

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 14A

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

ARCONIC INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



ARCONIC Who We Are | What We Do | Join Us | Investors | News | Contact | 

Newsroom

Information for Shareholders ahead of 2017 Annual Shareholders Meeting

<p>February 6, 2017</p> <p>Independent Directors of Arconic Board Publish Letter to Shareholders</p>	<p>January 31, 2017</p> <p>The 12 Independent Directors of Arconic – Three of Whom Were Nominated by Elliott – Support Arconic Management and Klaus Kleinfeld as Chairman and CEO</p>	<p>February 1, 2016</p> <p>Klaus Kleinfeld Responds to Elliott Management on CNBC</p>
<p>January 31, 2017</p> <p>Arconic Reports Fourth Quarter and Full Year 2016 Results</p>	<p>February 1, 2017</p> <p>Arconic Chairman and CEO Klaus Kleinfeld to Present at Cowen and Company's 38th Annual Aerospace/Defense & Industrials Conference: February 8</p>	<p>December 14, 2016</p> <p>Arconic Announces Three-Year Targets at Inaugural Investor Day</p>

Recent News

2017 2016 2015 2014 2013 2012 2011 2010 2009

February 6, 2017

Independent Directors of Arconic Board Publish Letter to Shareholders

Twitter Facebook LinkedIn Email

February 1, 2017

Arconic Chairman and CEO Klaus Kleinfeld to Present at Cowen and Company's 38th Annual Aerospace/Defense & Industrials Conference: February 8

Twitter Facebook LinkedIn Email

January 31, 2017

The 12 Independent Directors of Arconic – Three of Whom Were Nominated by Elliott – Support Arconic Management and Klaus Kleinfeld as Chairman and CEO

Twitter Facebook LinkedIn Email

see more

Forward-Looking Statements

This communication 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 "anticipate," "believe," "could," "estimate," "expect," "forecast," "guidance," "goal," "intend," "may," "might," "objective," "plan," "project," "seek," "target," "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, statements and guidance regarding future financial results or operating performance. 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) deterioration in global economic and financial market conditions generally; (b) unfavorable changes in the markets served by Arconic; (c) 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; (d) changes in discount rates or investment returns on pension assets; (e) 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; (f) the impact of cyber attacks and potential information technology or data security breaches; (g) political, economic, and regulatory risks in the countries in which Arconic operates or sells products; (h) the impact of the separation on the businesses of Arconic; (i) material adverse changes in aluminum industry conditions, including fluctuations in London Metal Exchange based aluminum prices; (j) the impact of changes in foreign currency exchange rates on costs and results; (k) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; and (l) the other risk factors discussed in Arconic's Form 10-K for the year ended December 31, 2016, and other reports filed with the U.S. Securities and Exchange Commission (SEC). Arconic 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.

Non-GAAP Financial Measures

Some of the information included in this communication is derived from Arconic's consolidated financial information but is not presented in Arconic'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 schedule to this communication. Arconic has not provided a reconciliation of any forward-looking non-GAAP financial measures 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, reconciliations of forward-looking non-GAAP financial measures such as adjusted EBITDA and adjusted EBITDA margin to the most directly comparable GAAP measures are not available without unreasonable efforts 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 foreign currency movements, equity income, gains or losses on sales of assets, taxes and any future restructuring or impairment charges. 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 and volume.

