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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): October 27, 2016 (October 27, 2016)**

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**ALCOA INC.**

(Exact name of Registrant as specified in its charter)

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**Pennsylvania**  
(State or Other Jurisdiction  
of Incorporation)

**1-3610**  
(Commission  
File Number)

**25-0317820**  
(I.R.S. Employer  
Identification Number)

**390 Park Avenue, New York, New York**  
(Address of Principal Executive Offices)

**10022-4608**  
(Zip Code)

**Office of Investor Relations 212-836-2674**  
**Office of the Secretary 212-836-2732**  
(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure.**

As previously announced, in connection with the planned separation of Alcoa Inc. (“Alcoa”) into two independent, publicly-traded companies, future company Arconic Inc. (“Arconic”) commenced a series of investor meetings beginning October 19, 2016, and will host a global investor webcast on October 27, 2016, at 8:00 a.m. EDT. The separation of Alcoa is scheduled to become effective before the opening of the market on November 1, 2016.

A copy of the materials to be presented at the Arconic global investor webcast is attached hereto as Exhibit 99.1, and is incorporated herein by reference. These presentation materials will also be available shortly before the commencement of the webcast on [www.alcoa.com](http://www.alcoa.com). The materials furnished herein supplement the materials that Alcoa furnished in a Current Report on Form 8-K filed on October 18, 2016. In addition, page 12 of Exhibit 99.1 corrects page 31 of the 2nd quarter 2016 earnings analyst presentation, which inadvertently transposed the headings relating to automotive hoods and doors.

The information in Item 7.01 of this Current Report on Form 8-K and in Exhibit 99.1 is being furnished, not filed, in accordance with the provisions of General Instruction B.2 of Form 8-K. Accordingly, the information in Item 7.01 of Form 8-K and in Exhibit 99.1 will not be incorporated by reference into any registration statement filed by Alcoa under the Securities Act of 1933 unless specifically identified therein as being incorporated therein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following is furnished as an exhibit to this report:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Arconic Global Investor Presentation, dated October 27, 2016.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ALCOA INC.

By: /s/ Audrey Strauss

Name: Audrey Strauss

Title: Executive Vice President, Chief Legal Officer and  
Secretary

Date: October 27, 2016

## Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
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Launching November 1, 2016

**ARCONIC**

Innovation, engineered.



# Important Information

## Forward-Looking Statements

This presentation contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as "anticipates," "believes," "could," "estimates," "expects," "forecasts," "guidance," "goal," "intends," "may," "outlook," "plans," "projects," "seeks," "sees," "should," "targets," "will," "would," or other words of similar meaning. All statements that reflect Arconic's expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, forecasts relating to the growth of the aerospace, automotive, commercial transportation and other end markets; statements and guidance regarding future financial results or operating performance; statements about Arconic's strategies, outlook, business and financial prospects; statements regarding potential share gains; and statements regarding the separation. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict. Although Arconic believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that these expectations will be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such risks and uncertainties include, but are not limited to: (a) the possibility that various closing conditions for the separation may not be satisfied; (b) the impact of the separation on the businesses of Arconic; (c) deterioration in global economic and financial market conditions generally; (d) unfavorable changes in the markets served by Alcoa; (e) the impact of changes in foreign currency exchange rates on costs and results; (f) the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated from restructuring programs and productivity improvement, cash sustainability, technology advancements, and other initiatives; (g) changes in discount rates or investment returns on pension assets; (h) Arconic's inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions, divestitures, facility closures, curtailments, expansions, or joint ventures; (i) the impact of cyber attacks and potential information technology or data security breaches; (j) political, economic, and regulatory risks in the countries in which Arconic operates or sells products; (k) material adverse changes in aluminum industry conditions, including fluctuations in London Metal Exchange-based aluminum prices; (l) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; and (m) the other risk factors discussed in Alcoa Inc.'s Form 10-K for the year ended December 31, 2015, and other reports filed with the U.S. Securities and Exchange Commission (SEC). Alcoa Inc./Arconic Inc. disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law. Market projections are subject to the risks discussed above and other risks in the market.

# Important Information (continued)

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## Non-GAAP Financial Measures

Some of the information included in this presentation is derived from Alcoa Inc.'s consolidated financial information but is not presented in Alcoa Inc.'s financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Certain of these data are considered "non-GAAP financial measures" under SEC rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. Reconciliations to the most directly comparable GAAP financial measures and management's rationale for the use of the non-GAAP financial measures can be found in the Appendix to this presentation.

Arconic has not provided a reconciliation of the forecasted range for adjusted EBITDA margin on a segment and combined segments basis for fiscal 2016 and 2017 to the most directly comparable GAAP financial measures because Arconic is unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts and Arconic believes such reconciliations would imply a degree of precision that would be confusing or misleading to investors. In particular, reconciliation of guidance for adjusted EBITDA margin to the most directly comparable GAAP measure is not available without unreasonable efforts on a forward-looking basis due to the variability and complexity with respect to the charges and other components excluded from these non-GAAP measures, such as the effects of the Warrick cold metal plan, foreign currency movements, equity income, gains or losses on sales of assets, and taxes. These reconciling items are in addition to the inherent variability already included in the GAAP measure which includes, but is not limited to, price/mix, volume, and the impact of the impending separation of Alcoa Inc.

Any reference to historical EBITDA means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix.

## Other Information

The separation of Alcoa Inc. into two standalone companies – Arconic Inc. (the new name for Alcoa Inc.) and Alcoa Corporation – is scheduled to become effective before the opening of the market on November 1, 2016. Upon separation, Arconic comprises the Engineered Products and Solutions (EPS), Global Rolled Products (GRP) (other than the rolling mill operations in Warrick, Indiana ("Warrick") and the 25.1% equity investment in the Ma'aden Rolling Company in Saudi Arabia), and Transportation and Construction Solutions (TCS) segments. References in this presentation to "Combined Segments" reflect the combined performance of the EPS, GRP and TCS segments, and, where noted, do not include Warrick, which becomes a part of Alcoa Corporation upon separation. Arconic will exit the North American Packaging business at its Tennessee Operations following the expiration of the toll processing and services agreement with Alcoa Corporation.

# Launching a Strong Company – Arconic

## Key Strengths

### Strongly Positioned in Attractive Markets

- **Secular growth, compelling margins:** Aerospace and Transportation (~65% revenues)
- **Solid growth, attractive margins:** Specialty, Industrial, Building & Construction (~35% revenues)

### Clear Market Leader in Major Sectors

- ~70% Revenues **#1/#2 leadership positions**
- **Major supplier** to the **industry leaders** in **all sectors**

### Driver of Differentiated Innovation / Advanced Technology Solutions

- **Development partner** to **industry leaders driving share gain**
- **Unparalleled capabilities** in **multi-materials, manufacturing processes, and application engineering**
- **Track record** of **breakthrough advances**
- **Innovation-driven engineering culture** and **extensive R&D base**

### Compelling Financial Profile

- **Attractive margin profile** with **significant future profitable growth upside**
- **Relentless pursuit** of **cost reduction; consistently delivering** productivity improvements
- **Disciplined capital allocation** with priority on high-return uses
- **Retained interest of 19.9% of Alcoa Corporation** available for monetization

