

First Quarter 2019 Earnings Call

April 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





Q1 2019 Highlights

- ▶ **Total Shipments** of 413 thousand tons up 6% compared to Q1 2018
 - ▶ Successfully executing on our automotive strategy with shipments up 18% YoY
- ▶ **Revenue** increased 11% YoY to €1.5 billion on the consolidation of Bowling Green and improved price and mix
- ▶ **Net income** of €24 million compared to net loss of €24 million in Q1 2018
- ▶ **Adjusted EBITDA** of €135 million increased 12% YoY
- ▶ **Cash from Operations** of €132 million and **Free Cash Flow** of €73 million in Q1 2019
- ▶ **Project 2019** run rate cost savings of €60 million

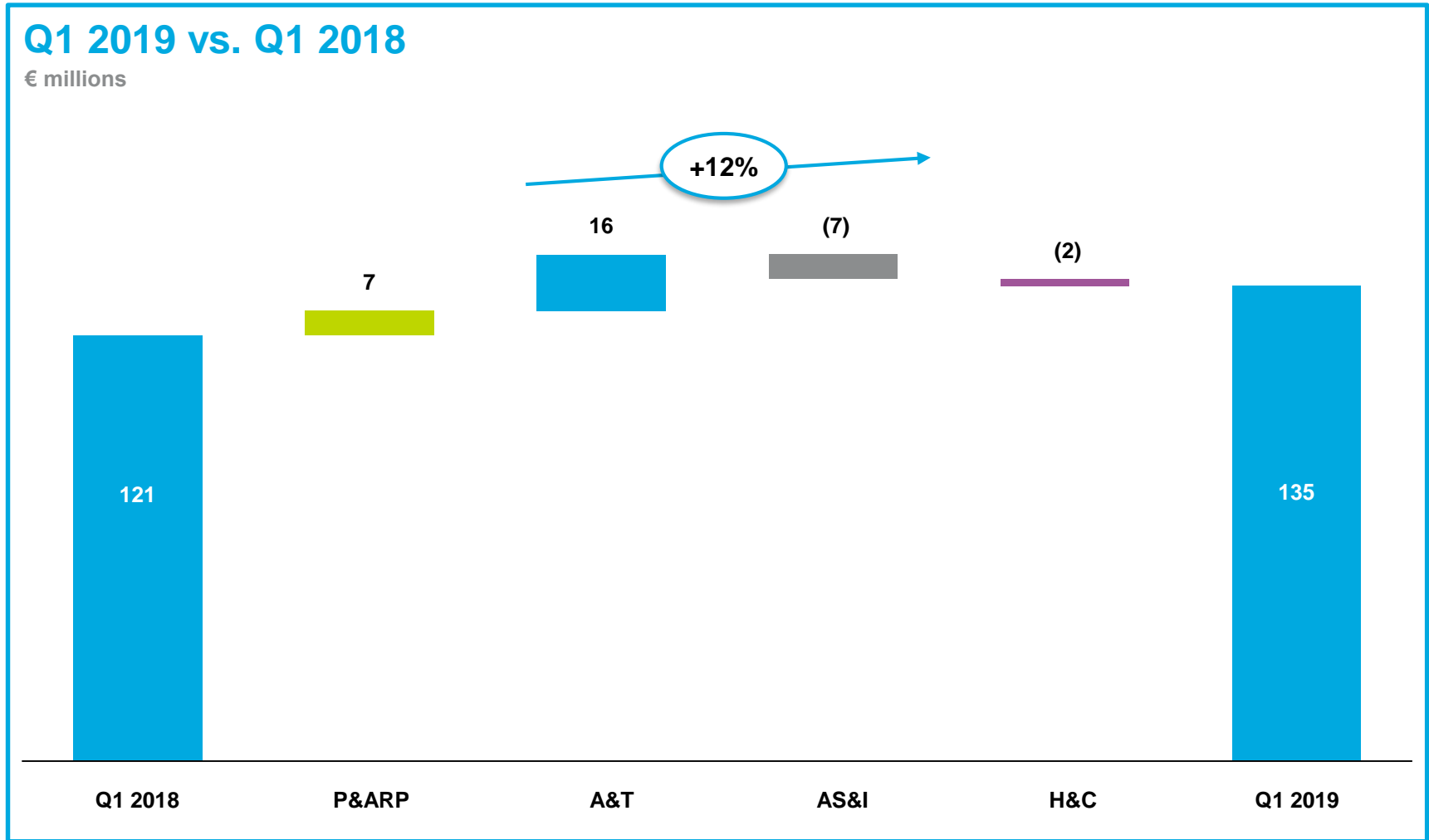
Maintaining 2019 Adjusted EBITDA and Free Cash Flow guidance

