

Diagram of Alcoa World Alumina and Chemicals (AWAC) Operations	2
Alcoa World Alumina and Chemicals (AWAC) Profit & Loss	3
Alcoa World Alumina and Chemicals (AWAC) Balance Sheet	4
Alcoa World Alumina and Chemicals (AWAC) Statement of Cash Flows	5
Reconciliation of AWAC's Profit to Alumina Limited Share of AWAC's Profit.....	6

Diagram of Alcoa World Alumina and Chemicals (AWAC) Operations



ALCOA WORLD ALUMINA AND CHEMICALS (AWAC) OPERATIONS



Alcoa World Alumina and Chemicals (AWAC) Profit & Loss

US\$ Millions (US GAAP) 100%	Full Year 2014	Full Year 2013
Sales	3,906.6	3,770.8
Sales to Related Parties	1,955.4	2,113.8
Total Revenue	5,862.0	5,884.6
Cost of Goods Sold and Operating Expenses	(4,875.7)	(5,088.9)
Selling, Administration, and R&D Expenses	(111.8)	(123.2)
Provision for Depreciation, Depletion and Amortisation	(404.5)	(447.1)
Restructuring and Other Expenses	(578.0)	(410.5)
Total Expenses	(5,970.0)	(6,069.7)
Loss before Taxes	(108.0)	(185.1)
Provision for Taxes on Income	(135.0)	(63.6)
Net Loss after Taxes	(243.0)	(248.7)
Members' Equity		
Opening Balance at Start of Period	6,861.7	8,243.7
Net Loss	(243.0)	(248.7)
Capital Contribution	142.7	31.5
Dividends Paid and Return of Capital to Partners	(302.4)	(300.8)
Common Stock Issued for Compensation Plans	4.3	5.2
Other Comprehensive Income	(644.3)	(869.2)
Closing Balance at End of Period	5,819.0	6,861.7

Alcoa World Alumina and Chemicals (AWAC) Balance Sheet

US\$ Millions (US GAAP) 100%	31 December 2014	31 December 2013
Cash and Cash Equivalents	238.2	189.5
Receivables	524.6	541.5
Related Party Notes Receivable	88.9	91.5
Inventories	550.7	671.2
Prepaid Expenses and Other Current Assets	208.3	296.4
Total Current Assets	1,610.7	1,790.1
Property, Plant & Equipment	4,772.3	5,938.3
Investments	586.7	557.7
Other Assets and Deferred Charges	1,434.0	1,786.4
Total Non-Current Assets	6,793.0	8,282.4
Total Assets	8,403.7	10,072.5
Short Term Borrowings	66.6	59.0
Payables	733.5	881.8
Taxes Payable	141.0	187.1
Accrued Compensation and Retirement Costs	241.8	269.2
Other Current Liabilities	267.5	376.6
Total Current Liabilities	1,450.4	1,773.7
Capital Lease Obligations and Long Term Debt	6.8	116.9
Deferred Taxes	151.3	237.3
Other Long Term Liabilities	976.2	1,082.9
Total Non-Current Liabilities	1,134.3	1,437.1
Total Liabilities	2,584.7	3,210.8
Equity	5,819.0	6,861.7
Total Liabilities & Equity	8,403.7	10,072.5

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

US\$ Millions (US GAAP) 100%	Full Year 2014	Full Year 2013
<u>Operating Activities</u>		
Net Loss	(243.0)	(248.7)
<i>Adjustments to Reconcile Net Income to Cash from Operations</i>		
Depreciation, Amortisation and Impairment	404.5	447.1
Other Items*	320.4	457.6
Cash from Operating Activities	481.9	656.0
<u>Financing Activities</u>		
Dividends Paid & Return of Capital to Partners	(302.4)	(270.7)
Change in Debt	(88.2)	40.0
Changes to Capital Lease Obligations	(14.3)	(2.4)
Capital Contribution	142.7	31.5
Cash Used for Financing Activities	(262.2)	(201.6)
<u>Investing Activities</u>		
Capital Expenditure	(237.9)	(322.6)
Net Changes in Related Party Note Receivable	(5.0)	(16.1)
Other	82.6	(35.7)
Cash Used for Investing Activities	(160.3)	(374.4)
Effect of Exchange Rate Changes on Cash	(10.7)	(16.5)
Cash (Used)/Generated	48.7	63.5
Cash and Cash Equivalents		
Cash and Cash Equivalents at Beginning of Period	189.5	126.0
Cash and Cash Equivalents at End of Period	238.2	189.5
Net Change in Cash and Cash Equivalents	48.7	63.5

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

Reconciliation of AWAC's Profit to Alumina Limited Share of AWAC's Profit

	Full Year 2014	Full Year 2013
AWAC Loss before tax (US GAAP)	(108.0)	(185.1)
Adjust for IFRS		
- Embedded derivatives	17.6	(16.5)
- Restructuring charges	5.1	-
- Reversal of goodwill impairment	-	30.2
- Other	(2.2)	(6.6)
AWAC Loss before Tax (IFRS)	(87.5)	(178.0)
AWAC Tax (US GAAP)	(135.0)	(63.6)
Adjust for IFRS		
- Brazil deferred tax	57.0	(2.1)
- Other	(14.7)	3.9
AWAC Tax (IFRS)	(92.7)	(61.8)
AWAC Loss before Tax (IFRS)	(87.5)	(178.0)
AWAC Tax (IFRS)	(92.7)	(61.8)
AWAC Loss after Tax (IFRS)	(180.2)	(239.8)
Alumina Limited Share of AWC Loss after Tax	(72.1)	(95.9)
Amortisation of mineral rights and bauxite assets (net of tax)	(1.5)	(1.5)
Share of net loss of associates accounted for using the equity method	(73.6)	(97.4)