### Management Team and Culture Focused on Performance and Creating Value

- Proven **track record**
- Strong **value orientation**

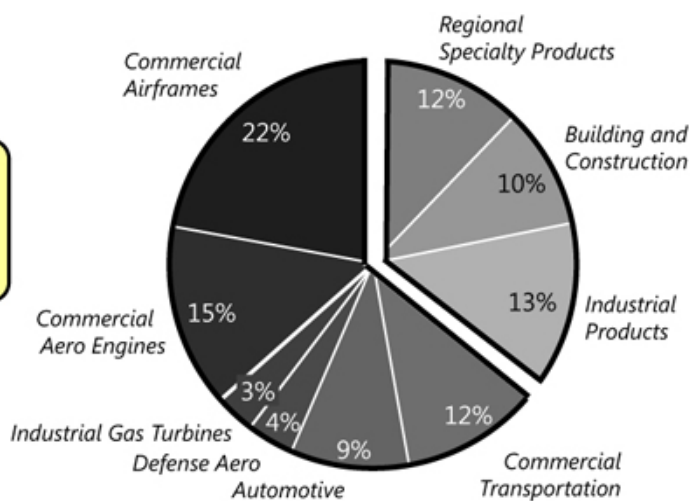


# Strongly Positioned in Attractive Markets

Markets as Percentage of 2015 Combined Segments Revenue<sup>1</sup> (\$12.5B)

**~65%**

- **Secular Growth**
- **Compelling Margins**



**~35%**

- **Solid Growth**
- **Attractive Margins**



1) Excludes Warrick  
See appendix for revenue reconciliations

# Clear Market Leader in Major Sectors

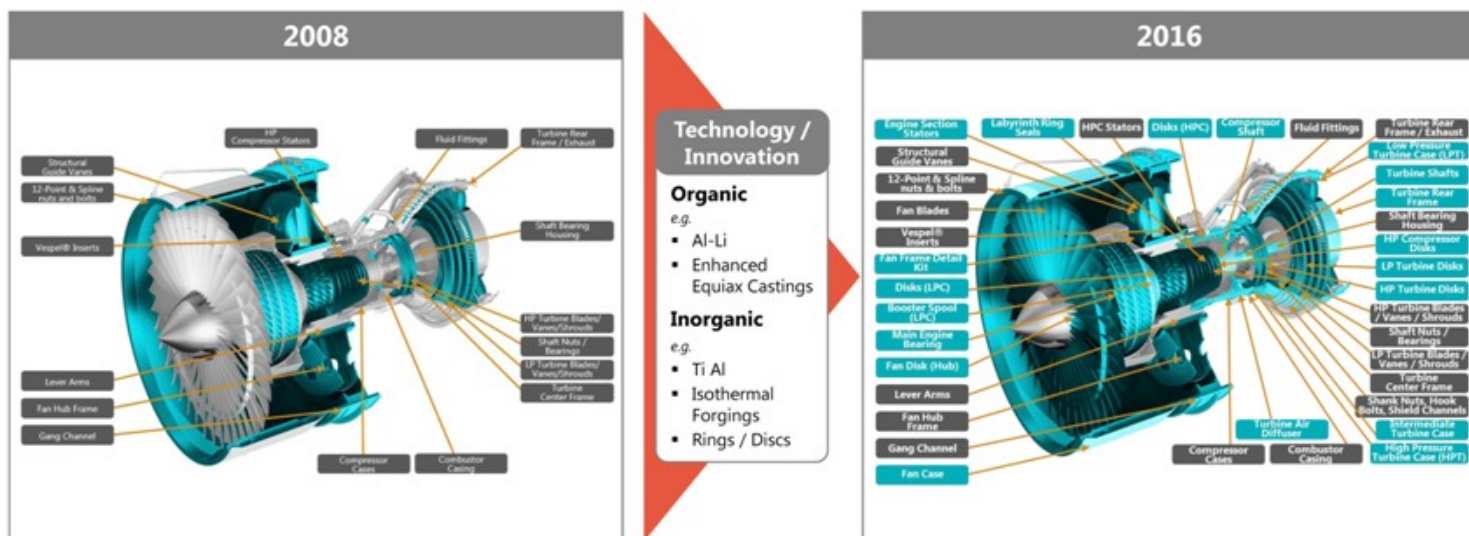
2015 Revenues from #1/#2 Market Positions

	<b>% Revenues #1/#2 position</b>	<b>Examples</b>
<b>Aerospace</b>	<b>85%</b>	<ul style="list-style-type: none"> <li>#1: Commercial aerospace <b>extrusions, fastening systems, rings, airfoils, and rolled sheet and plate</b>; Defense aerospace <b>airframe forgings, titanium ingots, titanium mill products, extrusions, fastening systems, rings, airfoils, and rolled sheet and plate</b></li> <li>#2: <b>Commercial and defense</b> aerospace structural castings in Europe</li> </ul>
<b>North American Automotive</b>	<b>96%</b>	<ul style="list-style-type: none"> <li>#1: Auto <b>extrusions</b> and brazing <b>rolled sheet</b></li> <li>#2: Auto <b>rolled sheet</b></li> </ul>
<b>Commercial Transportation</b>	<b>93%</b>	<ul style="list-style-type: none"> <li>#1: <b>Forged aluminum</b> heavy-duty truck <b>wheel</b>, commercial transportation <b>fastening systems</b>, commercial transportation <b>rolled sheet</b> in N.A. and China</li> </ul>

Overall:  
Revenues #1/#2  
**~70%**

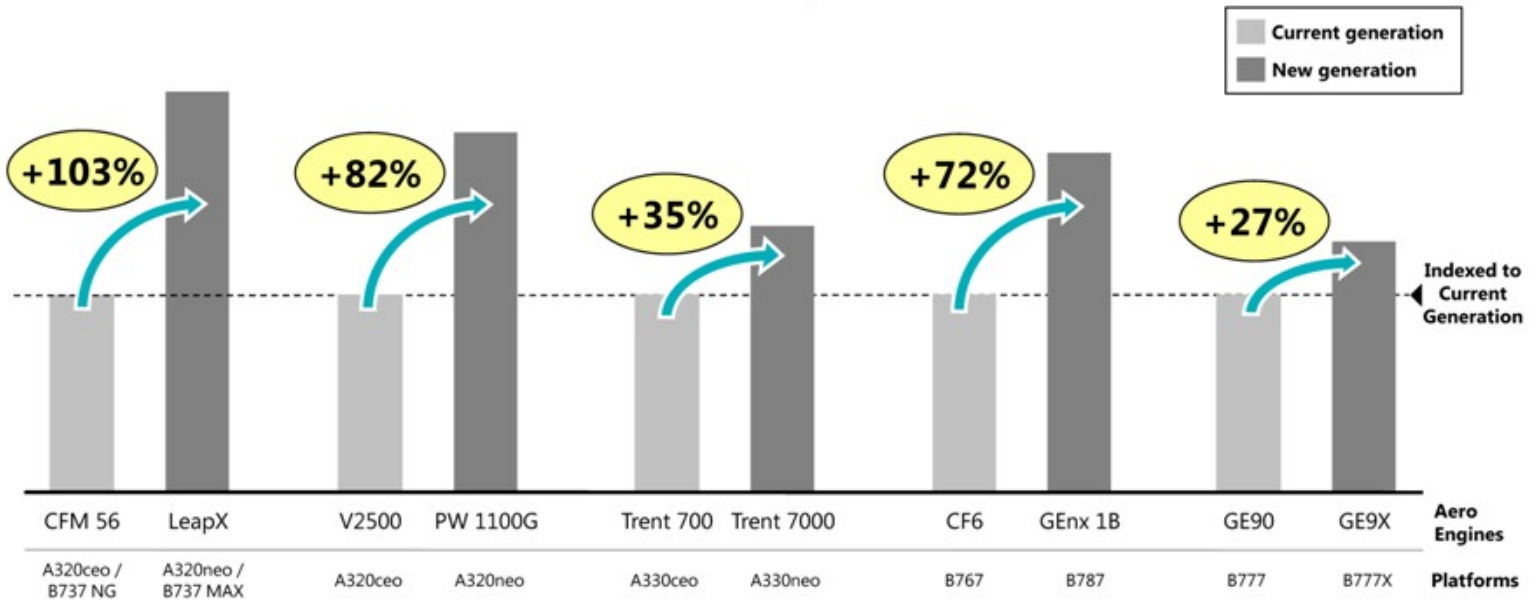
# Grew Aero Jet Engine Content to Over 90% of Components