Peter Matt

Chief Financial Officer



Adjusted EBITDA Bridge



Packaging and Automotive Rolled Products

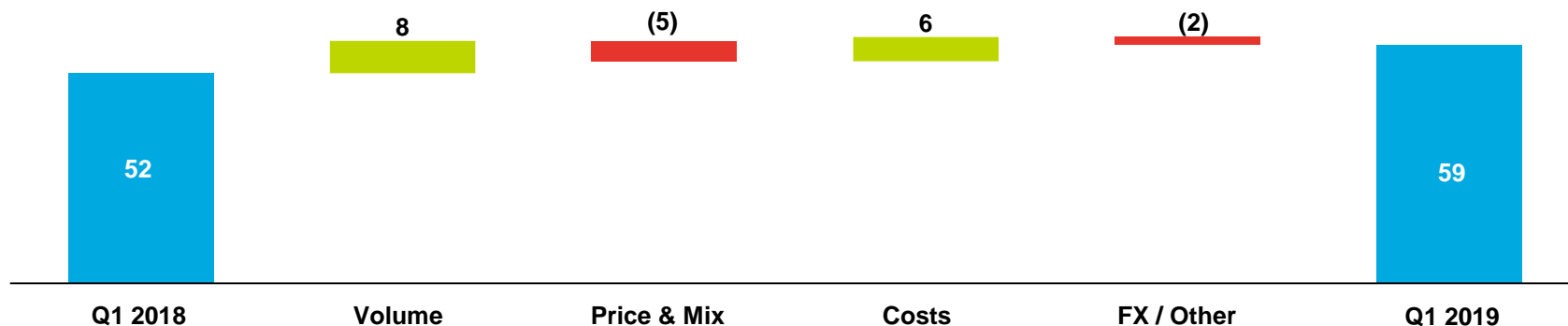
Q1 2019 Highlights

- Adjusted EBITDA of €59 million
 - Increased Automotive and Packaging shipments
 - Favorable metal costs and FX translation offset by higher costs from the ramp up of automotive programs
- Ramp up of FT3 in Neuf-Brisach and Bowling Green on track

	Q1 2019	Q1 2018	Var.
Shipments (kt)	281	259	9%
Revenues (€m)	828	738	12%
Adj. EBITDA (€m)	59	52	14%
Adj. EBITDA (€ / t)	210	200	5%

