

Second Quarter 2019 Earnings Call

July 24, 2019





Forward-looking statements

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Non-GAAP measures

This presentation includes information regarding certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA per metric ton, 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, 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. We are not able to provide a reconciliation of Adjusted EBITDA guidance to net income, the comparable GAAP measure, because certain items that are excluded from Adjusted EBITDA cannot be reasonably predicted or are not in our control. In particular, we are unable to forecast the timing or magnitude of realized and unrealized gains and losses on derivative instruments, metal lag, impairment or restructuring charges, or taxes without unreasonable efforts, and these items could significantly impact, either individually or in the aggregate, our net income in the future.

Jean-Marc Germain

Chief Executive Officer





Q2 2019 Highlights

- ▶ **Total Shipments** up 4% YoY to 413 thousand metric tons
- ▶ **Revenue** increased 4% YoY to €1.5 billion
- ▶ **Net income** of €17 million compared to net income of €55 million in Q2 2018
- ▶ **Adjusted EBITDA** of €167 million increased 8% YoY; H1 2019 increased 10% YoY
- ▶ **Cash from Operations** of €128 million in Q2 2019 and €260 million in H1 2019
- ▶ **Free Cash Flow** of €53 million in Q2 2019 and €126 million in H1 2019
- ▶ **Net Debt / LTM Adjusted EBITDA** of 4.1x
- ▶ **Project 2019** run rate cost savings of €68 million

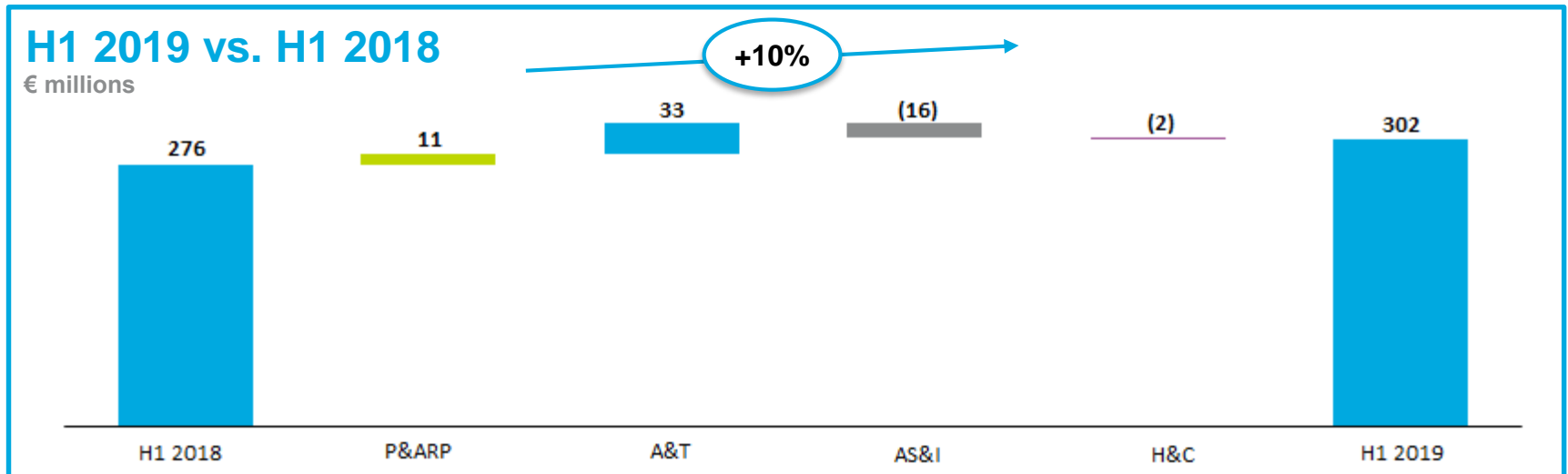
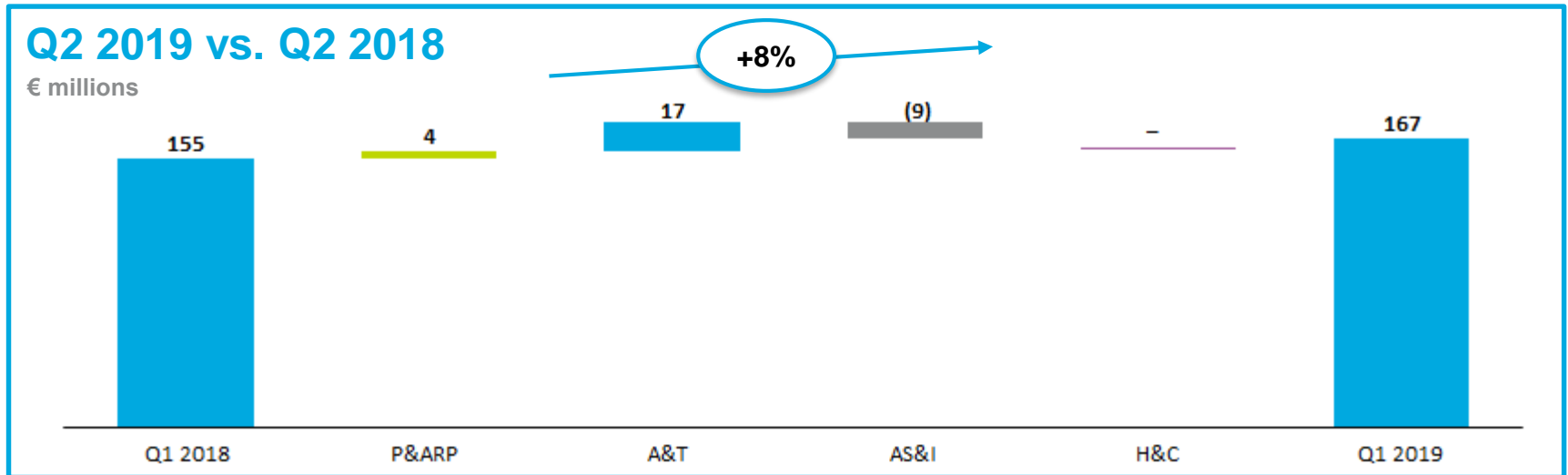
Strong results; Increasing 2019 Adjusted EBITDA and Free Cash Flow guidance