Important Additional Information

Arconic Inc. ("Arconic") intends to file a proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for Arconic's 2017 Annual Meeting (the "Proxy Statement") with an associated WHITE proxy card. Arconic, its directors and certain of its executive officers will be participants in the solicitation of proxies from shareholders in respect of the 2017 Annual Meeting. Information regarding the names of Arconic's directors and executive officers and their respective interests in Arconic by security holdings or otherwise is set forth in the Annual Report on Form 10-K of Arconic Inc., which was Arconic's former name ("Arconic"), for the fiscal year ended December 31, 2016, filed with the SEC on February 19, 2017, and Arconic's proxy statement for the 2016 Annual Meeting, filed with the SEC on March 24, 2016. To the extent holdings of such participants in Arconic's securities are not reported, or have changed since the amounts described, in the 2016 proxy statement, such changes have been reflected on initial Statements of Beneficial Ownership on Form 3 or Statements of Change in Ownership on Form 4, filed with the SEC. Details concerning the nominees of Arconic's Board of Directors for election at the 2017 Annual Meeting will be included in the Proxy Statement. BEFORE MAKING ANY VOTING DECISION, INVESTORS AND SHAREHOLDERS OF THE COMPANY ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH OR FURNISHED TO THE SEC INCLUDING THE COMPANY'S DEFINITIVE PROXY STATEMENT AND ANY SUPPLEMENTS THERETO, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and shareholders will be able to obtain a copy of the definitive proxy statement and other documents filed by Arconic, free of charge from the SEC's website, www.sec.gov. Arconic's shareholders will be able to obtain, without charge, a copy of the definitive Proxy Statement and other relevant filed documents by directing a request by mail to Arconic, Corporate Secretary's Office, 390 Park Avenue, New York, New York 10022-2001, by calling Arconic's proxy solicitor, Interline USA Incorporated, toll-free at 1-877-359-5567 or from Arconic's website at www.arconic.com.

Who We Are

Engineered Products and Solutions
Global Rolled Products
Transportation and Construction Solutions
Leadership
Innovation
How We Work

What We Do

Aerospace
Automotive
Building and Construction
Commercial Transportation
Industrial Solutions
Energy
Defense and Space
Product Catalog

Investors

Dividend History
Events and Presentations
Earnings
Financial Releases
Corporate Governance
SEC Filings
Shareholder Services
Contact Investor Relations

Join Us

News
Contact

Privacy Legal Notices Integrity Line Sitemap Copyright © 2017 Arconic

Twitter Facebook LinkedIn Email

Arconic Message to Shareholders

Investors / 2017 Annual Meeting

Independent Directors of Arconic Board Publish Letter to Shareholders

February 6, 2017

To Fellow Arconic Shareholders:

As the independent directors of Arconic, we are writing to express our confidence in Arconic's strategic direction, executive leadership and prospects and to affirm our commitment to providing strong oversight on your behalf. As your Board, we believe Arconic is at a pivotal moment after separating from Alcoa Corporation just three months ago.

As a newly standalone company, Arconic is on a journey eight years in the making, and we are now one of the leading advanced manufacturers of highly engineered parts for the aerospace, auto, building and power industries with strong market positions. At this crucial time, we believe that continuity of leadership, an unwavering focus on building our business and delivering on our promises and the continued active involvement of our strong, independent Board will be critical to delivering strong shareholder returns.

[Read More >](#)

Klaus Kleinfeld Responds to Elliott Management on CNBC



SEPARATION UNLOCKS SUBSTANTIAL VALUE

Pre-split shareholders of Alcoa Inc. have seen their investment increase in value by a combined 32% (Nov 1, 2016 – Jan 27, 2017)

OPTIMIZING PORTFOLIO & MARGINS

Arconic combined segment adjusted EBITDA margin increased from 6.9% in 2008 to 16.6% in 2016

CREATION OF AN AEROSPACE & AUTOMOTIVE LEADER

\$13 billion in new aerospace contracts (2015-2016)

Automotive sheet revenue expected to grow from \$117M (2015) to \$1.3B (2018)

CONTROLLING COSTS

From 2008 to separation on Nov 1, 2016, Alcoa Inc. achieved cost savings of over \$10B

Overhead costs are in line with peers and will be further lowered to 1.1% of revenue in 2017

SUCCESSFULLY LAUNCHED ALCOA CORPORATION

Lowered position on aluminum and alumina cost curves by 13 pts each 2010 – 2016

Arconic retained 19.9% stake in Alcoa Corp., providing additional financial flexibility

LOOKING AHEAD: A STRONG FUTURE

A management team 100% focused on continuing to improve operating results, expand margins and improve return on net assets

The 12 Independent Directors of Arconic – Three of Whom Were Nominated by Elliott – Support Arconic Management and Klaus Kleinfeld as Chairman and CEO

[READ MORE](#)

Klaus Kleinfeld's Letter to Shareholders December 30th, 2016

[READ MORE](#)

Arconic Reports Fourth Quarter and Full Year 2016 Results

[READ MORE](#)

Materials from Investor Day 2016

[READ MORE](#)

Your Board of Directors

[LEARN MORE](#)

Shareholder Materials

[LEARN MORE](#)