Arconic Aero Engine Component Portfolio



# Substantial Share Gain Achieved on Next Generation Aero Engines

Arconic Revenue Shipset Value<sup>1</sup>

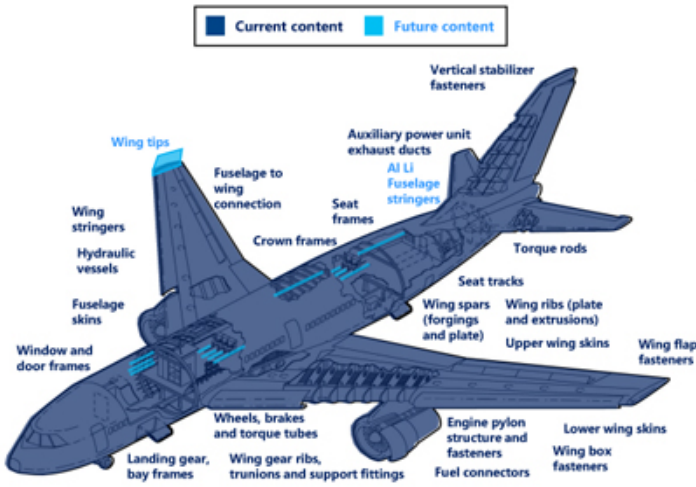


1) Aero engines shown represent ~88% of total engines for Large Commercial Aircraft in 2017 through 2020 on a unit basis

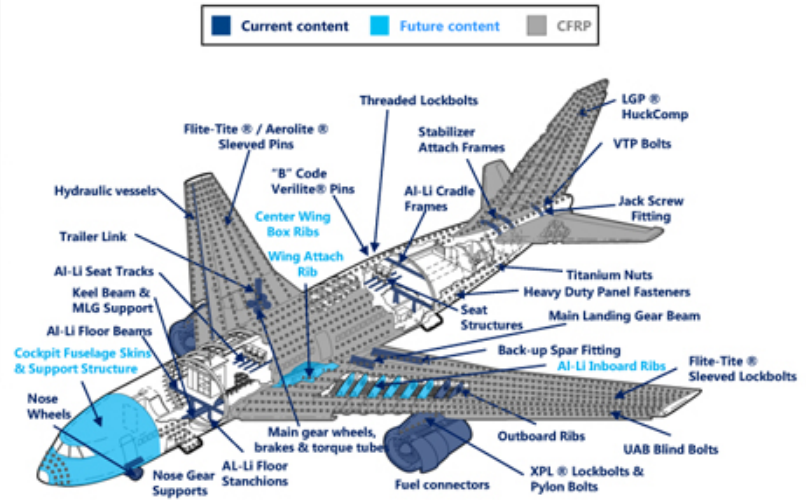
# Metallic or CFRP, our Content Flies from Nose to Tail

