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): April 11, 2013 (April 8, 2013)

ALCOA INC.
(Exact name of Registrant as specified in its charter)

Pennsylvania	1-3610	25-0317820
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

390 Park Avenue, New York, New York	10022-4608
(Address of Principal Executive Offices)	(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)

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))

Item 2.02. Resultsof Operations and Financial Condition.

On April 8, 2013, Alcoa Inc. held its first quarter 2013 earnings conference call, broadcast live by webcast. A transcript of the call and a copy of the slides presented during the call are attached hereto as Exhibits 99.1 and 99.2, respectively, and are hereby incorporated by reference.

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The information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished in accordance with the provisions of General Instruction B.2 of Form 8-K.

Forward-Looking Statements

Certain statements in this report 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 also include those containing such words as “anticipates,” “estimates,” “expects,” “forecasts,” “intends,” “outlook,” “plans,” “projects,” “should,” “targets,” “will,” or other words of similar meaning. All statements that reflect Alcoa’s expectations, assumptions, or projections about the future other than statements of historical fact are forward-looking statements, including, without limitation, forecasts concerning global demand growth for aluminum, end-market conditions, supply/demand balances, and growth opportunities for aluminum in automotive, aerospace and other applications, trend projections, targeted financial results or operating performance, and statements about Alcoa’s strategies, outlook, and business and financial prospects. Forward-looking statements are subject to a number of known and unknown risks, uncertainties, and other factors and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: (a) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) deterioration in global economic and financial market conditions generally; (c) unfavorable changes in the markets served by Alcoa, including automotive and commercial transportation, aerospace, building and construction, distribution, packaging, defense, and industrial gas turbine; (d) the impact of changes in foreign currency exchange rates on costs and results, particularly the Australian dollar, Brazilian real, Canadian dollar, euro, and Norwegian kroner; (e) increases in energy costs, including electricity, natural gas, and fuel oil, or the unavailability or interruption of energy supplies; (f) increases in the costs of other raw materials, including calcined petroleum coke, caustic soda, and liquid pitch; (g) Alcoa’s 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 (including moving its alumina refining and aluminum smelting businesses down on the industry cost curves and increasing revenues in its Global Rolled Products and Engineered Products and Solutions segments) anticipated from its restructuring programs and productivity improvement, cash sustainability, and other initiatives; (h) Alcoa’s inability to realize expected benefits, in each case as planned and by targeted completion dates, from sales of non-core assets, or from newly constructed, expanded, or acquired facilities, such as the upstream operations in Brazil and the investments in hydropower projects in Brazil, or from international joint ventures, including the joint venture in Saudi Arabia; (i) political, economic, and regulatory risks in the countries in which Alcoa operates or sells products, including unfavorable changes in laws and governmental policies, civil unrest, or other events beyond Alcoa’s control; (j) the outcome of contingencies, including legal proceedings, government investigations, and environmental remediation; (k) the business or financial condition of key customers, suppliers, and business partners; (l) adverse changes in tax rates or benefits; (m) adverse changes in discount rates or investment returns on pension assets; (n) the impact of cyber attacks and potential information technology or data security breaches; and (o) the other risk factors summarized in Alcoa's Form 10-K for the year ended December 31, 2012 and other reports filed with the Securities and Exchange Commission. Alcoa 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.

Item 9.01. FinancialStatements and Exhibits.

(d) Exhibits.

The following are furnished as exhibits to this report:

99.1	Transcript of Alcoa Inc. first quarter 2013 earnings call.
99.2	Slides presented during Alcoa Inc. first quarter 2013 earnings call.

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 and Compliance Officer and Secretary

Dated: April 11, 2013

EXHIBIT INDEX

Exhibit No.	Description
99.1	Transcript of Alcoa Inc. first quarter 2013 earnings call.
99.2	Slides presented during Alcoa Inc. first quarter 2013 earnings call.