Press Releases

[LEARN MORE](#)

Forward-Looking Statements

This communication contains statements that relate to future events and expectations and 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 "will occur," "anticipate," "could," "estimate," "expect," "forecast," "guidance," "goal," "intend," "may," "predict," "plan," "project," "target," "believe," "could," 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, statements and guidance regarding future financial results or operating performance. 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 its forward-looking statements are based on reasonable assumptions, it can give no assurance that those expectations will be achieved 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 forward-looking statements include, but are not limited to: (1) identification of global economic and financial market conditions generally; (2) unforeseeable changes to the market severity, volatility; (3) the ability to achieve the rate of revenue growth, cost generation, cost savings, improvement in profitability and margins, fixed discounts, or strengthening of competitive and operations and (b) other than recurring programs and productivity improvement, cost reduction, technology advancement, and other initiatives; (4) changes in Arconic's base or investment returns or general assets; (5) Arconic's ability to realize expected benefits, it may be subject to larger competition from future acquisitions, divestitures, facility closures, curtailments, expansions, or joint ventures; (7) the impact of cyber attacks and potential information technology or data security breaches; (8) political, economic, and regulatory risks in the countries in which Arconic operates or sells products; (9) the impact of the expiration on the business of Arconic; (10) potential adverse changes in purchasing conditions, including fluctuations in customer third party demand and demand growth; (11) the impact of changes in foreign currency exchange rates on cost and results; (12) the outcome of proceedings, including litigation proceedings, government regulatory investigations, and environmental remediation; and (13) the other risk factors discussed in Arconic's Form 10-K for the year ended December 31, 2015, and other reports filed with the U.S. Securities and Exchange Commission ("SEC"). Arconic disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as may be required by applicable law.

Non-GAAP Financial Measures

Some of the information included in this communication is derived from Arconic's consolidated financial information but is not prepared in Arconic's financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Certain of these items 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 measures. Reconciliations to the most directly comparable GAAP financial measures and management's rationale for the use of non-GAAP financial measures are provided in the comments to this communication. Arconic has not provided a reconciliation of any forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures because it is unable to identify certain amounts that would be required to include in the GAAP measure without unreasonable efforts, and Arconic believes such reconciliation would imply a degree of precision that would be misleading or otherwise, in particular, the non-availability of forward-looking non-GAAP financial measures such as adjusted EBITDA and adjusted EBITDA margin to the most directly comparable GAAP measures are not available without unreasonable efforts due to the variability and complexity with respect to the charges and other components included in these non-GAAP measures, such as the effects of foreign currency movements, equity issuance, gains or losses on sales of assets, taxes and any future restructuring or impairment charges. These reconciling items are in addition to the measure variability already included in the GAAP measures, which include, but is not limited to, product mix and volume.

Important Additional Information

Arconic Inc. ("Arconic") refers to the proxy statement with the Securities and Exchange Commission ("SEC") in connection with the solicitation of proxies for Arconic's 2017 Annual Meeting ("the Proxy Statement") with an associated Form 17 proxy card. Arconic, its directors and certain of its essential officers will be participating in the solicitation of proxies from shareholders in respect of the 2017 annual meeting. Information regarding the names of Arconic's directors and essential officers and their respective ownership interests in Arconic and the annual report on Form 10-K filed with the SEC on February 16, 2017, and Arconic proxy statement for the 2017 annual meeting filed with the SEC on March 22, 2017. To the extent holding of such participation in Arconic securities are not reported or have changed since the amounts disclosed in the proxy statement, such changes have been reflected in our Statements of Ownership or from our Statements of Change in Ownership on Form 4 filed with the SEC. Details concerning the names of Arconic's Board of Directors for election at the 2017 annual meeting will be included in the Proxy Statement, BEFORE MAILING ANY OTHER SECURITIES, REPORTS AND DOCUMENTS OF THE COMPANY ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC REFERENCED TO THE SEC, INCLUDING THE COMPANY'S DEFINITIVE PROXY STATEMENT AND ALL OTHER SECURITIES THEREIN, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and shareholders will be able to obtain a copy of the definitive proxy statement and other documents filed by Arconic through the SEC website, www.edgar.gov, Arconic's website, or will also be able to obtain, without charge, a copy of the definitive Proxy Statement and other relevant documents by directing a request to the Corporate Secretary, Office, 400 Park Avenue, New York, New York 10022-6044, by using Arconic's proxy card, or the below incorporated, toll-free at 1-800-991-1881 or from Arconic's website at www.arconic.com.

