

## Century ALUMINUM

To Century Shareholders:

As difficult as 2008 was for the entire global economy, it presented particular challenges for metal producers. Aluminum prices, which reached an historic high of nearly \$3,300 per tonne on the London Metals Exchange in July, declined to under \$1,500 per tonne in the fourth quarter of 2008 and under \$1,300 per tonne during the first quarter of 2009.

The extreme volatility and significant decline in aluminum markets had a profound impact on our strategic actions over the course of 2008 and into 2009.

### RECENT SIGNIFICANT EVENTS

- Century operated efficiently and safely throughout 2008. Primary aluminum shipments totaled nearly 804 thousand tonnes, an increase of five percent versus 2007.
- In April, Century acquired a 40 percent interest in Pingguo Qiangqiang Carbon, a newly constructed carbon anode and cathode production facility located in south China. The plant is supplying the company's Grundartangi, Iceland smelter with high quality anodes at a competitive delivered price.
- In July, Century settled all of its remaining fixed price forward aluminum financial sales contracts.
- In December, Century announced salaried staff reductions of approximately 13 percent at the Hawesville, Kentucky smelter and at the Monterey, California headquarters.
- In December, Century issued a WARN notice and implemented the immediate curtailment of one potline at the Ravenswood, West Virginia smelter. An orderly curtailment of the entire smelter was completed in February 2009.
- We suspended major construction activities at our greenfield smelter project near Helguvik, Iceland and are reviewing the project timeline and financing options.
- In March 2009, Century curtailed one potline at the Hawesville, Kentucky smelter.

### NEAR TERM ALUMINUM DEMAND OUTLOOK WEAK – LONG TERM FUNDAMENTALS POSITIVE

We do not believe that aluminum prices (\$1,311 per tonne on March 16, 2009) can remain at these low levels over the longer term. In fact, it appears that at least two-thirds of global primary aluminum capacity is operating below cash flow breakeven at the present time. While this situation has led to significant production curtailments, the continuing increase in aluminum inventories indicates that available aluminum supply is still greater than current demand.

As challenging as the current market is for producers, we believe the groundwork for an eventual recovery is being laid. Along with curtailments of high-cost production, depressed aluminum markets and prices have impacted new capacity additions – in fact, nearly all new aluminum smelter projects with the potential to bring new capacity on-stream over the next several years have been cancelled, suspended or delayed.

The key to aluminum demand recovery goes beyond the recovery of western economies. Per capita aluminum usage in China (the world's largest producer and consumer of aluminum) is still only about half of the usage in developed economies and the intensity of aluminum use in India is a fraction of that of China. Aluminum is versatile, light-weight and easily recyclable – an ideal 21<sup>st</sup> century metal. As economic demand growth returns in developed countries and urbanization resumes in developing nations, aluminum fundamentals will once again turn positive.

### CUTBACKS AND CAREFUL ASSESSMENT OF OPPORTUNITIES

Century's U.S. operations performed well in 2008, both with respect to safety and operational efficiency. Unfortunately, a superb effort on the part of all of our U.S. employees was overwhelmed by depressed aluminum markets. In February, we initiated the full curtailment of the Ravenswood, West Virginia smelter, one of the industry's oldest primary aluminum reduction facilities. In March 2009, we initiated the curtailment of one of the five potlines at the Hawesville, Kentucky smelter. We remain optimistic that a competitive, long-term, cost-based energy contract for Hawesville can be completed in the next several months. We believe that well managed and cost efficient U.S. smelters will have enduring economic value.

Like our U.S. operations, the Grundartangi, Iceland smelter operated safely and efficiently in 2008. During the fourth-quarter, this 260,000 tonne name-plate capacity smelter shipped at an annualized rate of more than 276,000 tonnes. Largely as a result of Grundartangi's contracts for the plant's clean geothermal and hydroelectric energy – which index electricity costs to the LME price of aluminum – Grundartangi has continued to operate at a cash profit.

While we believe that Iceland is one of the most attractive locations in the world for primary aluminum production, our greenfield smelter project near Helguvik, Iceland, remains under review and major new construction activity has been essentially halted. We are actively working with the Government of Iceland to support an investment agreement for the project and are encouraged that our original forecasts of capital and operating costs have fallen significantly since the project's inception. With Iceland's outstanding workforce, supportive business climate and energy advantages, Helguvik remains an outstanding investment opportunity for Century.

2008 was a challenging year for Century, our employees, shareholders and other constituents. Our team is working diligently every day to preserve the company's value during these difficult times and position the company for better times ahead. We are confident that aluminum will be essential to any global recovery and that Century Aluminum Company will continue to have an important role to play.

