

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

FORM 8-K

**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 29, 2019 (October 29, 2019)

ARCONIC INC.

(Exact name of registrant as specified in its charter)

**Delaware
(State or other Jurisdiction
of Incorporation)**

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

**25-0317820
(IRS Employer
Identification No.)**

**201 Isabella Street, Suite 200
Pittsburgh, Pennsylvania
(Address of Principal Executive Offices)**

**15212-5872
(Zip Code)**

**Office of Investor Relations (412) 553-1950
Office of the Secretary (412) 553-1940
(Registrant's telephone number, including area code)**

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

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$1.00 per share	ARNC	New York Stock Exchange
\$3.75 Cumulative Preferred Stock, par value \$100 per share	ARNC PR	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

In the third quarter of 2019, Arconic Inc. (“Arconic” or the “Company”) management made the decision to realign its operations by eliminating its Transportation and Construction Solutions (TCS) segment and transferring the Forged Wheels business to its Engineered Products and Forgings segment (formerly named the Engineered Products and Solutions segment) and the Building and Construction Systems business to its Global Rolled Products segment. The Latin American extrusions business, which was formerly part of the Company’s TCS segment until its sale in April of 2018, was moved to Corporate. The Company’s new reporting segments are consistent with how the CEO is assessing operating performance and allocating capital in conjunction with the planned separation of the Company, as previously announced. This realignment has no impact on the Company’s historical consolidated balance sheet, statement of consolidated operations, and statement of consolidated cash flows. Prior period segment information will be recast to conform to the new reporting structure. Differences between segment totals and consolidated Arconic are in Corporate.

The Company is furnishing this Form 8-K to provide investors with historical segment information that is consistent with its new reporting structure. The schedules in Exhibit 99.1 provide unaudited segment information and segment measures on the basis of the new reporting segments for the previously reported year ended December 31, 2018 and the three-month periods ended March 31, 2019 and June 30, 2019. The recast financial information contained in Exhibit 99.1 does not represent a restatement or reissuance of previously issued financial statements.

Non-GAAP Financial Measures

Some of the information included in this report 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 Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following is furnished as an exhibit to this report:

Exhibit No.	Description
99.1	Schedules of unaudited Segment Information and Calculation of Segment Financial Measures for the year ended December 31, 2018 and the three-month periods ended March 31, 2019 and June 30, 2019.

SIGNATURE

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.

ARCONIC INC.

Dated: October 29, 2019

By: /s/ Katherine H. Ramundo _____
Name: Katherine H. Ramundo
Title: Executive Vice President, Chief Legal
Officer and Secretary

Arconic Inc. and subsidiaries
Segment Information and Segment Measures (unaudited)
(dollars in millions)

The purpose of this schedule is to provide investors with historical segment information that has been recast on a consistent basis with Arconic Inc.'s new segment reporting structure implemented in the third quarter of 2019. This schedule does not include Corporate expenses of Arconic Inc. ("Arconic" or the "Company") and does not reflect a full view of the planned separation of Arconic into two independent companies. This schedule should be read in conjunction with Arconic's previously filed reports.

Segment Information

	<u>2018</u>	<u>1Q19</u>	<u>2Q19</u>
<u>Engineered Products and Forgings (EP&F)</u>			
Third-party sales	\$ 6,798	\$ 1,756	\$ 1,822
Segment operating profit	\$ 1,105	\$ 313	\$ 360
Segment operating profit margin	16.3%	17.8%	19.8%
Provision for depreciation and amortization	\$ 289	\$ 71	\$ 70
Restructuring and other charges ⁽¹⁾	\$ 70	\$ 18	\$ 443
Capital expenditures	\$ 407	\$ 117	\$ 88
<u>Global Rolled Products (GRP)</u>			
Third-party sales	\$ 7,223	\$ 1,784	\$ 1,868
Intersegment sales ⁽²⁾	\$ 205	\$ 52	\$ 49
Segment operating profit	\$ 481	\$ 135	\$ 179
Segment operating profit margin	6.7%	7.6%	9.6%
Provision for depreciation and amortization	\$ 253	\$ 59	\$ 59
Restructuring and other charges ⁽³⁾	\$ (157)	\$ 11	\$ 26
Third-party aluminum shipments (kmt)	1,301	331	367
Capital expenditures	\$ 308	\$ 39	\$ 37

(1) Restructuring and other charges for the EP&F segment included the following: for the year ended December 31, 2018, a loss of \$43 on the sale of the Eger, Hungary forgings business; and for the quarter ended June 30, 2019, a non-cash charge for the impairment of a long-lived asset group of \$428 and a loss on sale of a small additive business of \$13.

(2) Intersegment sales include the sale of aluminum products from GRP to EP&F's forged wheels and engineered structures businesses.

(3) Restructuring and other charges for the GRP segment included the following: for the year ended December 31, 2018, a gain of \$154 on the sale of the Texarkana rolling mill.

Segment Measures - Adjusted EBITDA

	<u>2018</u>	<u>1Q19</u>	<u>2Q19</u>
<u>Engineered Products and Forgings</u>			
Segment operating profit	\$ 1,105	\$ 313	\$ 360
Provision for depreciation and amortization	\$ 289	\$ 71	\$ 70
Adjusted EBITDA	\$ 1,394	\$ 384	\$ 430
Third-party sales	\$ 6,798	\$ 1,756	\$ 1,822
Adjusted EBITDA margin	20.5%	21.9%	23.6%
<u>Global Rolled Products</u>			
Segment operating profit	\$ 481	\$ 135	\$ 179
Provision for depreciation and amortization	\$ 253	\$ 59	\$ 59
Adjusted EBITDA	\$ 734	\$ 194	\$ 238
Third-party sales	\$ 7,223	\$ 1,784	\$ 1,868
Adjusted EBITDA margin	10.2%	10.9%	12.7%

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. Management believes that these measures are meaningful to investors because Adjusted EBITDA and Adjusted EBITDA margin provide additional information with respect to Arconic'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. Arconic's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation 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 and amortization.