Who We Are

Engineered Products and Solutions
Global Rolled Products
Transportation and Construction
Solutions
Leadership
Innovation
How We Work

What We Do

Aerospace
Automotive
Building and Construction
Commercial Transportation
Industrial Solutions
Energy
Defense and Space
Product Catalog

Investors

Dividend History
Events and Presentations
Earnings
Financial Releases
Corporate Governance
SEC Filings
Shareholder Services
Contact Investor Relations

Join Us

News
Contact

<p>SEPARATION UNLOCKS SUBSTANTIAL VALUE</p> <p>The split shareholders of Alcoa Inc. have seen their investment increase in value by a combined 32% (including dividends) from November 1, 2016 close through January 27, 2017.</p>	<p>OPTIMIZING PORTFOLIO & MARGINS</p> <p>Alcoa's customer segment adjusted EBITDA margin increased from 6.4% to 10.5% by 2016.</p>	<p>CREATION OF AN AEROSPACE & AUTOMOTIVE LEADER</p> <p>Bigly Aero is now a top 100 contract manufacturer.</p> <p>Automotive sheet revenue up 100% from 2016 (\$100M to \$200M).</p>
<p>CONTROLLING COSTS</p> <p>From 2016 to separation on Nov. 1, 2016, Alcoa Inc. achieved cost savings of over \$1B.</p> <p>Overhead costs are 6.5% with years and will be further leveraged in 2017.</p>	<p>SUCCESSFULLY LAUNCHED ALCOA CORPORATION</p> <p>Launched position on aluminum and alumina cost savings by 10% each in 2016, 2017.</p> <p>Revenue returned by 6% when Alcoa Corp. providing additional financial flexibility.</p>	<p>LOOKING AHEAD: A STRONG FUTURE</p> <p>A management team with focused execution strategy to improve operating results, expand margins and improve return on net assets.</p>

SEPARATION UNLOCKS SUBSTANTIAL VALUE

The split shareholders of Alcoa Inc. have seen their investment increase in value by a combined 32% (including dividends) from November 1, 2016 close through January 27, 2017.

Last year, with much analysis and forethought, the management team and the Board proactively conceived and executed a separation of the businesses, culminating in the launch of Arconic and Alcoa Corporation as independent, industry-leading companies on November 1, 2016.

The separation has enhanced the respective businesses and unlocked substantial value thus far: the pre-split shareholders of Alcoa Inc. have seen their investment increase in value by a combined 32% (including dividends) from November 1, 2016 close through January 27, 2017. Arconic's stock price has increased by 19.5 percent over that period.

Going forward, Mr. Kleinfeld and the management team are 100 percent focused on continuing to improve operating results, expand margins and improve return on net assets.

OPTIMIZING PORTFOLIO & MARGINS

Arconic continued to improve adjusted EBITDA margin
increased from 14.9% in 2008 to 16.6% in 2016

As part of Alcoa Inc.'s transformation, Mr. Kleinfield led the management team in executing a strategic shift in the focus of Alcoa Inc.'s value-add business to the key markets of automotive and aerospace—building the company that today is Arconic.

Not only has the management team optimized the portfolio of the business since 2008, they also substantially strengthened its fundamentals. Arconic has continued to improve its profitability through decisive action, with combined segment adjusted earnings before interest, tax, depreciation and amortization (EBITDA) percentage margin increasing from 6.9 percent in 2008 to 16.6 percent in 2016. Indeed, each Arconic business has also seen impressive margin growth:

- **Engineered Products & Services:** Increased adjusted EBITDA percentage margin from 13 percent to 21 percent
- **Global Rolled Products:** Increased adjusted EBITDA percentage margin from 3 percent to 12 percent; EBITDA/MT from \$13 to \$64
- **Transportation & Construction Solutions:** Increased adjusted EBITDA percentage margin from 6 percent to 16 percent

As a result of the strategic transformation and operational improvements, Arconic is well positioned for future growth. The company is targeting revenue to grow at a 7 percent to 9 percent compound annual growth rate (CAGR) from 2017 through 2019, and is aiming to generate an improvement in combined segment-adjusted EBITDA percentage margin from 17 percent to 19 percent. The combination of top-line growth and margin expansion will create significant additional free cash flow and profits, and enhance shareholder value.

Reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures can be found [here](#).

CREATION OF AN AEROSPACE & AUTOMOTIVE LEADER

By 2016, new aerospace contracts grew 41%
Automotive sheet revenue expected to grow from \$117 million in 2011 to \$1.3 billion in 2018.

Mr. Kleinfeld and his management team established Arconic as a premier aerospace and automotive supplier. Alcoa Inc. was once an aluminum supplier, whereas today Arconic is a true material-agnostic precision engineering and advanced manufacturing leader. In fact, Arconic can now supply 90 percent of the components of a commercial jet engine, and its content flies from nose to tail on both metallic and carbon fiber reinforced plastic (CFRP) airframes. The results speak for themselves: Arconic won \$13 billion worth of new aerospace contracts from 2015 through 2016, and its automotive sheet revenue is expected to grow from \$117 million in 2011 to \$1.3 billion in 2018.

CONTROLLING COSTS

From 2008 to separation in Nov. 2016, Alcoa Inc. achieved cost savings of over \$10 billion, or ca. \$1.3 billion annually, through various initiatives with approximately 30% of the total hitting the bottom line as net savings. Overhead costs are in-line with peers and will further improve to 1.1% of revenue in 2019.

Arconic has pursued productivity increases and cut costs and will continue to do so. In fact, since 2008 through the separation in November 2016, Alcoa Inc. achieved cost savings of over \$10 billion, or ca. \$1.3 billion annually, through various initiatives with approximately 30% of the total hitting the bottom line as net savings. Arconic's corporate overhead costs are in-line with its peers at 1.5 percent of revenue in 2016, and management is moving to further reduce spending and lower corporate overhead to 1.1 percent of revenue in 2017 and down to less than 1% by 2019.

SUCCESSFULLY LAUNCHED ALCOA CORPORATION

Lowered position on aluminum and alumina cost curves by
13pts each 2010-2016

Alcoa launched by Arconic in 2016, providing
Additional Financial Flexibility

Another indicator of the success of the company's transformation strategy is the successful launch of Alcoa Corporation. One of the first steps Mr. Kleinfeld and his team took in 2009 was to restructure Alcoa Inc.'s upstream business. Over time this included:

- Shutting 43 percent of high-cost smelting capacity and 35 percent of high-cost refining capacity
- Separating the energy assets from smelting assets to establish a highly profitable energy business and enabling the curtailment and closure of unprofitable smelters in Brazil
- Growing Value-Add cast house portfolio from 57 percent of shipments in 2010 to 67 percent of shipments in 2015 to enhance margins
- Introducing a new pricing mechanism for alumina—the Alumina Price Index—which unshackled the refining business from the LME price for aluminum
- Establishing the company's third-party bauxite business.

These measures substantially lowered the cost position of the upstream business to improve margins. They lowered the position on the cost curves by 13 points each from 2010 to 2016, creating a first quartile alumina business and a strong second quartile aluminum portfolio.

Alcoa Corporation was designed to be well positioned to separate and operate independently from a strategic and financial standpoint. At a time of low commodity prices, the separation was structured such that Arconic took on \$6.6 billion of debt to ensure Alcoa Corporation started with a strong balance sheet and had the ability to weather through commodity cycles.

To be fair to shareholders of both companies, Arconic also chose to retain a 19.9 percent stake in Alcoa Corporation and will continue to review options for responsibly managing the stake, taking into account its continued upside potential. The stake has increased in value considerably since the separation as Alcoa's stock rose, providing Arconic with additional financial flexibility, including to reduce debt or invest further in the business.

LOOKING AHEAD: A STRONG FUTURE

A message from our CEO and Chairman of the Board
regarding our vision, strategy, and future prospects.

As a newly standalone company, Arconic is on a journey eight years in the making, and we are now one of the leading advanced manufacturers of highly engineered parts for the aerospace, auto, building and power industries with strong market positions. At this crucial time, we believe that continuity of leadership, an unwavering focus on building our business and delivering on our promises and the continued active involvement of our strong, independent Board will be critical to delivering strong shareholder returns.

