

# Third Quarter 2016 Earnings Call

November 10, 2016





# Forward-looking statements

*Certain statements contained in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. This presentation may contain “forward looking statements” with respect to our business, results of operations and financial condition, and our expectations or beliefs concerning future events and conditions. You can identify forward-looking statements because they contain words such as, but not limited to, “believes,” “expects,” “may,” “should,” “approximately,” “anticipates,” “estimates,” “intends,” “plans,” “targets,” “likely,” “will,” “would,” “could” and similar expressions (or the negative of these terminologies or expressions). All forward-looking statements involve risks and uncertainties. Many risks and uncertainties are inherent in our industry and markets. Others are more specific to our business and operations. These risks and uncertainties include, but are not limited to, the ability of Constellium and Wise Metals to achieve expected synergies and the timing thereof, Constellium’s increased levels of indebtedness which could limit Constellium’s operating flexibility and opportunities; the potential failure to retain key employees, the loss of customers, suppliers and other business relationships as a result of the acquisition of Wise Metals; disruptions to business operations; slower or lower than expected growth in the North American market for Body-in-White aluminium rolled products, and other risk factors set forth under the heading “Risk Factors” in our Annual Report on Form 20-F, and as described from time to time in subsequent reports filed with the U.S. Securities and Exchange Commission. The occurrence of the events described and the achievement of the expected results depend on many events, some or all of which are not predictable or within our control. Consequently, actual results may differ materially from the forward-looking statements contained in this presentation. We undertake no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by law.*



## Non-GAAP measures

*This presentation includes information regarding certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA per metric ton, Adjusted Free Cash Flow and Net Debt. These measures are presented because management uses this information to monitor and evaluate financial results and trends and believes this information to also be useful for investors. Adjusted EBITDA measures are frequently used by securities analysts, investors and other interested parties in their evaluation of Constellium and in comparison to other companies, many of which present an adjusted EBITDA-related performance measure when reporting their results. Adjusted EBITDA, Adjusted EBITDA per Metric Ton, Adjusted Free Cash Flow and Net Debt are not presentations made in accordance with IFRS and may not be comparable to similarly titled measures of other companies. These non-GAAP financial measures supplement our IFRS disclosures and should not be considered an alternative to the IFRS measures. This presentation provides a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures.*

# Jean-Marc Germain

Chief Executive Officer





## Q3 2016 Highlights (Q3 2016 vs Q3 2015)

- ▶ Shipments of 377k metric tons, in-line with prior year
- ▶ Revenue of €1.2 billion, down 5% on a product mix shift
- ▶ Net Income of €15 million compared to a net loss of (€45 million)
- ▶ Adjusted EBITDA of €97 million, up 23%
  - Strong operational improvement in P&ARP segment, up 49% with Muscle Shoals contributing €26 million to Adjusted EBITDA
  - Solid execution in AS&I segment, up 13%
  - Stable results in A&T segment
- ▶ Calling \$150 million 9.75% Senior PIK Toggle Notes to reduce gross debt