Exhibit 99.1

EDITED TRANSCRIPT

AA - Q1 2013 Alcoa Inc. Earnings Conference Call

EVENT DATE/TIME: APRIL 08, 2013 / 09:00PM GMT

CORPORATE PARTICIPANTS

Kelly Pasterick *Alcoa Inc. - Director of IR*
Klaus Kleinfeld *Alcoa Inc. - Chairman & CEO*
William Oplinger *Alcoa Inc. - EVP, CFO*

CONFERENCE CALL PARTICIPANTS

Brian Yu *Citigroup - Analyst*
Michael Gambardella *JPMorgan Chase & Co. - Analyst*
Sal Tharani *Goldman Sachs - Analyst*
Timna Tanners *BofA Merrill Lynch - Analyst*
David Gagliano *Barclays Capital - Analyst*
Tony Rizzuto *Cowen and Company - Analyst*
Aldo Mazzaferro *Macquarie Research Equities - Analyst*
Paretosh Misra *Morgan Stanley - Analyst*
Charles Bradford *Bradford Research - Analyst*
Harry Mateer *Barclays Capital - Analyst*

PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to the first quarter 2013 Alcoa earnings conference call. My name is Celia, and I will be your operator for today. At this time all participants are in listen-only mode.

(Operator Instructions)

As a reminder, this call is being recorded for replay purposes. At this time now, I'd like to turn the call over to Kelly Pasterick, Director of Investor Relations. Please proceed.

Kelly Pasterick - *Alcoa Inc. - Director of IR*

Thank you, Celia. Good afternoon and welcome to Alcoa's first quarter 2013 earnings conference call. I'm joined by Klaus Kleinfeld, Chairman and Chief Executive Officer, and William Oplinger, Executive Vice President and Chief Financial Officer. After comments by Klaus and William we will take your questions.

Before we begin, I would like to remind you that today's discussion will contain forward-looking statements relating to future events and expectations. You can find factors that could cause the Company's actual results to differ materially from these projections listed in today's press release and presentation and in our most recent SEC filings. In addition, we have included some non-GAAP financial measures in our discussion. Reconciliations to the most directly comparable GAAP financial measures can be found in today's press release, in the appendix to today's presentation and on our website at www.alcoa.com under the "Invest" section. Any reference in our discussion today to EBITDA means adjusted EBITDA for which we've provided calculations and reconciliations in the appendix. And with that, I'd like to hand it over to Mr. Klaus Kleinfeld.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you very much, Kelly. Good afternoon to everybody and before we go through all of the details let me give you a summary on how I see this quarter. I think its been a great start into the year. We're delivering a strong number of results here, all segments are profitable. Net income is the best net income since the third quarter of '11, EBITDA 16% up sequentially, 11% year-over-year, record profitability on the downstream, 20% EBIT margin, 20.9% EBIT [*Alcoa Correction: EBITDA in each reference*] margin to be precise. We have improved performance also on the upstream side despite year-on-year lower metal prices, strong liquidity, $1.6 billion cash on hand and a solid global end market growth. And we are reaffirming our aluminum demand growth of 7% for 2013. So with that let me hand it over to Bill Oplinger, our new CFO. Welcome.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Thanks Klaus. As Klaus just highlighted we had a very strong first quarter. I'll start the financial review with a quick summary of the income statement. As you can see, revenue of $5.8 billion was down slightly on a sequential quarter basis based on two fewer production days in Q1 versus Q4. Compared to last year revenues down 3% on lower LME prices which were down 8% and the impact of primary production curtailments in Europe, however due to strong productivity, which you will see more details on later, cost of goods sold percentage actually improved sequentially by 110 basis points. Overhead costs were also down sequentially from the highs we saw in Q4 '12. Looking at other income, recall we had a large gain of $320 million in the fourth quarter associated with the sale of the Tapoco power assets. From a tax perspective our tax rate for the quarter was 27.4% which was favorably impacted by a $19 million discrete tax item which will be discussed on the following slide, so overall, results for the quarter are net income of $0.13 per share.

Now let's move to the special items for the quarter. Included in the net income of $149 million was a net benefit of $28 million or $0.02 per share associated with special items. Stripping that benefit out, we made $0.11 per share which is $0.05 higher than last quarter. There are four noteworthy special items in the quarter, restructuring costs of $5 million related to the exit of the litho business in China, which was announced in the fourth quarter, and additional severance related costs of $2 million from a prior lay off program. In addition, we booked a $19 million positive impact in discrete tax credits primarily due to the American Taxpayer Relief Act. Lastly there's a $9 million favorable non-cash mark-to-market adjustments on energy contracts and a small gain associated with external insurance proceeds from the Massena fire. So in aggregate, this results in net income excluding special items of $121 million or $0.11 per share, a nearly 90% sequential improvement in net income excluding special items and $0.05 higher on an earnings per share basis.