Adjusted EBITDA Bridge

€ in millions



Aerospace and Transportation

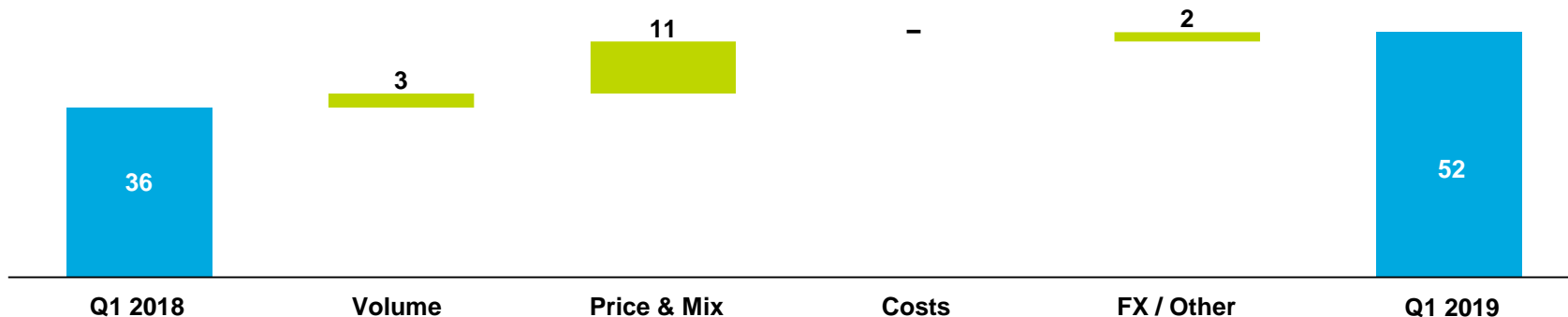
Q1 2019 Highlights

- Adjusted EBITDA of €52 million
 - Increased Aerospace shipments
 - Improved price and mix, largely on TID shipments
 - Solid operational performance
 - Favorable FX translation

	Q1 2019	Q1 2018	Var.
Shipments (kt)	66	64	2%
Revenues (€m)	378	343	10%
Adj. EBITDA (€m)	52	36	44%
Adj. EBITDA (€ / t)	797	564	41%

Adjusted EBITDA Bridge

€ in millions



Automotive Structures and Industry

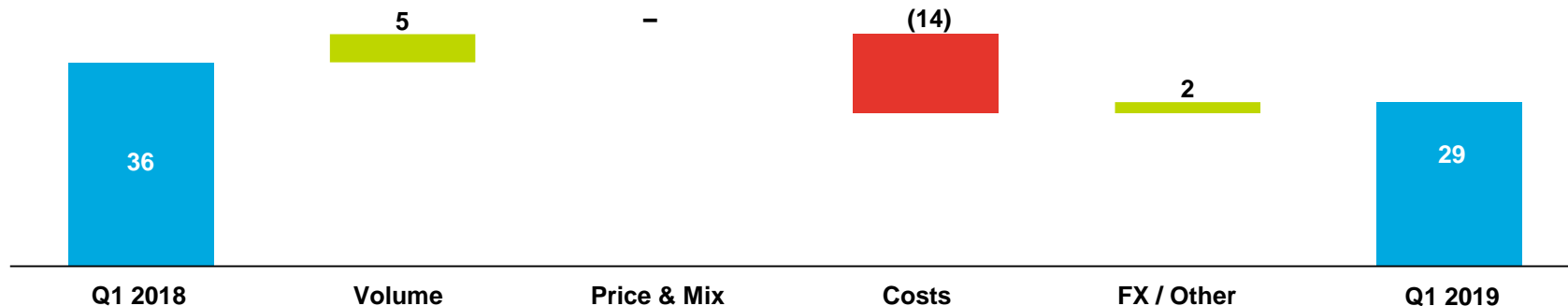
Q1 2019 Highlights

- Adjusted EBITDA of €29 million
 - Higher Automotive shipments
 - Higher costs related to new product launches and footprint expansion

	Q1 2019	Q1 2018	Var.
Shipments (kt)	66	65	1%
Revenues (€m)	344	317	8%
Adj. EBITDA (€m)	29	36	(19)%
Adj. EBITDA (€ / t)	448	558	(20)%

