved from the third quarter, predominately due to a better average realised alumina price and the stronger US dollar over the Australian dollar and Brazilian Real. The improvement also reflected lower energy costs and continued productivity gains."

AWAC's production of alumina was 4.0 million tonnes for the fourth quarter.

Alumina Limited received capital repayments and income from AWAC of \$45 million in the fourth quarter, bringing the total receipts to \$119 million for the 2014 year. Capital receipts in the fourth quarter included \$16 million relating to the sale of AWAC's interest in the Jamalco refinery. The majority of the balance of the sale proceeds was applied against AWAC's outstanding loans from Alcoa Inc relating to the Alba settlements. As a result, these Alba related loans from Alcoa Inc have been fully repaid. Alumina Limited's cash capital contributions to AWAC were \$10 million during the fourth quarter for the Ma'aden joint venture project. Total capital contributions by Alumina Limited to AWAC for 2014 were \$42 million.

Alumina Limited's net debt was approximately \$87 million at the end of December 2014.

*Some statements in this public announcement are forward-looking statements within the meaning of the US Private Securities Litigation Reform Act of 1995. Forward-looking statements also include those containing such words as 'anticipate', 'estimates', 'should', 'will', 'expects', 'plans' or similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual outcomes to be different from the forward-looking statements. Important factors that could cause actual results to differ from the forward-looking statements include: (a) material adverse changes in global economic, alumina or aluminium industry conditions and the markets served by AWAC; (b) changes in production and development costs and production levels or to sales agreements; (c) changes in laws or regulations or policies; (d) changes in alumina and aluminium prices and currency exchange rates; and (e) the other risk factors summarised in Alumina's Form 20-F for the year ended 31 December 2013*

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