Let's move on to the sequential bridge. As I said, net income excluding special items nearly doubled on a sequential quarter basis increasing $57 million. This is especially noteworthy given the fact that metal prices were flat during that period. I'll address a couple of the drivers of the overall performance. Volumes were up in aerospace, automotive and packaging markets and our mid and downstream businesses resulting in a $15 million benefit. Price in mix was positive by $21 million driven by favorable regional premiums, primarily in the US and favorable mix in Europe and Latin America.

One key point to really note is overall productivity for the quarter was very strong contributing $44 million after-tax savings on a sequential quarter basis. The gains weren't limited to a particular segment. We're seeing productivity improvements across-the-board. Lastly, some of the upstream operating changes are showing positive contributions reflected in the portfolio actions column that's worth $11 million. The sum of these actions overcame the higher costs in the quarter by over threefold. Cost increases were driven primarily by higher pension costs of $19 million and the $15 million negative impact from planned maintenance outages which we noted in our last earnings call.

Now let me move on to the segment results starting with EPS. EPS continues its string of strong quarters with the best ever quarterly ATOI of $173 million and adjusted EBITDA margin of 20.9%. Third party revenues was $1.42 billion up 6% sequentially and up 2% versus Q1 2012. ATOI was up sequentially by $33 million and higher than Q1 2012 by $16 million. Aerospace volume increases and productivity gains across all businesses more than offset weak non-residential construction and commercial transportation markets.

Just a word about EPS productivity. In addition to the volume gains, EPS drove $19 million of after-tax productivity gains versus the fourth quarter. This is coming from every area of the business, overhead, process improvements, procurement and overall utilization. As I look forward to the second quarter we expect the aerospace market to continue to remain strong. Our non-residential building construction business will continue to decline in Europe but is expected to recover slightly in North America. As is the norm in the EPS segment, we anticipate continued share gains through innovation and productivity improvement. So in aggregate, EPS had an excellent first quarter, and better still we're projecting profitability to continue to grow by roughly 5% in Q2.

If I turn to GRP, the rolled products segment, I'll start by addressing a change in our portrayal of the segment results. We've made a slight change in the inventory accounting in GRP from a modified LIFO basis in this segment to a moving average basis. This results in no change for the Company overall, but you'll see that GRP in the corporate segments have been revised to reflect this accounting change. This change also had a very minor impact to the EPS segment. ATOI of $81 million was a $4 million sequential improvement in the segment, as strong productivity gains from higher utilization and favorable volume offset cost increases in energy and maintenance. The negative impact from pricing is a result of weaker prices in North America and European industrial markets. Demand in these markets was relatively flat, however there is still some inventory overhang from Q4 which is driving pricing pressures. Prices continued to be under pressure in China as well.

On a year-over-year basis, ATOI was down $21 million driven by less favorable mix in aerospace and weaker demand from the industrial and commercial transportation markets. One important note in this segment was our focus on cash, days working capital has improved year-over-year by 6.7 days representing $132 million of cash generation. I transition to the second quarter outlook. The aero and auto markets are expected to be strong with seasonal demand increases in packaging. We'll continue to experience pricing pressures in North America and China, and lastly we'll continue to deliver productivity gains. With that said, the overall view of this segment is for profitability to increase by 15% to 20% on a sequential quarter basis.

Now let me go to the upstream. Overall profitability in the refining segment improved by 41% over Q4 driven largely by higher prices. As we've indicated in the past, LME pricing tends to flow through this segment on a lag and you can clearly see it this quarter, as we recorded $27 million of after-tax gains associated with higher pricing while overall LME prices were flat. From an operational perspective, overall performance was down in the segment due to two fewer days of production in the quarter and the initial impacts from the Myara crusher move which we had noted already in January. On the positive side we continue to get the benefit from API pricing, and consistent with the other segments we continue to see productivity improvements, in this case $5 million on a sequential quarter basis. As we look out to the second quarter, 52% of third party shipments will either be spot or API in 2013 which typically follows a 30 day lag and the remainder of pricing follows a 60 day lag. We expect production to increase by 150,000 metric tons in the second quarter. Mining costs associated with the Myara crusher move and Suriname are expected to negatively impact Q2 by $20 million and we do expect continued productivity gains to continue. Before I give a further outlook for this segment let me cover Primary Metals.