Adjusted EBITDA Bridge

€ in millions



Project 2019

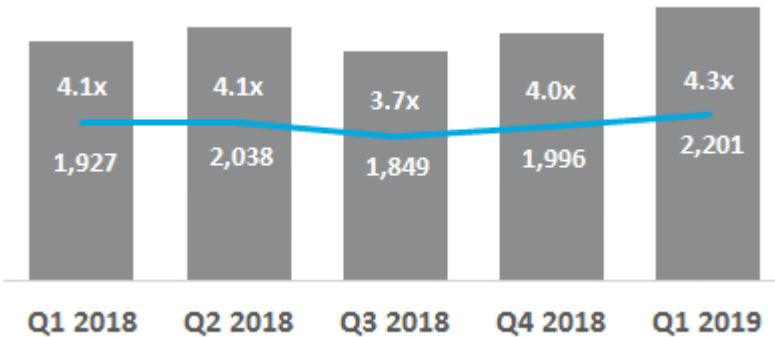
Three Pillars	Cost Reduction	<ul style="list-style-type: none">➤ €60 million of annual run-rate cost savings achieved as of March 31, 2019➤ Target of €75 million of annual run-rate cost savings by December 31, 2019
	Working Capital Improvement	<ul style="list-style-type: none">➤ Committed to improvement of working capital turns<ul style="list-style-type: none">➤ 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

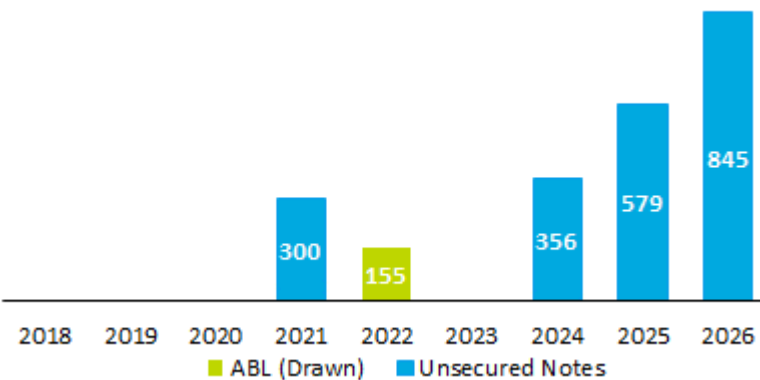
€ in millions



Leverage: Net Debt / LTM Adjusted EBITDA

Maturity Profile

€ in millions

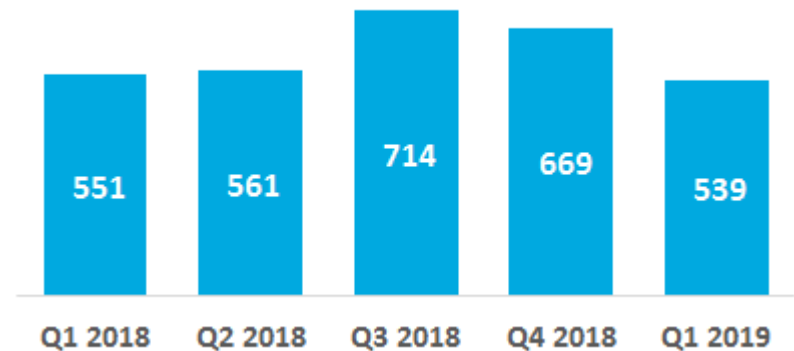


Debt / Liquidity Highlights

- Remain committed to deleveraging
 - The increase in leverage due to acquisition of Bowling Green and application of IFRS 16 was ~0.5x
 - Expect leverage below 4.0x by the end of 2019
- Strong Cash from Operations and Free Cash Flow generation in Q1 2019
- Ample liquidity of over €500 million

Liquidity

€ in millions



Jean-Marc Germain

Chief Executive Officer



End Market Updates

Automotive:

- ▶ North America: Market SAAR expected to decline slightly in 2019
- ▶ Europe: Market expected to remain flat 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 near record highs

Other Markets

Transportation, Industry and Defense

- ▶ North America: Strong defense market; stable transportation and industry markets
- ▶ Europe: Strong defense market; stable industry market

Industry (Extrusions)

- ▶ Europe: Strong demand across end markets

Financial Guidance and Outlook

Targets for 2019 :

- ▶ Adjusted EBITDA growth of 8% to 10%
- ▶ Free Cash Flow in excess of €50 million