## First 100 days

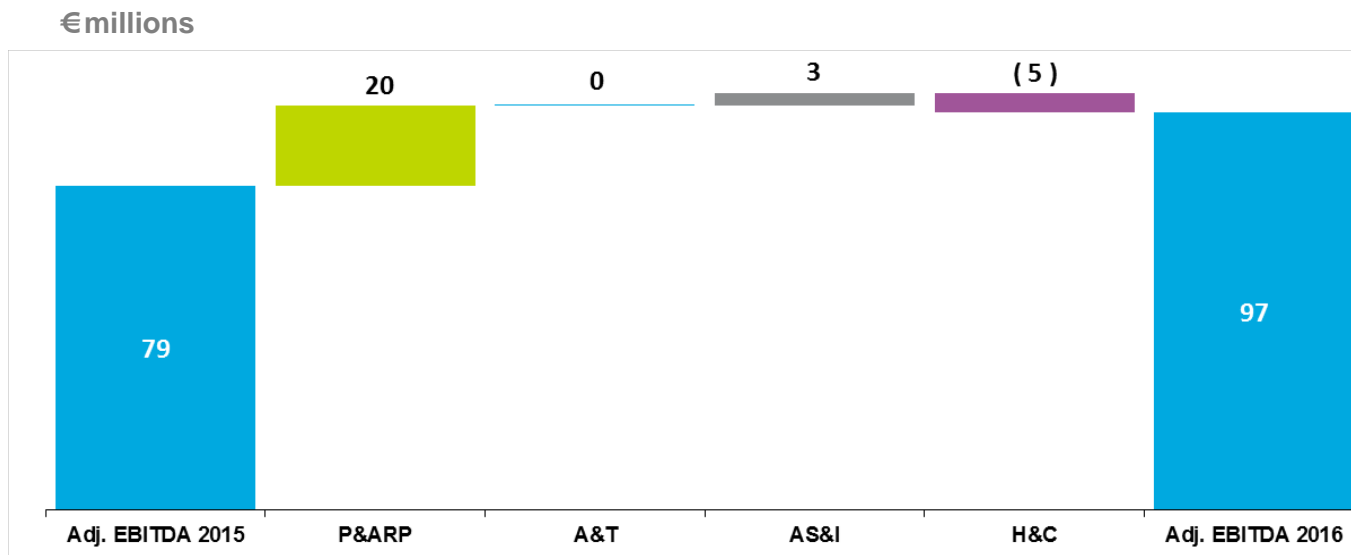
- ▶ Visited most of our locations and developed a firm grasp on our assets and capabilities
- ▶ Met with many of our customers, investors and analysts; completed investor perception study
- ▶ Reshaped new senior management team
- ▶ Initiated work on a long-term operational, strategic and financial plan for the business
- ▶ Calling the \$150 million 9.75% Senior PIK Toggle Notes to reduce gross debt

**Corinne Fornara**

Interim Chief Financial Officer



# Adjusted EBITDA (Q3 2016 vs Q3 2015)



Solid growth in Adjusted EBITDA driven by improvement in P&ARP and solid execution in AS&I

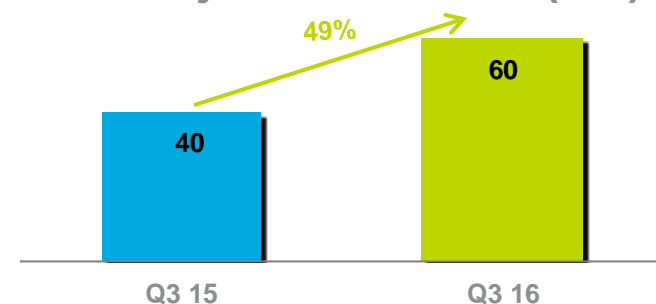


# Packaging and Automotive Rolled Products Segment

## Q3 Segment Performance Highlights

- ➔ Segment shipments up 1% to 265 kt in Q3 2016
  - ▶ Stable packaging demand Q3/Q3
  - ▶ Automotive rolled product shipments up 33%

## Q3 Adjusted EBITDA (€m)

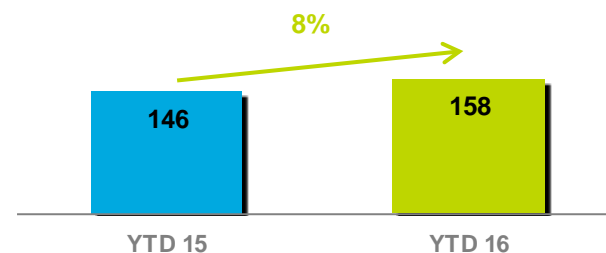


Shipments:	262kt	265kt	1%
Per ton:	€153	€226	48%

## P&ARP Recent Developments

- ➔ Update on Muscle Shoals
  - ▶ Resolved metal management issues
  - ▶ Cost reduction initiatives in place
  - ▶ In-sourcing used beverage can (UBC) procurement on-track
- ➔ 2016 Auto Body Sheet finishing lines on-track
  - ▶ Officially launched new finishing lines at Neuf-Brisach, France and Bowling Green, Kentucky
  - ▶ Both lines in qualification phase and on schedule