As you can see on the bridge on Primary Metals we've adjusted for the impact of the Tapoco sale which occurred in the fourth quarter. After that adjustment the segment profitability is flat compared to Q4 with overall performance offsetting the negative impact from higher alumina costs which are LME driven on a lagged basis. Some of the biggest drivers in the quarter, we saw better premiums and product mix resulting in $13 million of profitability improvement, continued productivity in the areas of strategic raw material usage, transportation savings and crewing, and favorable energy costs, predominantly in Europe. We did, however see higher pension costs and as we had indicated, we had outage costs associated with the Rockdale and Anglesea Power Plants. As I look forward to the second quarter the pricing will continue to follow a 15 day lag to LME.

One key point to note, every four years we have a significant maintenance outage at the Anglesea Power Plant. We will have that maintenance outage in the second quarter and combined with a smaller outage at the Warrick Power Plant we'll have a negative impact of $25 million in Q2. Impacts from Saudi Arabia, the Saudi Arabia joint venture are expected to remain flat and we as with all of the other segments continue to expect productivity gains. As you can see there are quite a few moving parts in the upstream, but in aggregate we expect the performance improvements to offset the headwinds so excluding LME and Forex, we expect the combined upstream to be flat in total.

Before I move on to the balance sheet let me summarize our second quarter guidance. Starting from a very strong first quarter, we expect EPS segment to be up 5%. We expect the GRP segment to be up 15% to 20%, and we expect the combined upstream to be flat. All of those are excluding any changes in metal price and Forex which can't be forecasted.

Turning to the balance sheet and cash. We continue to achieve extraordinary sustainable improvement in our days working capital, in Q1 13 we attained a first quarter low of 28 days and this is the 14th successive quarter of year-over-year improvement. We've been able to reduce days working capital by 27 days since the first quarter of '09, and just to put that in perspective that's worth around $1.8 billion of cash freed up. And the four day improvement from last year's level equates to approximately $260 million in cash. This is a testament to the operational excellence of our businesses.

Let me go on to cash flow. Many of you have heard us talk about the normal cash outflow for Q1. This is based on a number of factors. In Q1 we make annual incentive comp payments and semiannual interest payments. In addition we rebuild working capital for the typically strong second and third quarters. This year that normal cash out flow was significantly better than prior years even in the face of lower LME prices. Versus Q1 '12 cash from ops was $166 million better than last year due to stronger earnings and lower pension contributions. Combined with lower capital expenditures this resulted in a $201 million improvement in free cash flow versus last year. From a liquidity perspective debt-to-cap stands at 34.7%, 10 basis points lower than the fourth quarter of last year. Net debt-to-cap is higher by 80 basis points to 30.5% due to the cash outflow in Q1. And to be clear, cash on hand stands at $1.6 billion at the end of the first quarter.

Before moving on, I'll end the review of the first quarter by reiterating our 2013 targets. Productivity of $750 million, growth capital of $550 million, sustaining capital of $1 billion, $350 million investment in Saudi, and a debt-to-cap of 30% to 35%. We're committed to being free cash flow positive regardless of the metal price. That means we'll be deploying against more aggressive operational targets to offset the current lower metal prices.

Now let me transition to the aluminum market fundamentals. From this next section there are a series of key takeaways. As many of you are aware, money has been flowing into equities and out of commodities, driving commodity prices lower overall and aluminum has been no exception. However, while I can't speak for the other metals the decline in aluminum prices is not reflective of the overall current market fundamentals. We continue to project 7% annual consumption growth and coupled with recent curtailments in China we've actually tightened our supply/demand projections. This chart illustrates my points before. As the perceived risk in the world has decreased from last year's levels, capital flows into equity markets have been strong and you can see that reflected in the overall price levels, this is shown in the left hand chart which shows the increases in equity markets since the beginning of the year. On the right hand side, however there's been a significant decline in net managed money positions and commodities as reported by the CFTC starting in early February, from their highs positions are down roughly 50%. So we've seen lower prices across the commodity spectrum. Aluminum is down 10%, copper is down 6%, zinc is down 10% and lead is down 12%. However in the case of aluminum this isn't reflective of the underlying market dynamics.