Arconic Participation in Airframe Parts

## Metallic Airframe



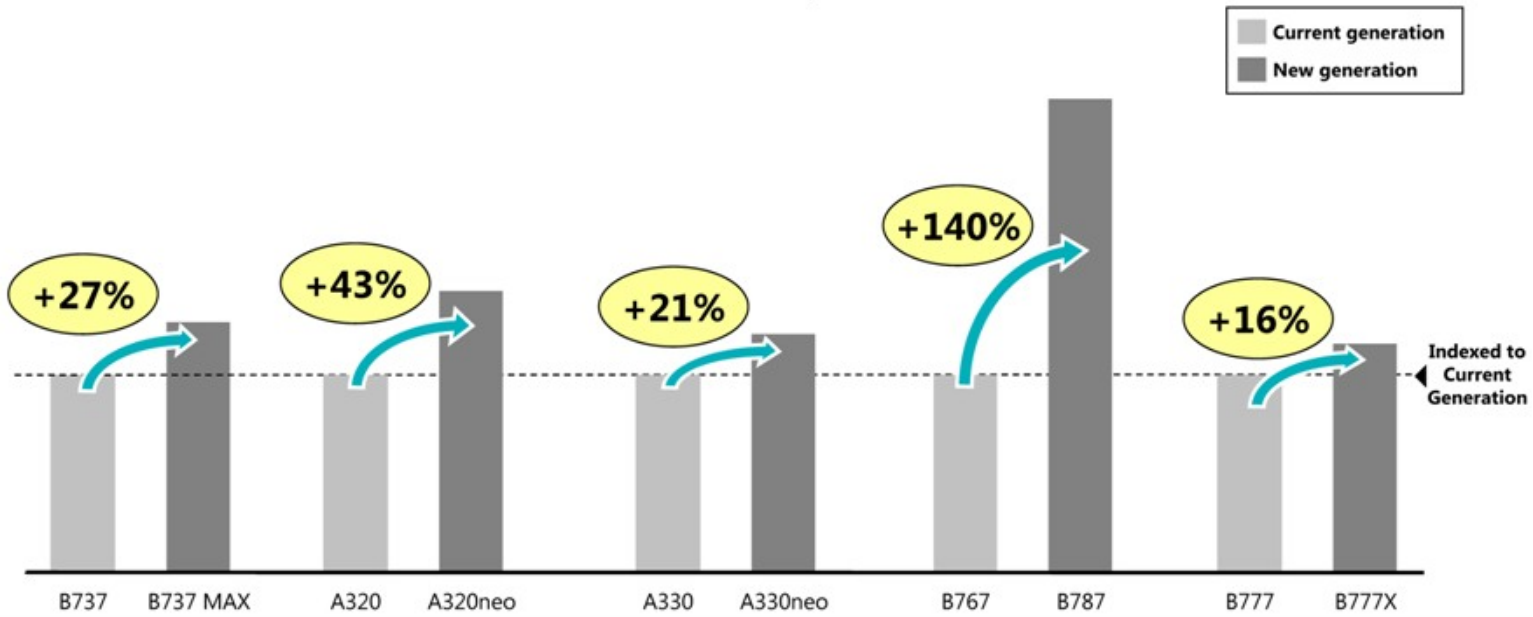
## CFRP<sup>1</sup>-intensive Airframe



1) CFRP refers to carbon fiber reinforced plastic fastened panels

# Substantial Share Gain Achieved on Next Generation Aircraft

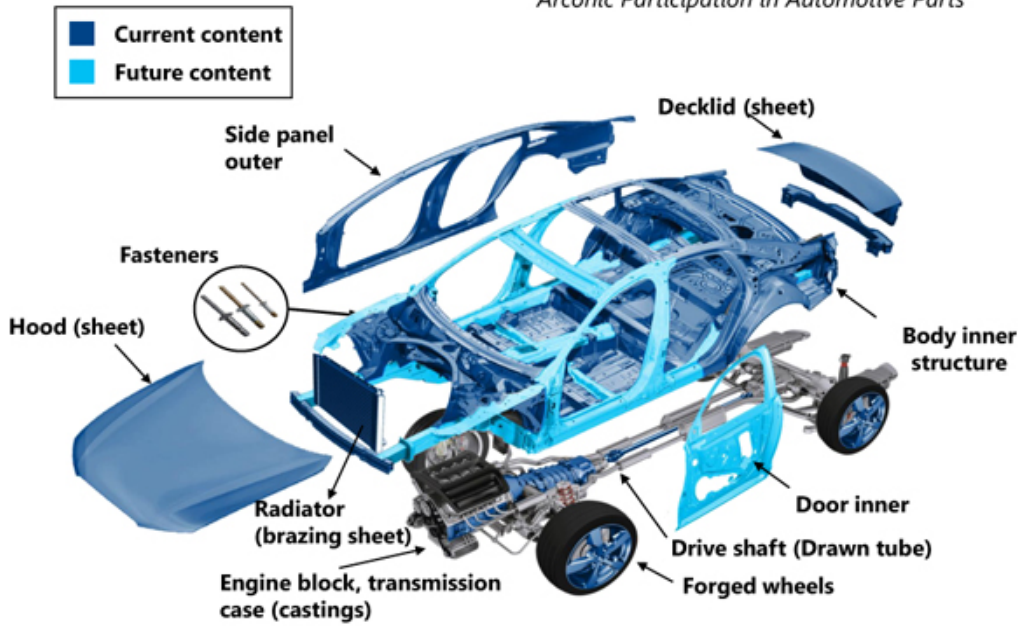
Arconic Revenue Shipset Value<sup>1</sup>



1) Aircraft shown represent ~88% of total Large Commercial Aircraft in 2017 through 2020 on a unit basis

# Our Automotive Content Runs Bumper to Bumper

Arconic Participation in Automotive Parts



## Aluminizing North American Automotive

- **Growing Arconic Automotive Sheet revenue ~6x**, from \$229M in 2013 to \$1.3B in 2018
- **#1 market position in North American brazing sheet**
- Invented **bonding process** to enable the mass-market **shift from steel to aluminum**

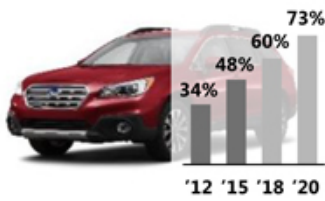
# Capturing Increasing Aluminization of US Auto Platforms

Aluminum (Al) Penetration in US Automotive Sheet

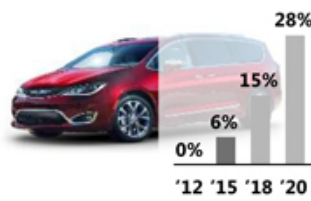
Al usage is increasing across platforms...

## Aluminum penetration rates for closures

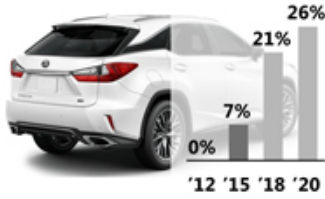
Hoods



Doors



Liftgates / Trunks



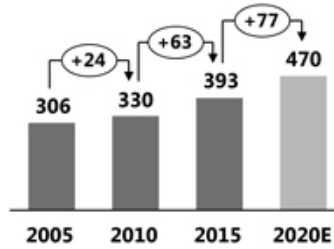
Fenders



...driving consistent Al penetration growth

- North America is Arconic's most important automotive market:
  - OEMs need better fuel economy to meet CAFE regulations for cars and light trucks
  - Consumers like it because of better performance:
    - + Additional payload / towing capacity
    - + Accelerates faster, shorter braking distance and lower fuel cost at the pump
- Automotive production also strong in Europe and China

Al pounds per vehicle

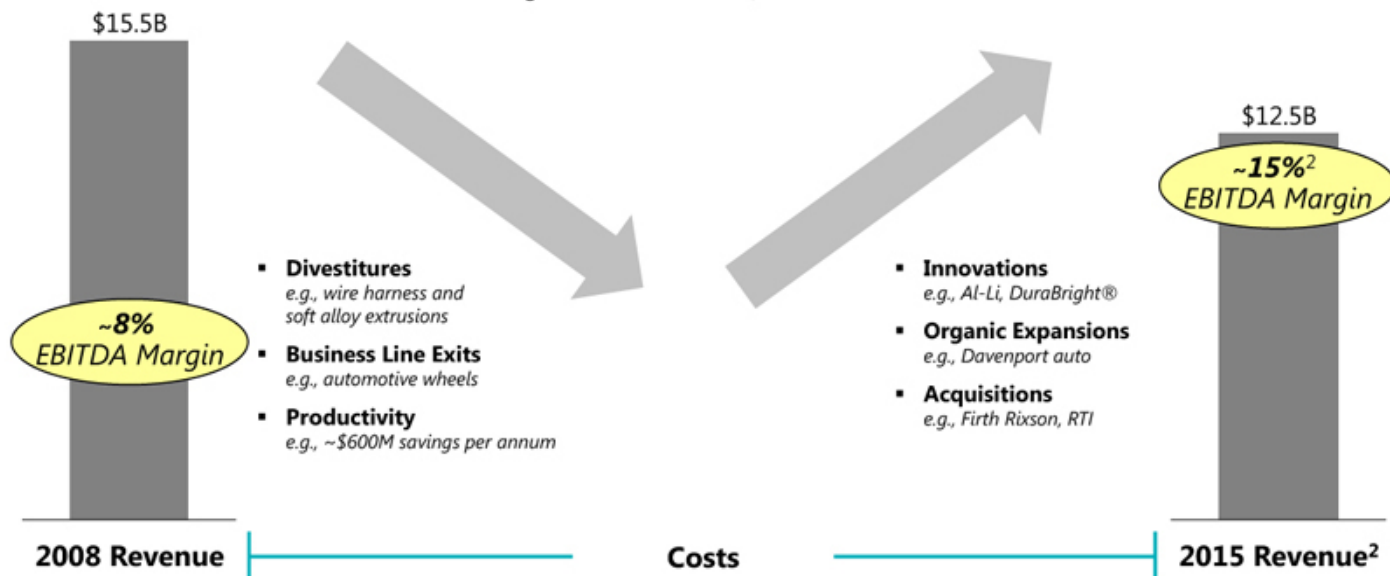


Additional Micromill market potential:  
Incremental 250 lbs / vehicle<sup>1</sup>