Sincerely,



John P. O'Brien  
Chairman of the Board



Logan W. Kruger  
President and Chief Executive Officer

March 16, 2009

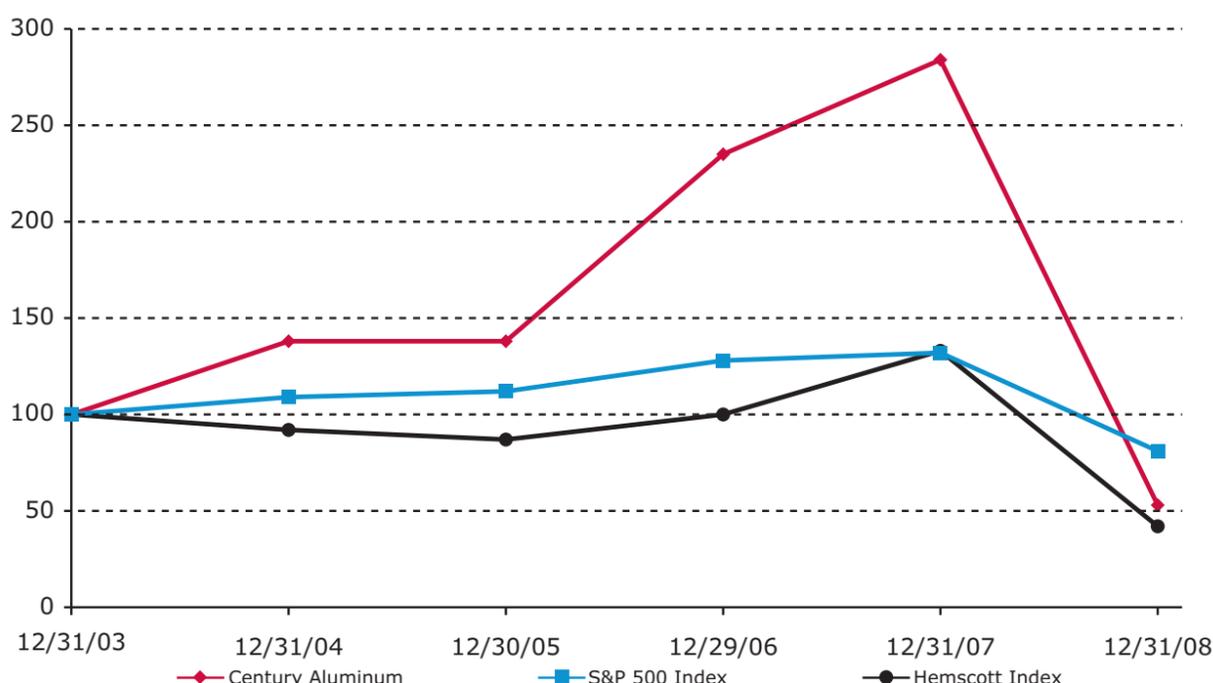
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## PERFORMANCE

The following line graph compares Century Aluminum Company's cumulative total return to stockholders with the cumulative total return of the S&P Composite Index and the Hemscott Inc.'s Aluminum Group Index during the period from December 31, 2003 through December 31, 2008. These comparisons assume the investment of \$100 on December 31, 2003 and the reinvestment of dividends.

### Comparison of Cumulative Total Return to Stockholders December 31, 2003 through December 31, 2008

	12/31/03	12/31/04	12/30/05	12/29/06	12/31/07	12/31/08
S&P Composite Index	100	109	112	128	132	81
Hemscott Index	100	92	87	100	133	42
Century Aluminum Company	100	138	138	235	284	53



## CORPORATE INFORMATION

### Corporate Headquarters

Century Aluminum Company  
2511 Garden Road, Building A, Suite 200  
Monterey, CA 93940

### Inquiries

Interested parties may contact the company at the address above or as indicated below:

In the United States: Toll Free 1-888-642-9300

Outside the U.S.: Call collect 1-831-642-9300

### Documents Available

Company documents, including the Form 10-K (filed with the Securities and Exchange Commission) and the company's Code of Ethics are available without charge upon request. Write or contact our corporate secretary at the address or telephone numbers above.

Electronic versions of these documents also are available on the company's website.

### Stock Transfer Agent

Computershare Investor Services LLC  
2 North La Salle Street  
Chicago, IL 60602  
Telephone 312-360-5375  
Fax 312-601-4335

## Independent Registered Public Accounting Firm

Deloitte & Touche LLP  
2500 One PPG Place  
Pittsburgh, PA 15222

## Stock Trading Information

Century Aluminum common stock is traded on the NASDAQ. The ticker symbol is CENX.

2008	High	Low
First Quarter	\$70.89	\$38.92
Second Quarter	\$80.52	\$63.40
Third Quarter	\$66.66	\$25.09
Fourth Quarter	\$27.38	\$ 4.35

Century Aluminum common stock is also traded on the First North Market of the OMX Nordic Exchange Iceland hf. The certified advisors in Iceland are:

Helga Gunnarsdottir, Director-Corporate Finance, NBI hf.

Astros Vidarsdottir, Senior Manager-Corporate Finance, NBI hf.

## Forward-Looking Statements

This report contains forward-looking statements and actual results could be materially different. Various factors that could cause actual results to differ are described in the "Risk Factors" section and throughout Century's 2008 Form 10-K.