Market fundamentals tell a different story. We've not changed our view that aluminum demand will grow at 7% this year but due to recent curtailments in China we've actually tightened our view of the supply/demand picture as shown in the upper right hand corner. In alumina we see a slightly lower deficit, 100,000 metric tons than our fourth quarter projection of 200,000 metric tons, and in aluminum we have tightened our forecast by nearly 400,000 tons driven by curtailments in China. At the same time global inventories are rather stable and have decreased 28 days from the 2009 peak. We acknowledge that there's been a sequential increase in Chinese inventories. This is a result of the typical slowdown driven by the Chinese New Year. Regional premiums as shown in the bottom right hand corner have remained at high levels reflecting the strength of the physical demand for metal. So at this point I'm going to turn it back over to Klaus who will address the end markets and how we're creating long term value by capturing growth opportunities in those markets

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Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well thank you very much, Bill, so let's continue and go to the end market slide here, thank you very much. So if you look at that slide and compare it to what you saw the last time and the last quarter, this has not changed very much, so we continue to forecast basically what growth in all of our end markets and there are substantial, as you can see, your sector as well as regional differences. So let's go through this in the usual way.

Aerospace we see and project a 9% to 10% growth in 2013. In large commercial aircraft, the larger segment in this we see this growth even higher than that with 12%. In this segment the backlog is now 9,400 aircraft, that's more than eight years of production and we are also seeing that gradually the deliveries are increasing in single aisles like the Boeing 737 or the A320 and on the twin aisles we are actually seeing higher realized prices. And on top of it the underlying fundamentals here, improved air travel demand on the passenger side, the expectation are up 5.4% for this year and cargo up 2.7%. So this is all good and people are projecting that airline profitability will also point up $10.6 billion is the number that people expect for this year. Also interesting is that other than the large commercial aircraft segment which is doing as I just said very well we do see a rebound on the regional jets, plus 40% as well as business jets, plus 16%. The only uncertainty in this larger Aerospace segments is the defense sector, but overall it's a very attractive and very stably growing end market.

Let's move on to the next segment, US Automotive. US let's start with that, on the automotive side new vehicle sales continued to improve through the month of March. It has reached a new level of 1.45 million. This is up 3.4% versus last year's March numbers and if you look at it at the seasonally adjusted annual rate you see that this marks the 22nd consecutive month of positive year-on-year growth.

Now the seasonally adjusted annual rate is at 15.2 million, this is the fifth month in which this is above the 50 [*Alcoa Correction: 15*] million mark. Light vehicle inventories are up in March too, 17.6%, but we're taking the increased demand here, if you take that into account you see that the days of supply are down by 7.2% and this equals 5 days. So it's down to 60 days inventory and if you compare that with the 10 year average you actually see that the norm is 65 days so this is below the norm already. And if you then add into this the average age of the fleet, this is still high with 10.8 years compared to the average of about 17 years of 9.4.

In Europe, on Automotive we see the European market continues to struggle. We now expect a 2% to 5% decline and this is exceeding our previous forecast of a decline of 1% to 4%. This picture is really a composite of very different regional markets. On the Western Europe side with the exception of UK, it's down 10% is the expectation. Eastern Europe continues to grow much driven by a strong market in Russia, 6% up. Interestingly other than expected, the exports from the European manufacturers are pretty much holding on last year's levels and they are not really declining as most people expected and this is giving good support to the production volumes in Europe. China Automotive we maintain our forecast at 7% to 10% growth this year even though February sales were down, but that's much impacted by the Chinese New Year holidays and the year-to-date production is up by 14%, so this is going in line with what we expect.

Next segment, Heavy Trucks and Trailer, North America overall we continue to forecast a production decline of 15% to 19% this year as we believe the OEMs are trying to work on reducing their inventories. In July last year the inventory was at 65,300, in March this year it's down to 51,200 but historically the level was lower than that was 42,000. The good news is orders are rebounding in fourth quarter of 43%, sequentially in the first quarter, 4.5%. And the fundamentals are also looking good. Freight demand is up 2.6%, freight prices are up 3% and the freight profitability is pointing up 4.5% and on top of it the average age of the fleet today is 6.7 years and if you compare that with a 20 year average of 5.8 years you actually see that there's quite a bit of pent-up demand sitting in this segment in North America which gives us confidence here. Europe, the outlook is basically unchanged, we see a decline of 6% to 10% and in China our forecast is a plus between 12% to 16%. We narrowed the range a little bit from previously 12% to 19% increase.