## YTD Adjusted EBITDA (€m)



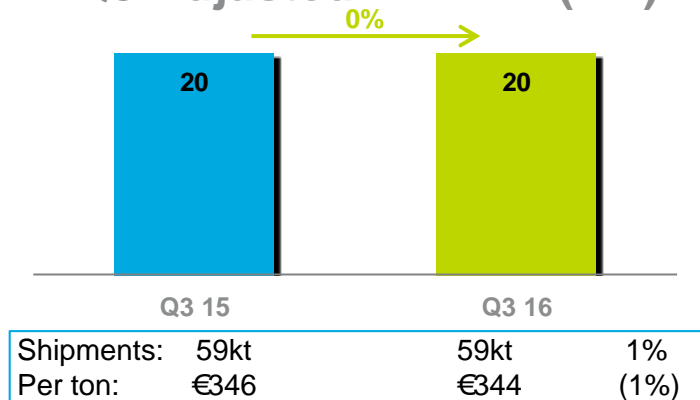
Shipments:	796kt	777kt	(2%)
Per ton:	€184	€203	11%

# Aerospace and Transportation Segment

## Q3 Segment Performance Highlights

- Segment shipments flat at 59 kt, transportation increase offsets seasonal aerospace decrease
- Solid European aerospace market demand; good aerospace plate production performance

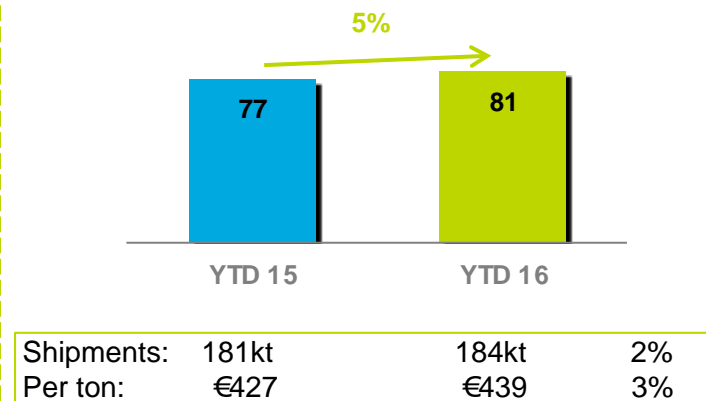
## Q3 Adjusted EBITDA (€m)



## A&T Recent Developments

- 2017-2021 contract with Airbus – focused on higher value-add products (pre-machining)
- Strong aerospace order book
- AIRWARE® profitability substantial; products set for continued volume ramp-up and cost reductions (C-Series and A350)
- Pusher furnace in Ravenswood on schedule, expected to improve cost position and provide new product growth opportunities

## YTD Adjusted EBITDA (€m)

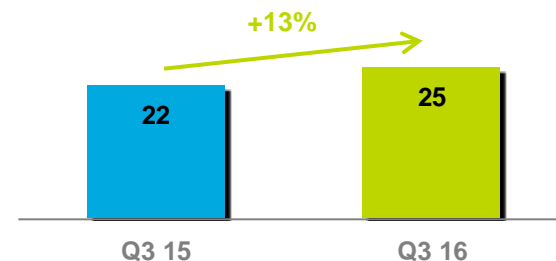


# Automotive Structures and Industry Segment

## Q3 Segment Performance Highlights

- Segment shipments of 53 kt, up 4%
- Strong demand in automotive structures, improved demand in soft alloys
- Continuous operational improvement