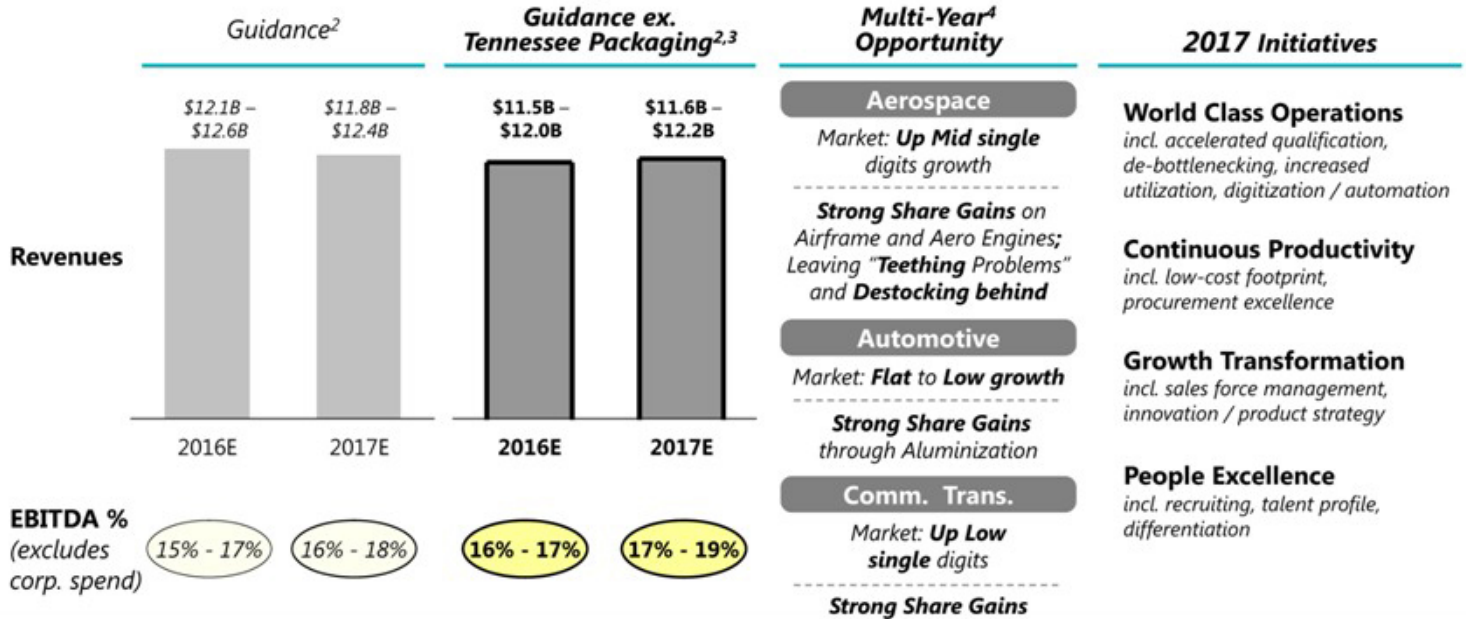
# Significant Restructuring and Growth to Drive Profitability

Combined Segments<sup>1</sup> Financial Performance: 2008 and 2015



# Attractive Margin Profile with Profitable Growth Upside

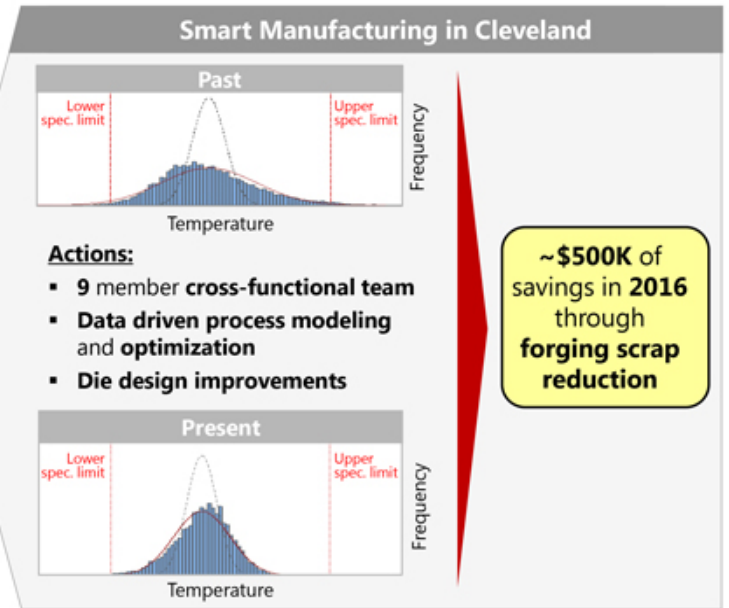
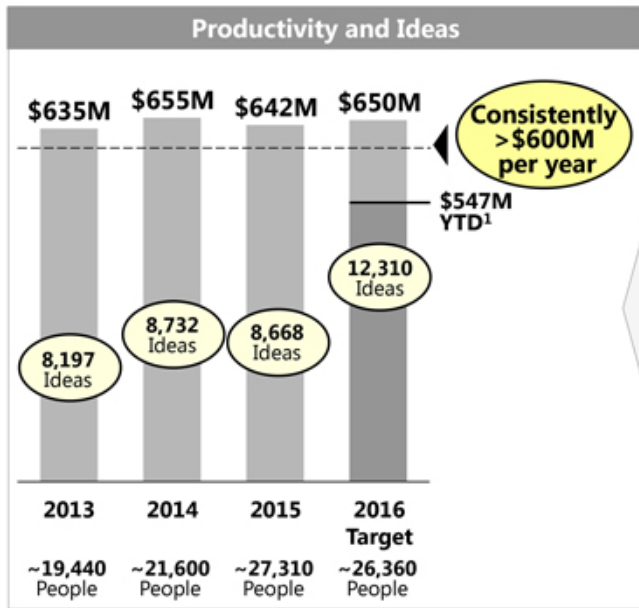
Combined Segments<sup>1</sup> Financial Guidance: 2016E and 2017E



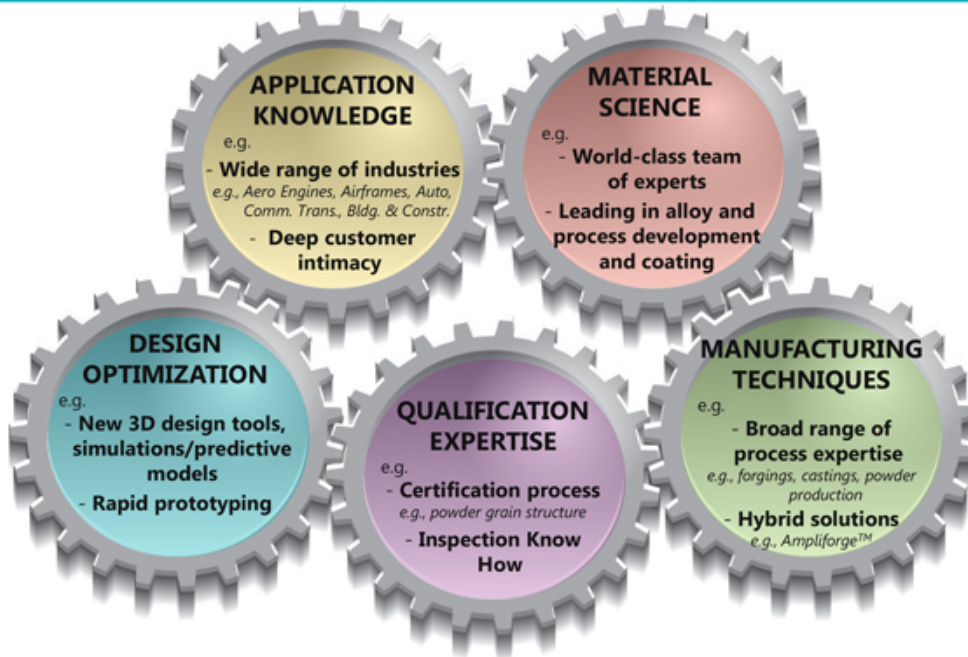
1) Excludes corporate spend 2) Excludes Warrick 3) Excludes Tennessee Packaging (revenue of ~\$550M in 2016E, ~\$150M in 2017E); Arconic will exit Tennessee Packaging 4) Estimated 2017 through 2019 end market compounded annual growth rate  
See appendix for revenue and EBITDA reconciliations.