So next segment, Beverage Can Packaging we continue to project a global growth of 2% to 3%. Also, we see a positive trend in China to convert steel cans into aluminum, that's accelerating in the two major segments, beer as well as herbal teas, and that's translating as we see into 3 billion more aluminum cans so we see in China an 8% to 12% growth for this year.

Commercial Building and Construction, good news story in North America, because finally the market is coming back. We expect a growth of 1% to 2% this year. The non-residential contracts awarded are up 7%, the architectural building index stands at 54.9, above 50 is positive and the new housing starts is plus 18, that's all good. In Europe we expect the market to decline roughly 4% to 6% so no change compared to before. In China we also continue to believe it's 8% to 10% growth, also no change to our view before.

Last but not least, Industrial Gas Turbines we expect 3% to 5% growth this year, and given the increased attractiveness of natural gas in the US, the market share of gas fired electricity generation has moved up again from a record of 24.6% in 2011 to a new record of 30.4% in 2012, so 30.4% of the energy production today in the US is done by gas fired engines basically. That's very good news. For us it's not just the new builds that count, but it's also the higher utilization because keep in mind our strength in this segment is basically the air foil so this increases the spare part demand. So let's wrap this all up. On the end market side, all-in all the end markets show a solid growth environment.

So let's now move over and focus on our businesses. So if you first take a look at the left-hand side of this chart and you see here a break down of our profits by business segment. And this is the 2012 overview, so in 2012 you actually see that 70% of our profits have been generated by our value add groups, the Engineered Products and Solutions Group and the Global Rolled Products. As you see on the left-hand side of that slide which is the comparison to 2003, this is a substantial increase to 2003 where that number was 25% and it really shows you that we're massively shifting the focus of our portfolio into the value add side and we're doing it through the profitable growth in these value add businesses. And as I'm saying profitable growth and therefore we have on the right hand side a 10-year overview on the profit situation that we have in our value add businesses. So, GRP our rolled business is generating record margins. It's 1.5 times the average that we see there, the 10 year average. EPS continues to grow profitably so it's 2.3 times the 2003 levels. If you look at how much revenues are we generating with value add products, in Alcoa, the number is for 2012, $13.2 billion so this is about 56% of the overall Alcoa revenues. $3.8 billion of this come out of the aerospace sector so it's close to a third of the total.

So let me focus because of that importance onto this segment a little bit more. The good news is that this segment is not only important to us today but it will be even more important tomorrow and tomorrow happens very soon and why is that? So you see here on this slide, two kind of numbers. One is the unit growth, aircraft units and the other one is the value growth and no matter what number you look at you see good growth in there. On the unit growth side 5.2% average growth per annum until 2019 basically and on the value side the number is even more attractive, 9.3% average growth that we see there. So where does that come from? We actually had in mind on this slide that we are going to highlight in Alcoa blue all of the parts that Alcoa provides in the plane and that's what you see here. It's a pretty blue plane, the dark blue is the ones that we've currently been doing and light blue ones are the ones that we are doing in the future. You see the structures of the plane here on the left side and on the upper right side you see the cut open engine. Well what does that basically say? It's basically saying Alcoa blue flies from nose to tail and let me give you some nice factoids.

More than 90% of all aluminum aerospace alloys have been developed by Alcoa. Every western commercial aircraft flying today uses Alcoa fasteners and every western commercial and military aircraft engine uses Alcoa castings. Now the most important thing here is that we are on every one of those platforms but not every aircraft uses all of the Alcoa capabilities and that's obviously where the potential comes from. So let me be more specific on where that comes from and that chart gives you a lot more color. What you see here is for the large aircraft platforms for Airbus and Boeing you see all of the platforms that Boeing as well as Airbus have are listed here on the left-hand side, right? Then the column next to it is the number of units that get delivered. The deliveries for 2013 as well as for 2019 so you can get a feel for how big the segment is and how it's growing. And on the very right, you actually see the Alcoa revenues we have in each one of those platforms and they are indexed to the volume that we have. The value that we have in the Boeing 737 platform.