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	March 31, 2019	December 31, 2018	September 30, 2018	June 30, 2018	March 31, 2018
Borrowings	2,421	2,151	2,103	2,184	2,093
Fair value of cross currency basis swaps, net of margin calls	2	9	25	20	46
Cash and cash equivalents	(222)	(164)	(279)	(166)	(211)
Cash pledged for issuance of guarantees	—	—	—	—	(1)
Net Debt	2,201	1,996	1,849	2,038	1,927
LTM Adjusted EBITDA	512	498	498	495	471
Leverage	4.3x	4.0x	3.7x	4.1x	4.1x

Reconciliation of Net Income to Adjusted EBITDA

€ millions	Three months ended March 31, 2019	Three months ended March 31, 2018
Net income / (loss)	24	(24)
Income tax expense	15	4
Income / (loss) before income tax	39	(20)
Finance costs – net	46	38
Share of (income) / loss of joint-ventures	(5)	3
Income from operations	80	21
Depreciation and amortization	57	44
Unrealized (gains) / losses on derivatives	(31)	54
Unrealized exchange gains from remeasurement of monetary assets and liabilities – net	(1)	(1)
Share based compensation costs	3	3
Metal price lag	18	(4)
Start-up and development costs	2	4
Losses on disposals	1	—
Bowling Green one-time costs related to the acquisition	6	—
Adjusted EBITDA	135	121

Reconciliation of Net Income to Adjusted EBITDA

€ millions	Twelve months ended March 31, 2019	Twelve months ended December 31, 2018	Twelve months ended September 30, 2018	Twelve months ended June 30, 2018	Twelve months ended March 31, 2018
Net income / (loss)	239	190	168	(28)	(68)
Income tax expense	43	32	54	70	57
Income / (loss) before income tax	282	222	222	42	(11)
Finance costs – net	157	149	237	236	239
Share of loss of joint-ventures	24	33	30	28	26
Income from operations	463	404	489	306	254
Depreciation and amortization	210	197	187	177	172
Restructuring costs	1	1	2	2	2
Unrealized losses / (gains) on derivatives	(1)	84	36	4	25
Unrealized exchange losses / (gains) from remeasurement of monetary assets and liabilities – net	—	—	1	(2)	(1)
(Gain) / loss on pension plan amendments	(36)	(36)	(39)	2	2
Share based compensation costs	12	12	11	11	9
Metal price lag	22	—	(19)	(26)	(13)
Start-up and development costs	19	21	19	16	16
Manufacturing system and process transformation costs	—	—	1	1	2
(Gains) / losses on disposals	(185)	(186)	(190)	5	2
Bowling Green one-time costs related to the acquisition	6	—	—	—	—
Other	1	1	—	(1)	1
Adjusted EBITDA	512	498	498	495	471



Borrowings Table

€ millions				March 31, 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 US ABL <i>(due 2022)</i>	—	Floating	4.22%	155	—	—	155	—
Secured Inventory Based Facility <i>(due 2019)</i>	—	Floating	—	—	—	—	—	—
Senior Unsecured Notes								
<i>Constellium N.V. (Issued May 2014, due 2024)</i>	\$400	5.75%	6.26%	356	(4)	8	360	348
<i>Constellium N.V. (Issued May 2014, due 2021)</i>	€300	4.63%	5.16%	300	(2)	5	303	300
<i>Constellium N.V. (Issued February 2017, due 2025)</i>	\$650	6.63%	7.13%	579	(11)	3	571	568
<i>Constellium N.V. (Issued November 2017, due 2026)</i>	\$500	5.88%	6.26%	445	(7)	3	441	440
<i>Constellium N.V. (Issued November 2017, due 2026)</i>	€400	4.25%	4.57%	400	(6)	2	396	399
Unsecured Revolving Credit Facility <i>(due 2021)</i>	—	Floating	—	—	—	—	—	—
Lease liabilities	—	—	—	174	—	—	174	73
Other loans	—	—	—	21	—	—	21	23
Total Borrowings				2,430	(30)	21	2,421	2,151
<i>Of which non-current</i>							2,210	2,094
<i>Of which current</i>							211	57