Management's accomplishments – the turnaround, the transformation, the growth, the discipline – are clear, and Arconic will continue to build on them. After leading the turnaround of Alcoa Inc., working with the Board to create two strong value engines, launch them as independent companies, and deliver significant shareholder value as a result, Mr. Kleinfeld and his leadership team bring the experience and execution that Arconic needs.

Forward-Looking Statements

This communication 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, statements and guidance regarding future financial results or operating performance. 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) deterioration in global economic and financial market conditions generally; (b) unfavorable changes in the markets served by Arconic; (c) 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; (d) changes in discount rates or investment returns on pension assets; (e) 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; (f) the impact of cyber attacks and potential information technology or data security breaches; (g) political, economic, and regulatory risks in the countries in which Arconic operates or sells products; (h) the impact of the separation on the businesses of Arconic; (i) material adverse changes in aluminum industry conditions, including fluctuations in London Metal Exchange-based aluminum prices; (j) the impact of changes in foreign currency exchange rates on costs and results; (k) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; and (l) the other risk factors discussed in Arconic's Form 10-K for the year ended December 31, 2015, and other reports filed with the U.S. Securities and Exchange Commission (SEC). Arconic 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.

Non-GAAP Financial Measures

Some of the information included in this communication is derived from Arconic's consolidated financial information but is not presented in Arconic'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 schedules to this communication. Arconic has not provided a reconciliation of any forward-looking non-GAAP financial measures 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, reconciliations of forward-looking non-GAAP financial measures such as adjusted EBITDA and adjusted EBITDA margin to the most directly comparable GAAP measures are not available without unreasonable efforts 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 foreign currency movements, equity income, gains or losses on sales of assets, taxes and any future restructuring or impairment charges. These reconciling items are in addition to the inherent variability already included in the GAAP measures, which includes, but is not limited to, price/mix and volume.

Important Additional Information

Arconic Inc. ("Arconic") intends to file a proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for Arconic's 2017 Annual Meeting (the "Proxy Statement") with an associated WHITE proxy card. Arconic, its directors and certain of its executive officers will be participants in the solicitation of proxies from shareholders in respect of the 2017 Annual Meeting. Information regarding the names of Arconic's directors and executive officers and their respective interests in Arconic by security holdings or otherwise is set forth in the Annual Report on Form 10-K of Alcoa Inc., which was Arconic's former name ("Alcoa"), for the fiscal year ended December 31, 2015, filed with the SEC on February 19, 2016, and Alcoa's proxy statement for the 2016 Annual Meeting, filed with the SEC on March 24, 2016. To the extent holdings of such participants in Arconic's securities are not reported, or have changed since the amounts described, in the 2016 proxy statement, such changes have been reflected on Initial Statements of Beneficial Ownership on Form 3 or Statements of Change in Ownership on Form 4 filed with the SEC. Details concerning the nominees of Arconic's Board of Directors for election at the 2017 Annual Meeting will be included in the Proxy Statement. BEFORE MAKING ANY VOTING DECISION, INVESTORS AND SHAREHOLDERS OF THE COMPANY ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH OR FURNISHED TO THE SEC, INCLUDING THE COMPANY'S DEFINITIVE PROXY STATEMENT AND ANY SUPPLEMENTS THERETO, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and shareholders will be able to obtain a copy of the definitive proxy statement and other documents filed by Arconic free of charge from the SEC's website, www.sec.gov. Arconic's shareholders will also be able to obtain, without charge, a copy of the definitive Proxy Statement and other relevant filed documents by directing a request by mail to Arconic, Corporate Secretary's Office, 390 Park Avenue, New York, New York 10022-4608, by calling Arconic's proxy solicitor, Innisfree M&A Incorporated, toll-free at 1-877-750-5836 or from Arconic's website at www.arconic.com.

Who We Are

Engineered Products and Solutions
Global Rolled Products
Transportation and Construction Solutions
Leadership
Innovation
How We Work

What We Do

Aerospace
Automotive
Building and Construction
Commercial Transportation
Industrial Solutions
Energy
Defense and Space
Product Catalog

Investors

Dividend History
Events and Presentations
Earnings
Financial Releases
Corporate Governance
SEC Filings
Shareholder Services
Contact Investor Relations

Join Us

News
Contact