## Q3 Adjusted EBITDA (€m)

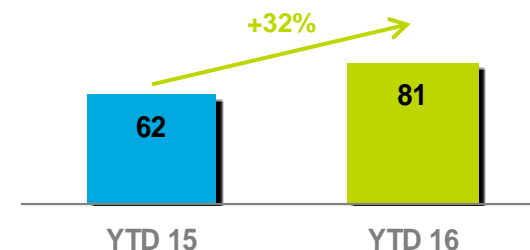


Shipments:	51kt	53kt	4%
Per ton:	€428	€471	10%

## AS&I Recent Developments

- Continuing solid quarterly performance in Adjusted EBITDA
- Strong nominations in Crash Management Systems, Automotive Structures and Body Structures
- Georgia and Mexico facilities, on target for start-up in 2017 and 2018, respectively
- Large profile opportunities growing

## YTD Adjusted EBITDA (€m)



Shipments:	164kt	168kt	2%
Per ton:	€375	€485	29%

# Adjusted Free Cash Flow

€millions	Three months ended September 30, 2015	Three months ended September 30, 2016
Cash flows from operating activities	80	67
Capital expenditures	(85)	(74)
<b>Adjusted free cash flow</b>	<b>(5)</b>	<b>(7)</b>

Adjusted free cash flow reflects high levels of capital expenditures as we continue to improve asset integrity and invest in our growth projects



# Strong Liquidity

€millions	December 31, 2015	June 30, 2016	September 30, 2016
Total Debt (*)	2,175	2,450	2,482
Cash and Cash Equivalents (**)	472	622	618
<b>Net Debt</b>	<b>1,703</b>	<b>1,828</b>	<b>1,864</b>
<b>Liquidity (***)</b>	<b>733</b>	<b>792</b>	<b>791</b>

Ample and stable liquidity

(\*) Including fair value of cross currency interest swap and cash pledged for issuance of guarantees

(\*\*) Cash and cash equivalents include €20 million one-time payment related to the renegotiation of a customer agreement

(\*\*\*) Liquidity measured as the sum of Cash and Cash Equivalents and availability under long-term committed facilities

# Jean-Marc Germain

Chief Executive Officer





# Key Takeaways From Investor Perception Outreach

## Investment appeals

- ▶ Balanced business mix
- ▶ Attractive end markets
- ▶ Earnings growth potential
- ▶ Manufacturing excellence
- ▶ New management

## Investment concerns

- ▶ Limited transparency
- ▶ Debt-heavy balance sheet
- ▶ Inconsistent execution
- ▶ Strategic uncertainty

## Metrics used in measuring success

- ▶ EBITDA growth
- ▶ Free cash flow

## What investors want to know

- ▶ Financial outlook
- ▶ Strategic clarity
- ▶ Details about contracts
- ▶ Opportunity for Auto Body Sheet

Source: Rivel



## Our Path Forward

- ▶ Focus on operational excellence, ensure disciplined capital deployment and build financial flexibility
- ▶ Enhance our dialogue with customers, investors and analysts
- ▶ Finalize our long-term operational, strategic and financial plan with a communication planned in March 2017 post earnings announcement
- ▶ Maintain a disciplined focus on our core automotive and aerospace growth opportunities



# Official Launch at Neuf-Brisach and Bowling Green



- ▶ In October 2016, opened new auto body sheet 100k metric ton finishing line at Neuf-Brisach, France;
- ▶ New finishing line in the final stage of the qualification phase and has begun commercial production

- ▶ In September 2016, opened new auto body sheet 100k metric ton finishing line at Bowling Green, Kentucky under joint venture with UACJ;
- ▶ New finishing line in qualification phase and expected to ship commercial coils in Q4 2016