Peter Matt

Chief Financial Officer



Adjusted EBITDA Bridges



Packaging and Automotive Rolled Products

Q2 2019 Performance Highlights

- Adjusted EBITDA of €79 million
 - Higher automotive and packaging shipments
 - Favorable metal costs offset by costs from the ramp up of automotive programs
- Ramp up of FT3 in Neuf-Brisach and Bowling Green on track

	Q2 2019	Q2 2018	Var.
Shipments (kt)	284	266	7%
Revenues (€m)	821	801	2%
Adj. EBITDA (€m)	79	75	6%
Adj. EBITDA (€ / t)	279	281	(0)%

Adjusted EBITDA Bridge

€ in millions



Aerospace and Transportation

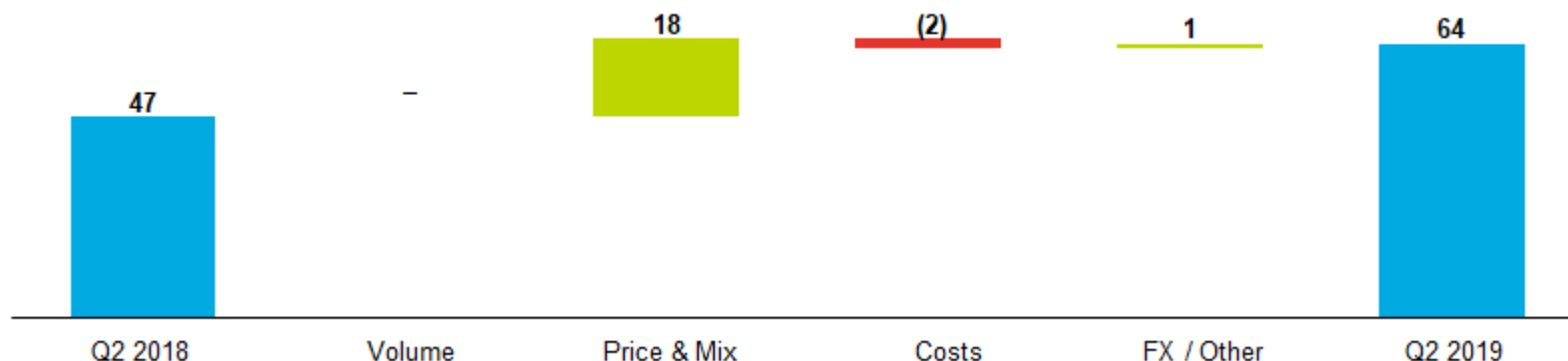
Q2 2019 Performance Highlights

- Adjusted EBITDA of €64 million
 - Increased Aerospace shipments offset by lower TID shipments
 - Improved price and mix, primarily on TID shipments
 - Solid operational performance