# Consistently Delivering Productivity Improvements of \$600M+

Productivity Gains, Number of Ideas



# Leading Edge in Additive Manufacturing Helps Customers Win



# High Caliber Management Team, Proven Track Record

## Management Team



**Klaus Kleinfeld** | Chairman & CEO

- Led Alcoa turnaround in aluminum industry's worst recession
- Expanded Alcoa into high performance metals, high growth markets
- Transformed portfolio to enable separation
- Strong international network in business and government
- Former Siemens CEO; 20+ years experience in diverse industries

**Ken Giacobbe**  
CFO



- CFO of Arconic's most profitable global group
- Drove EPS acquisitions to expand aero portfolio
- Led financial turnaround of BCS during recession
- Held key finance roles at Lucent and Avaya

**Karl Tragl**  
Group President, EPS



- CEO of \$6B Bosch Rexroth, automation leader
- Rexroth present in most Arconic markets
- Industrial digitization expert
- German Aerospace Research Center Engineer

**Kay Meggers**  
Group President, GRP



- Led Alcoa Business Excellence / Corporate Strategy
- Headed Siemens US Building Automation
- Siemens consultant drove global restructuring
- Doctorate in Natural Science

**Tim Myers**  
Group President, TCS



- 30-year auto/truck industry veteran
- President of # 1 ranked Alcoa Wheels
- Former product engineer at Ford
- Chairman of Heavy Duty Truck Manufacturing Association

**Ray Kilmer**  
Chief Technology Officer



- Leads largest light metals technical center in the world
- Former General Motors manager of Advanced Manufacturing Engineering
- PhD in material science and engineering
- Holds 58 patents





**Christoph Kollatz**  
Chief Strategy Officer



- Lufthansa CIO / CPO
- Led highly successful new venture at SAP
- Led turnaround of \$6B Siemens Business Services as CEO
- Corporate strategy and operational excellence roles at Siemens

# Independent Board, Broad and Deep Relevant Experience

## Board of Directors

 <p><b>Klaus Kleinfeld</b> Chairman and CEO, Arconic Inc.</p>	 <p><b>Patricia Russo</b> Lead Director, Arconic Inc. Chairman, Hewlett Packard Enterprise and former CEO, Alcatel Lucent</p>	 <p><b>Amy Alving</b> former Senior Vice President and Chief Technology Officer, Leidos Holdings, Inc; Defense Science Board</p>	 <p><b>Arthur Collins, Jr.</b> former Chairman and CEO, Medtronic, Inc.; director, The Boeing Company</p>
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 <p><b>Rajiv Gupta</b> Chairman, Delphi Automotive PLC and Senior Advisor, New Mountain Capital, LLC.</p>	 <p><b>Sean Mahoney</b> private investor &amp; former Partner &amp; head of the Financial Sponsors Group at Goldman, Sachs &amp; Co.</p>	 <p><b>E. Stanley O'Neal</b> former Chairman and CEO, Merrill Lynch &amp; Co., Inc.</p>	 <p><b>John Plant</b> former Chairman, President and CEO, TRW Automotive</p>	 <p><b>L. Rafael Reif</b> President, Massachusetts Institute of Technology</p>
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 <p><b>Julie Richardson</b> former Partner and the head of the New York office, Providence Equity Partners LLC</p>	 <p><b>Ulrich Schmidt</b> former Executive Vice President and CFO, Spirit Aerosystems Holdings, Inc.</p>	 <p><b>Martin Sorrell</b> founder and CEO, WPP plc</p>	 <p><b>Ratan Tata</b> Chairman Emeritus, Tata Sons Limited</p>
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# Customer and Talent Focused Culture

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*Mission and Values*



**ARCONIC**

**Everyone,  
Everyday,  
Everywhere...**

**We win** when our **customers win** –  
we **innovate, deliver** and **operate as world class**.

We excel as **high performance teams** –  
**safely**, with **respect** and **integrity**.

# Disciplined Capital Management Process

## Capital Deployment Priorities and Criteria

Priorities	
1	<b>Organic growth hurdle rate: Exceeding WACC</b>
2	<b>Tuck-in acquisitions</b>
3	<b>De-lever and/or return cash to shareholders</b>

Criteria
▪ <b>Leverage:</b> <i>Maintain <b>prudent leverage</b> and <b>liquidity profile</b></i>
▪ <b>Liquidity:</b> <i>Maximize <b>operating cash flow</b></i>
▪ <b>Portfolio Management:</b> <i><b>Continuous review</b> of assets and opportunities to <b>maximize value</b> creation</i>
▪ <b>Capital Allocation:</b> <i>Return on capital (<b>ROC</b>) will be the primary metric used to <b>determine capital expenditures</b></i>



# Combined Segments<sup>1</sup>: 2015 Revenue \$12.5B, EBITDA ~\$1.9B

Combined Segments Profitability and Key Financial Elements (pre-tax)

Combined Segments	2015 <sup>1</sup>	2016 Guidance <sup>1</sup>	2016 Guidance excluding Tennessee Packaging <sup>1,2</sup>
Revenue (\$ Billions)	\$12.5	\$12.1 - \$12.6	\$11.5 - \$12.0
EBITDA (\$ Millions)	\$1,893	\$1,945 - \$2,005	\$1,948 - 2,008

## Productivity

- ~\$600M gross productivity / year
  - Q3 YTD 2016: **\$547M**
  - 2015: **\$642M**
  - 2014: **\$655M**

## Capex

- | 2016   | 2017   |
|--|--|
| <ul style="list-style-type: none"> <li>~\$800M (40% sustaining)</li> </ul> | <ul style="list-style-type: none"> <li><b>\$320M sustaining</b> (55%-60% of depreciation)</li> <li><b>\$150M committed return seeking<sup>3</sup></b> (as of 10/2016)</li> </ul> |

## Corporate Spend (EBITDA)

- ~\$300M / year
  - Corporate overhead: **\$120M**
  - Corporate R&D: **\$70M**
  - Pension / OPEB: **\$60M**
  - Other: ~\$50M

## Interest Expense

- ~\$500M (assumes pay down of notes due February 2017)

## Total Depreciation and Amortization

- ~\$550M

## Effective Tax Rate

- ~35%



1) Excludes Warrick and corporate spend 2) Excludes Tennessee Packaging revenue of ~\$550M in 2016; Arconic will exit Tennessee Packaging 3) Any additional growth spend to be evaluated based on cash use priorities and return requirements See appendix for revenue and EBITDA reconciliations.