## Expansion and Growth at AS&I



- ▶ New \$20 million manufacturing facility in White, Georgia to produce aluminium automotive structural components on schedule for completion;
- ▶ Production expected to begin in 2017

- ▶ New \$10 million manufacturing facility in San Luis Potosí, Mexico to produce aluminium automotive structural components on schedule for completion;
- ▶ Production expected to begin in 2018





## Key Takeaways

- ▶ Improved results in P&ARP segment, solid execution in AS&I, and stable performance in A&T
- ▶ Solid Q3 Adjusted EBITDA performance of €97 million, up 23% quarter-over-quarter, and up 11% year-over-year; typical seasonal softness in Q4; solid foundation for 2017
- ▶ New management team in place and focused on execution
- ▶ Current capital investment program under review; core earnings growth strategy remains in place
- ▶ Reducing leverage/increasing financial flexibility is a priority

# Q & A

# Appendix

# Shipments by Product Line (000's metric tons)

k metric tons	Three months September 30, 2015	Three months September 30, 2016
Packaging rolled products	224	226
Automotive rolled products	21	28
Specialty and other thin-rolled products	17	11
Aerospace rolled products	30	27
Transportation, industry, and other rolled products	29	32
Automotive extruded products	23	24
Other extruded products	28	29
Eliminations and other	2	0
<b>Total</b>	<b>374</b>	<b>377</b>

# Shipments by Product Line (000's metric tons)

k metric tons	Nine months September 30, 2015	Nine months September 30, 2016
Packaging rolled products	678	658
Automotive rolled products	65	85
Specialty and other thin-rolled products	53	34
Aerospace rolled products	89	88
Transportation, industry, and other rolled products	92	96
Automotive extruded products	74	76
Other extruded products	90	92
Eliminations and other	-	(3)
<b>Total</b>	<b>1,141</b>	<b>1,126</b>

# IFRS – Q3 2016 Income Statement

€millions

	Three months ended September 30, 2015	Three months ended September 30, 2016
Revenue	1,259	1,199
<b>Income / (loss) from operations</b>	<b>(1)</b>	<b>84</b>
Finance costs – net	(40)	(45)
Share of loss of joint-ventures	(1)	(6)
<b>Income / (loss) before income taxes</b>	<b>(42)</b>	<b>33</b>
Income tax expense	(3)	(18)
<b>Net income / (loss)</b>	<b>(45)</b>	<b>15</b>





# IFRS – YTD 2016 Income Statement

€millions

	Nine months ended September 30, 2015	Nine months ended September 30, 2016
Revenue	4,031	3,582
<b>Income / (loss) from operations</b>	<b>(8)</b>	<b>217</b>
Finance costs – net	(119)	(130)
Share of loss of joint-ventures	(2)	(8)
<b>Income / (loss) before income taxes</b>	<b>(129)</b>	<b>79</b>
Income tax (expense) / benefit	6	(63)
<b>Net income / (loss)</b>	<b>(123)</b>	<b>16</b>

# IFRS – Statement of Financial Position

€millions	At December 31, 2015	At September 30, 2016
Non-current assets	2,166	2,218
Current assets	1,449	1,698
Assets held for sale	13	-
<b>Total Assets</b>	<b>3,628</b>	<b>3,916</b>
Equity	(540)	(596)
Non-current liabilities	2,962	3,410
Current liabilities	1,193	1,102
Liabilities held for sale	13	-
<b>Total Equity and Liabilities</b>	<b>3,628</b>	<b>3,916</b>



# Net Debt Reconciliation

€millions	December 31, 2015	June 30, 2016	September 30, 2016
Borrowings	2,233	2,498	2,522
Fair value of cross currency interest rate swap	(47)	(39)	(31)
Cash and cash equivalents	(472)	(622)	(618)
Cash pledged for issuance of guarantees	(11)	(9)	(9)
<b>Net Debt</b>	<b>1,703</b>	<b>1,828</b>	<b>1,864</b>