	Q2 2019	Q2 2018	Var.
Shipments (kt)	63	65	(2)%
Revenues (€m)	383	356	8%
Adj. EBITDA (€m)	64	47	38%
Adj. EBITDA (€ / t)	1,018	726	40%

Adjusted EBITDA Bridge

€ in millions



Automotive Structures and Industry

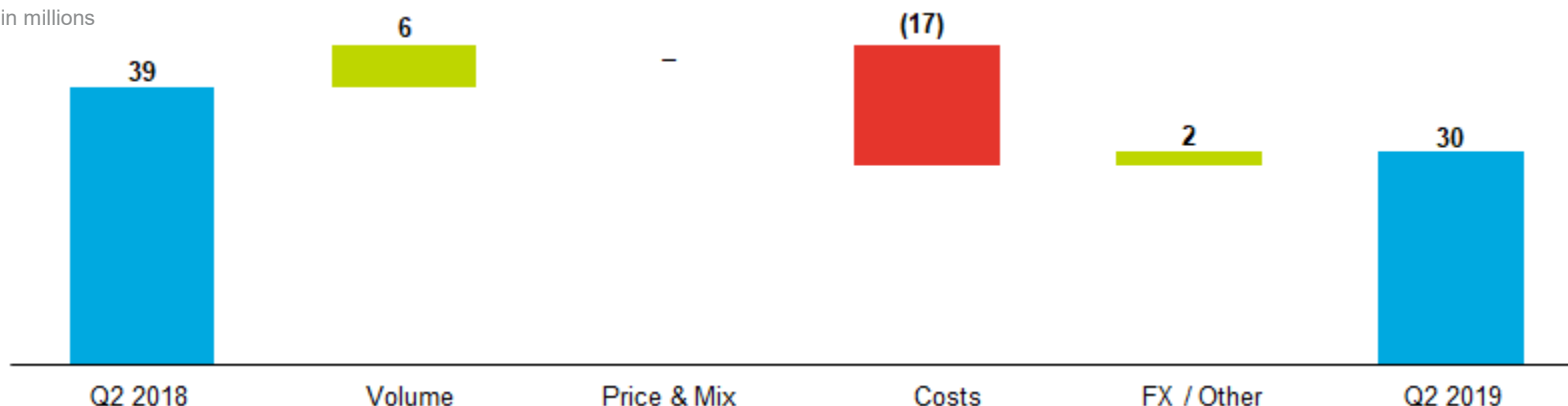
Q2 2019 Performance Highlights

- Adjusted EBITDA of €30 million
 - Higher Automotive shipments
 - Higher costs largely related to new product launches and footprint expansion

	Q2 2019	Q2 2018	Var.
Shipments (kt)	66	66	1%
Revenues (€m)	347	327	6%
Adj. EBITDA (€m)	30	39	(25)%
Adj. EBITDA (€ / t)	440	590	(25)%

Adjusted EBITDA Bridge

€ in millions



Project 2019

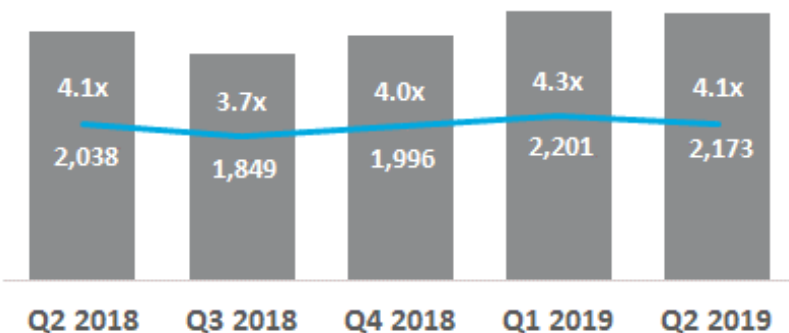
Three Pillars	Cost Reduction	<ul style="list-style-type: none">➤ €68 million of annual run rate cost savings achieved as of June 30, 2019➤ Target of €75 million of annual run-rate cost savings by December 31, 2019
	Working Capital Improvement	<ul style="list-style-type: none">➤ Strong working capital performance on back of solid operating performance and increased discipline➤ Continue to expect working capital investments related to the ramp up of growth projects
	Capital Discipline	<ul style="list-style-type: none">➤ Capex guidance of €265 million for 2019<ul style="list-style-type: none">➤ Maintenance spending of €150-175 million