# Combined Segments<sup>1</sup>: 2015 Revenue \$12.5B, EBITDA<sup>2</sup> ~\$1.9B

## Segment Profitability and Key Financial Elements (pre-tax)

Segments	2015			2016 Guidance			
	EPS	GRP <sup>1</sup>	TCS	EPS	GRP <sup>1</sup>	GRP ex. Tennessee Packaging <sup>1,3</sup>	TCS
Revenue (\$ Billions)	5.3	5.3	1.9	5.6 - 5.8	4.8 - 5.0	4.2 - 4.4	1.7 - 1.8
EBITDA (\$ Millions)	1,110	512	271	1,175 - 1,220	~515+	~518+	255 - 270

### Segment Productivity

- ~\$600M gross productivity / year
  - EPS ~45%
  - GRP ~40%
  - TCS ~15%

### Segment Depreciation and Amortization

- EPS ~\$275M; GRP ~\$205M;  
TCS ~\$50M; Corp ~\$20M



1) Excludes Warrick 2) Excludes corporate spend  
3) Excludes Tennessee Packaging revenue of ~\$550M in 2016; Arconic will exit Tennessee Packaging  
See appendix for revenue and EBITDA reconciliations.

# Intended Capital Structure Yields \$6.3B in Net Debt

*Estimated Capital Structure: Before monetizing retained interest*

## Pro Forma Capitalization as of November 1, 2016

(\$B)	Amount
Cash	\$2.51
<b>19.9% Retained Interest in Alcoa Corporation</b>	<i>Mark-to-market</i>
Bonds	\$8.58
Other debt	\$0.25
<b>Total Debt</b>	<b>\$8.83</b>
<b>Net Debt (excluding retained interest)</b>	<b>\$6.32</b>

# Launching a Strong Company – Arconic

## Key Strengths

### Strongly Positioned in Attractive Markets

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### Management Team and Culture Focused on Performance and Creating Value

- Proven **track record**
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# Appendix



**ARCONIC**

Innovation, engineered.



**ARCONIC**



# Transaction Overview

## Share Information

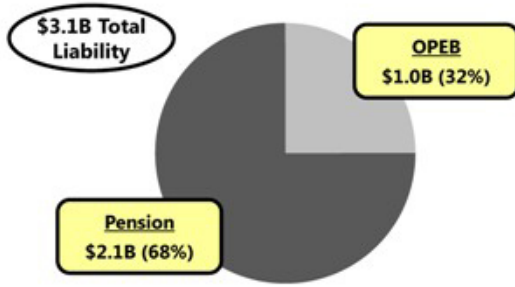
<b>Ticker</b>	ARNC
<b>Exchange</b>	NYSE
<b>Distribution ratio</b>	1 share of Alcoa Corporation for every 3 shares of Arconic Inc.
<b>Number of outstanding Arconic shares</b>	438M
<b>"When issued" trading commenced</b>	October 18, 2016
<b>Record date</b>	October 20, 2016
<b>Distribution date</b>	November 1, 2016
<b>"Regular way" trading begins</b>	November 1, 2016

# Manageable Pension and OPEB Obligations

## Pension and OPEB Overview

### Manageable Obligations

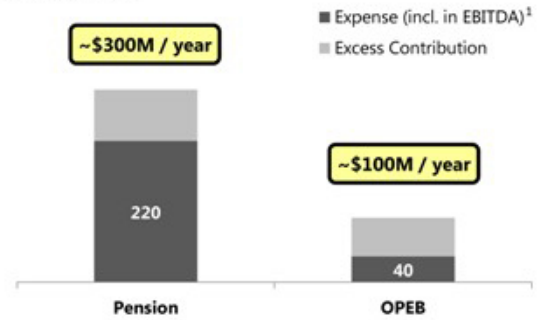
Unfunded pension and OPEB liability



- Manageable unfunded pension and OPEB liability of \$3.1B at 12/31/15
- Pension plan funded status:
  - US ERISA: ~90%
  - Worldwide GAAP: ~70%

### Contributions Largely Reflected in EBITDA

2017 contributions



- Significant portion of annual pension and OPEB contributions are reflected in EBITDA
  - Pension: ~73%
  - OPEB: ~40%

# Near-term Financial Reporting

## *Near-term Financial Reporting Overview*

### ▪ **Arconic Unaudited Pro Formas (November 2016):**

- Include income statements for the six months ended June 30, 2016 and the fiscal years ended December 31, 2015, December 31, 2014, and December 31, 2013. Includes balance sheet as of June 30, 2016.
- Illustrate the estimated effects of the separation of Alcoa Corporation from the historical combined company (Alcoa Inc. which will be renamed as Arconic). Shared costs not specifically identified as Alcoa Corporation such as Selling, General, and Administrative Expense, Research and Development Expense, Interest Expense, and Taxes will remain in Arconic's historical results.
- Results are not necessarily indicative of what Arconic's past or future results of operations or financial condition would have been had the separation been completed prior to the dates presented.

### ▪ **Arconic 3rd Quarter 2016 10-Q (November 2016):**

- For the final time, the 3<sup>rd</sup> Quarter 2016 10-Q filed by Arconic will include Alcoa Corporation's results, including comparable historical periods, in Arconic's continuing operations.

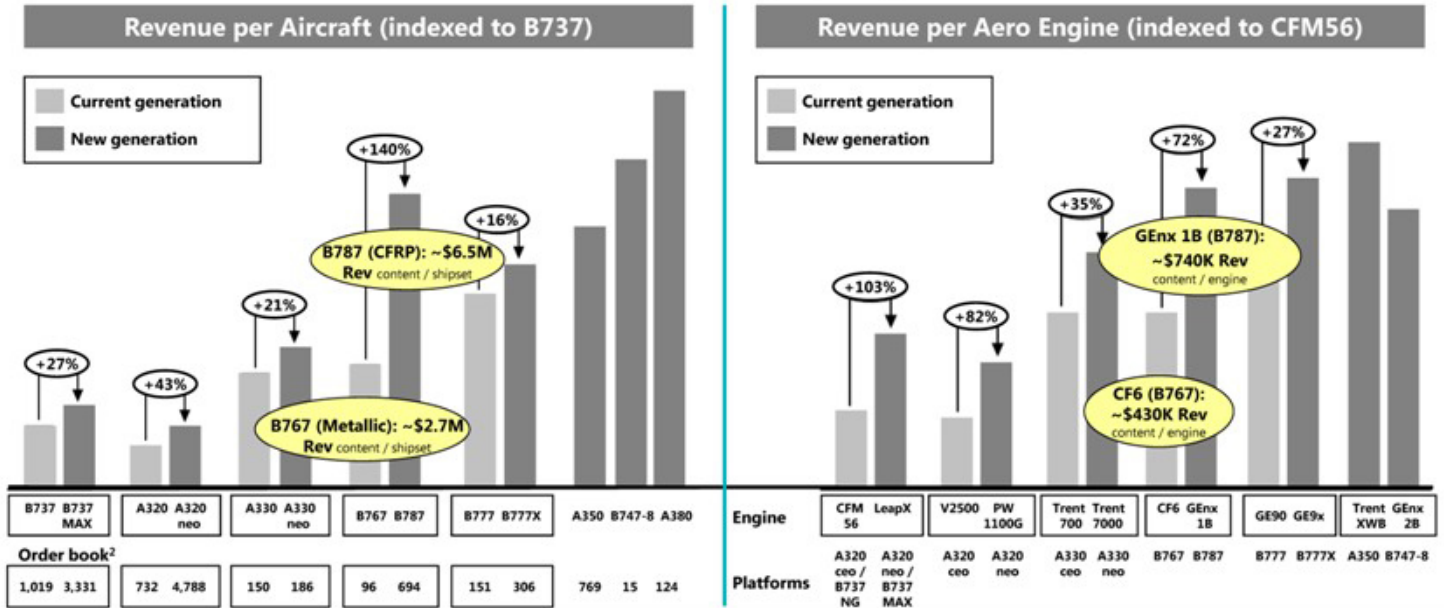
### ▪ **Arconic 4th Quarter Earnings Release (January 2017) and Annual 2016 10-K (February 2017):**