# Reconciliation of Net Income to Adjusted EBITDA

€ millions

	Three months ended September 30, 2015	Three months ended September 30, 2016	Nine months ended September 30, 2015	Nine months ended September 30, 2016
<b>Net income / (income)</b>	<b>(45)</b>	<b>15</b>	<b>(123)</b>	<b>16</b>
Income tax expense / (benefit)	3	18	(6)	63
<b>Income / (loss) before income tax</b>	<b>(42)</b>	<b>33</b>	<b>(129)</b>	<b>79</b>
Finance costs - net	40	45	119	130
Share of loss of joint-ventures	1	6	2	8
<b>Income / (loss) from operations</b>	<b>(1)</b>	<b>84</b>	<b>(8)</b>	<b>217</b>
Metal price lag	22	(2)	22	3
Start-up and development costs	10	3	19	16
Manufacturing system and process transformation costs	4	-	6	4
Wise acquisition and integration costs	1	-	11	2
Wise one-time costs	2	-	38	20
Wise purchase price adjustment	-	(19)	-	(19)
Loss on Ravenswood OPEB plan amendments	-	-	4	-
Depreciation, amortization, and impairment	38	37	121	109
Restructuring costs	1	1	6	5
Unrealized (gains) / losses on derivatives	1	(12)	28	(65)
Unrealized exchange losses / (gains) from remeasurement of monetary assets and liabilities – net	-	1	3	(1)
(Gains) / losses on disposal and assets classified as held for sale	(3)	-	7	-
Share based compensation	2	2	4	5
Other	2	2	6	-
<b>Adjusted EBITDA</b>	<b>79</b>	<b>97</b>	<b>267</b>	<b>296</b>



# Liquidity Details

€millions	Availability at June 30, 2016	Availability at September 30, 2016
Ravenswood ABL	35	28
Wise ABL	95	101
Factoring	33	37
Other	7	7
Total	170	173
Cash and cash equivalents	622	618
<b>Total Liquidity</b>	<b>792</b>	<b>791</b>

# Borrowings Table

€ millions

	At December 31, 2015				At September 30, 2016			
	Amount	Type of rate	Nominal rate	Effective rate	Amount	Type of rate	Nominal rate	Effective rate
<b>Senior Notes</b>								
Constellium N.V.								
<i>In U.S. Dollar (due 2024)</i>	365	Fixed	5.75%	6.26%	361	Fixed	5.75%	6.26%
<i>In Euro (due 2021)</i>	297	Fixed	4.63%	5.16%	301	Fixed	4.63%	5.16%
<i>In U.S. Dollar (due 2023)</i>	375	Fixed	8.00%	8.61%	359	Fixed	8.00%	8.61%
<i>In Euro (due 2023)</i>	244	Fixed	7.00%	7.54%	239	Fixed	7.00%	7.54%
<i>In U.S. Dollar (due 2021)</i>	—	—	—	—	385	Fixed	7.88%	8.94%
Muscle Shoals (Wise Metals Group LLC) (due 2018)	622	Fixed	8.75%	7.45%	614	Fixed	8.75%	7.45%
<b>Senior PIK Toggle Notes (due 2019)</b>								
Muscle Shoals (Wise Metals Intermediate Holdings LLC)	145	Fixed	9.75%	8.40%	150	Fixed	9.75%	8.58%
<b>U.S. Revolving Credit Facility (ABL)</b>								
Constellium RP Ravenswood, LLC	23	Floating	—	4.00%	41	Floating	—	3.11%
Muscle Shoals (Wise Alloys LLC)	99	Floating	—	2.60%	—	Floating	—	—
<b>Unsecured Credit Facility (Constellium N.V.)</b>								
Others	63	—	—	—	72	—	—	—
<b>Total Borrowings</b>	2,233	—	—	—	2,522	—	—	—
Of which non-current	2,064				2,408			
Of which current	169				114			