Project 2019 continuing to provide benefits

Net Debt and Liquidity

Net Debt and Leverage

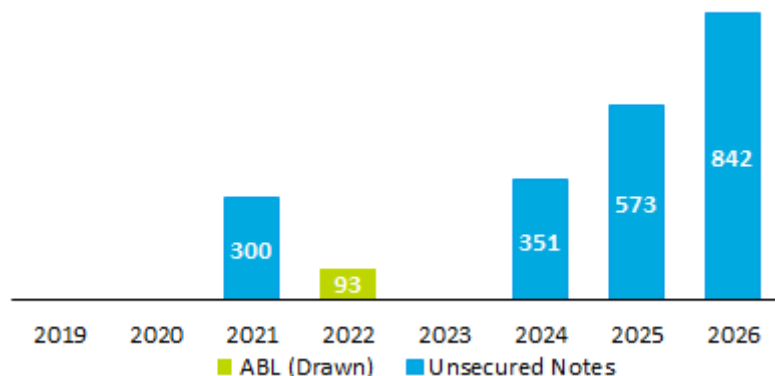
€ in millions



Leverage: Net Debt / LTM Adjusted EBITDA

Maturity Profile

€ in millions

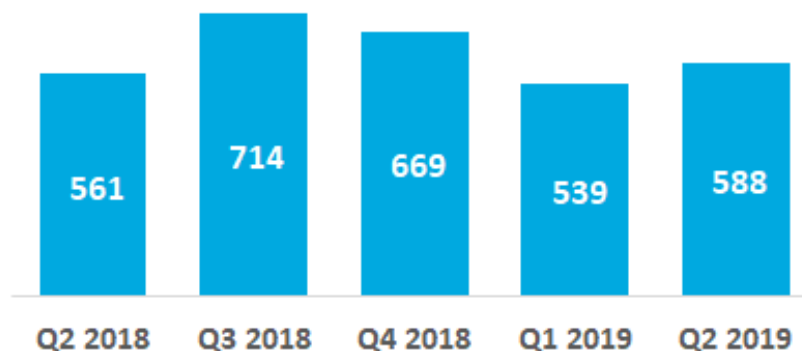


Debt / Liquidity Highlights

- Strong Cash from Operations and Free Cash Flow generation in Q2 2019
- Announced €100 million redemption of 2021 bonds in July 2019
- Remain committed to deleveraging
 - Expect leverage below 3.8x by the end of 2019
- Ample liquidity of nearly €600 million

Liquidity

€ in millions



Reduced leverage, ample liquidity and no bond maturities until 2021

Jean-Marc Germain

Chief Executive Officer



End Market Updates

Automotive:

- ▶ North America: Market SAAR expected to decline in 2019
- ▶ Europe: Market expected to decline slightly in 2019
- ▶ Demand for luxury cars, light trucks, and SUVs remains strong
- ▶ Penetration driving increased demand for rolled and extruded aluminium products

Packaging:

- ▶ Market remains stable
- ▶ ABS conversions expected to help North American market balance over the medium to long term
- ▶ Conversion from steel to aluminium driving growth in Europe
- ▶ Focus on sustainability expected to increase demand for aluminium cans

Aerospace:

- ▶ Sustained OEM build rates
- ▶ OEM backlogs remain healthy
- ▶ Near-term demand remains strong

Other Markets

Transportation, Industry and Defense

- ▶ North America: Strong defense market; temporary slowing in transportation and industry markets
- ▶ Europe: Strong defense market; stable industry market at a low base

Industry (Extrusions)

- ▶ Europe: Stable demand across end markets

Financial Guidance and Outlook

Targets for 2019 :

- ▶ Adjusted EBITDA growth of 13% to 15%
- ▶ Free Cash Flow of €125 million to €175 million
- ▶ Net Debt / Adjusted EBITDA below 3.8x

Targets for 2022:

- ▶ Adjusted EBITDA of over €700 million
- ▶ Net Debt / Adjusted EBITDA of 2.5x

Focused on delivering on our strategy and increasing shareholder value

Q&A

Appendix



Net Debt Reconciliation

€ millions	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018
Borrowings	2,378	2,421	2,151	2,103	2,184
Fair value of cross currency basis swaps, net of margin calls	8	2	9	25	20
Cash and cash equivalents	(213)	(222)	(164)	(279)	(166)
Cash pledged for issuance of guarantees	—	—	—	—	—
Net Debt	2,173	2,201	1,996	1,849	2,038
LTM Adjusted EBITDA	524	512	498	498	495
Leverage	4.1x	4.3x	4.0x	3.7x	4.1x

Reconciliation of Net Income to Adjusted EBITDA

€ millions	Three months ended June 30, 2019	Three months ended June 30, 2018	Six months ended June 30, 2019	Six months ended June 30, 2018
Net income	17	55	41	31
Income tax expense	9	25	24	29
Income before income tax	26	80	65	60
Finance costs – net	43	40	89	78
Share of (income) / loss of joint-ventures	—	9	(5)	12
Income from operations	69	129	149	150
Depreciation and amortization	60	46	117	90
Restructuring costs	1	—	1	—
Unrealized losses / (gains) on derivatives	14	(11)	(17)	43
Unrealized exchange losses / (gains) from remeasurement of monetary assets and liabilities – net	1	—	—	(1)
Share based compensation costs	4	3	7	6
Metal price lag	13	(20)	31	(24)
Start-up and development costs	3	5	5	9
Losses on disposals	1	3	2	4
Bowling Green one-time costs related to the acquisition	—	—	6	—
Other	1	—	1	(1)
Adjusted EBITDA	167	155	302	276

Reconciliation of Net Income to Adjusted EBITDA

€ millions	Twelve months ended June 30, 2019	Twelve months ended March 31, 2019	Twelve months ended December 31, 2018	Twelve months ended September 30, 2018	Twelve months ended June 30, 2018
Net income / (loss)	200	238	190	168	(28)
Income tax expense	27	43	32	54	70
Income / (loss) before income tax	227	281	222	222	42
Finance costs – net	160	157	149	237	236
Share of loss of joint-ventures	16	25	33	30	28
Income from operations	403	463	404	489	306
Depreciation and amortization	224	210	197	187	177
Restructuring costs	2	1	1	2	2
Unrealized losses / (gains) on derivatives	24	(1)	84	36	4
Unrealized exchange losses / (gains) from remeasurement of monetary assets and liabilities – net	1	—	—	1	(2)
(Gain) / loss on pension plan amendments	(36)	(36)	(36)	(39)	2
Share based compensation costs	13	12	12	11	11
Metal price lag	55	22	—	(19)	(26)
Start-up and development costs	17	19	21	19	16
Manufacturing system and process transformation costs	—	—	—	1	1
(Gains) / losses on disposals	(187)	(185)	(186)	(190)	5
Bowling Green one-time costs related to the acquisition	6	6	—	—	—
Other	2	1	1	—	(1)
Adjusted EBITDA	524	512	498	498	495



Borrowings Table

€ millions				June 30, 2019			December 31, 2018	
	Nominal Value in Currency	Nominal Rate	Effective Rate	Nominal Value in Euros	(Arrangement fees)	Accrued Interests	Carrying Value	Carrying Value
Secured Pan U.S. ABL <i>(due 2022)</i>	\$106	Floating	4.43%	93	—	—	93	—
Secured Inventory Based Facility <i>(due 2021)</i>	—	Floating	—	—	—	—	—	—
Senior Unsecured Notes								
<i>Constellium SE (Issued May 2014, due 2024)</i>	\$400	5.75%	6.26%	352	(3)	2	351	348
<i>Constellium SE (Issued May 2014, due 2021)</i>	€300	4.63%	5.16%	300	(2)	2	300	300
<i>Constellium SE (Issued February 2017, due 2025)</i>	\$650	6.63%	7.13%	571	(11)	13	573	568
<i>Constellium SE (Issued November 2017, due 2026)</i>	\$500	5.88%	6.26%	439	(7)	10	442	440
<i>Constellium SE (Issued November 2017, due 2026)</i>	€400	4.25%	4.57%	400	(6)	6	400	399
Unsecured Revolving Credit Facility <i>(due 2021)</i>	—	Floating	—	—	—	—	—	—
Lease liabilities	—	—	—	187	—	—	187	73
Other loans	—	—	—	31	—	1	32	23
Total Borrowings				2,373	(29)	34	2,378	2,151
<i>Of which non-current</i>							2,216	2,094
<i>Of which current</i>							162	57