- Beginning in the fourth quarter of 2016, Alcoa Corporation's historical financial results for periods prior to the separation will be reflected in Arconic's consolidated financial statements as discontinued operations.



# Well Positioned on Next Generation Aircraft and Engines

Indexed Arconic Revenue by Major Programs<sup>1</sup>



1) Aircraft shown represent ~95% of total Large Commercial Aircraft in 2017 through 2020 on a unit basis and aero engines shown represent ~95% of total engines for Large Commercial Aircraft in 2017 through 2020 on a unit basis  
 2) Source: Boeing and Airbus – as of September 30, 2016      CFRP = Carbon Fiber Reinforced Polymer

# Arconic Q4'16 Reporting

Expected format and selected items of Q4'16 results for Arconic based on November 1 target date

## Arconic Q4'16 Reporting Overview

- **3 Months of Arconic results** (Oct – Dec)
- **1 Month of GPP results** reported in **discontinued operations** (Oct)
- **Charges** related to separation<sup>1</sup>

Item	Charge	Location
Deferred Tax Asset Valuation Allowance	\$800M to \$1,000M	Corporate
Loss on Disposal	\$300M- \$700M	Disc Ops

- Segment level reporting
  - **GRP adjusted** to reflect **separation** of the **Warrick and Saudi Arabian** rolling mills
  - **EPS & TCS unchanged**

# Reconciliation of Global Rolled Products (GRP) Adjusted EBITDA

(\$ in millions)	2008 GRP including Warrick Rolling Mill <sup>(1)</sup>	2008 Warrick Rolling Mill <sup>(1)</sup>	2008 GRP excluding Warrick Rolling Mill <sup>(1)</sup>	2015 GRP including Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>	2015 Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>	2015 GRP excluding Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>
After-tax operating income (ATOI)	\$ (3)	\$ 12	\$ (15)	\$ 244	\$ 19	\$ 225
Add:						
Depreciation, depletion, and amortization	216	25	191	227	24	203
Equity loss	–	–	–	32	32	–
Income taxes	35	(15)	50	109	25	84
Other	6	3	3	(1)	(1)	–
Adjusted EBITDA	\$ 254	\$ 25	\$ 229	\$ 611	\$ 99	\$ 512
Third-party sales	\$ 8,966	\$ 1,310	\$ 7,656	\$ 6,238	\$ 985	\$ 5,253
Adjusted EBITDA Margin	2.8%	1.9%	3.0%	9.8%	10.1%	9.7%

<sup>(1)</sup> On September 29, 2016, Alcoa announced that its Board of Directors approved the completion of the Company's separation into two standalone, publicly-traded companies. One such company will be named Arconic and will include Global Rolled Products, except for the Warrick, IN rolling operations and the equity interest in the rolling mill at the joint venture in Saudi Arabia, which will be included in the other company, Alcoa Corporation. Historical amounts have been adjusted to reflect this presentation.

Alcoa's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation, depletion, and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation, depletion, and amortization. The Other line in the table above includes gains/losses on asset sales and other non-operating items. Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because Adjusted EBITDA provides additional information with respect to Alcoa's operating performance and the Company's ability to meet its financial obligations. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

# Reconciliation of EPS and TCS Adjusted EBITDA

## Engineered Products and Solutions (EPS)

(\$ in millions)	2008	2015
After-tax operating income (ATOI)	\$465	\$595
Add:		
Depreciation, depletion, and amortization	118	233
Income taxes	225	282
Other	2	–
Adjusted EBITDA	<u>\$810</u>	<u>\$1,110</u>
Third-party sales	\$4,215	\$5,342
Adjusted EBITDA Margin	19.2%	20.8%

## Transportation and Construction Solutions (TCS)

(\$ in millions)	2008	2015
After-tax operating income (ATOI)	\$82	\$166
Add:		
Depreciation, depletion, and amortization	53	43
Income taxes	–	63
Other	–	(1)
Adjusted EBITDA	<u>\$135</u>	<u>\$271</u>
Third-party sales	\$2,270	\$1,882
Adjusted EBITDA Margin	5.9%	14.4%

Alcoa's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation, depletion, and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation, depletion, and amortization. The Other line in the table above includes gains/losses on asset sales and other non-operating items. Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because Adjusted EBITDA provides additional information with respect to Alcoa's operating performance and the Company's ability to meet its financial obligations. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

# Reconciliation of Value-Add<sup>(1)</sup> Adjusted EBITDA

(\$ in millions)	2008 Value-Add including Warrick Rolling Mill <sup>(1)</sup>	2008 Warrick Rolling Mill <sup>(1)</sup>	2008 Value-Add excluding Warrick Rolling Mill <sup>(1)</sup>	2015 Value-Add including Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>	2015 Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>	2015 Value-Add excluding Warrick / Saudi Arabia Rolling Mills <sup>(1)</sup>
After-tax operating income (ATOI)	\$544	\$12	\$532	\$1,005	\$19	\$986
Add:						
Depreciation, depletion, and amortization	387	25	362	503	24	479
Equity loss	–	–	–	32	32	–
Income taxes	260	(15)	275	454	25	429
Other	8	3	5	(2)	(1)	(1)
Adjusted EBITDA	\$1,199	\$25	\$1,174	\$1,992	\$99	\$1,893
Third-party sales	\$15,451	\$1,310	\$14,141	\$13,462	\$985	\$12,477
Adjusted EBITDA Margin	7.8%	1.9%	8.3%	14.8%	10.1%	15.2%

<sup>(1)</sup> Value Add is composed of the Global Rolled Products, Engineered Products and Solutions, and Transportation and Construction Solutions segments. On September 29, 2016, Alcoa announced that its Board of Directors approved the completion of the Company's separation into two standalone, publicly-traded companies. One such company will be named Arconic and will include Value-Add, except for the Warrick, IN rolling operations and the equity interest in the rolling mill at the joint venture in Saudi Arabia, both of which are currently part of the Global Rolled Products segment of Alcoa Inc. and will be included in the other company, Alcoa Corporation. Historical amounts have been adjusted to reflect this presentation.

Alcoa's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation, depletion, and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation, depletion, and amortization. The Other line in the table above includes gains/losses on asset sales and other non-operating items. Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because Adjusted EBITDA provides additional information with respect to Alcoa's operating performance and the Company's ability to meet its financial obligations. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.