So when you look at that there is a couple of things that I think jump to your mind immediately. We are on every platform, right? With varying sizes, but for those that are more knowledgeable about this business, I think that the thing that jumps into your face right away is that on the composite intense platforms, the two ones that exist as the A350 as well as the Boeing 787, it's actually an even higher volume than what you see on the Boeing 737. It's actually more than three times the value that we are able to provide on composite intense aircraft. So if you take for example, the 787, for every aircraft we basically have a value, a ship set for every plane that has a value of between $3.3 million to $3.8 million, and the lion's share $2.2 million to $2.7 million is fasteners, and then we have another $400,000 in engine air foils, so obviously when you look at the comparable A350, you get the similar indication so it's a similar story. So you can clearly see that we are well positioned in that and we will continue to grow in that, but what I want you to understand, to build and grow such a position in every platform requires constant innovation.

So let's talk about one of those very exciting recent innovations for the aerospace market. Our world class metallurgists came up with this very unique combination so they took aluminum and they added lithium in a very unique combination. Why did they do that? Because we saw and understood very well what does the customer need, what does the customer want? And then we combined it with how can we get there and this is when these things click and you see that aluminum lithium for instance has a 5% to 7% lower density. What does that mean? It's lighter. It has a 7% higher stiffness, what does it mean? It's stronger. Therefore, it very much supports the goal of 20% fuel efficiency improvement. It has improved corrosion and fatigue properties that allow the inspection interval to be doubled so it reduces the inspection costs. It actually has, it meets the 787 humidity and pressure benchmarks and allows for 30% to 50% larger windows so improved comfort. And as we can use the existing aluminum manufacturing infrastructure, it lowers capital costs. That's why you see on the right-hand side that, and that I get excited about, that our aluminum lithium revenues are quadrupling by 2019 and the even better news is the major share of this is already committed today.

So let's go to another segment that you probably picked up in this slide earlier which is automotive. Exciting market, it makes today $700 million of our revenues of our $13 billion revenues in the value add business, and the growth prospects are excellent. So when we also here do the same thing with a car and basically cut it open and color code what is Alcoa in some cars providing today and what is Alcoa providing in the future, the Alcoa content already today runs from bumper to bumper and we are adding innovations and more and more applications as we speak. So the most exciting thing in this market is not that we are in all of this but it is that it's now going from what used to be the high end application where these things happen, it goes into platforms for the mainstream. It goes into volume platforms and that is exciting, particularly exciting because here on this slide you see on the left-hand side the projections for the automotive market worldwide broken down by regions. That's good; it's a growing market. But if you look at the right-hand side, this is what makes it super attractive because this is amplified for us by the increased aluminum intensity. This is the North American example basically quadrupling by 2015 and a tenfold increase by 2025. Very, very interesting.

What drives this? What drives this? Why is this a pretty stable growth projection? It's a number of factors. One is consumer preference. And the second one is regulation so on the regulation side to start with, that is the so-called CAFE regulation that asks for higher fuel efficiency. But in reality the stronger driver is the consumer preference because that is changing very drastically and has changed. 37% of consumers today say that fuel economy is their number one buying factor and that's independent of size or category of car. And if you then look and ask for, are you willing to pay up for better fuel efficiency that number has gone up to 83% from 54% in 2008. And then if you add to it the benefit of improved safety through lighter weight which allows for reduced stopping distance from 45 miles per hour to zero of up to seven feet and as you well know, this can be the difference between a serious collision and a near miss. This has actually led the National Highway Safety Administration to come out and endorse this.

What is the conclusion of that? And you see that here on the right hand side. The conclusion is that the consumers are really buying into this and the consumers are the bigger driver, even ahead of the market regulation and we are capturing these opportunities. We are seeing that there's a four times, a quadrupling of the auto sheet demand here in North America. We are positioned to capture this demand. We are investing in it with our all treatment line that we are building today in Davenport. It's on time. It's on budget. The first car will roll off end of this year in December 2013 and if you look at the right hand side, we believe that we are going to see 3.6 times growth from today to 2015 and most of this is already locked in because these things are already built into the 2015 models, so that is extremely exciting.

Talking about exciting, I also want to mention our upstream business. There are major initiatives under way to get us substantially down the cost curve. As you know, we are committed to come down 7 percentage point on the cost curve on the alumina segment and 10% on the aluminum segment. On the aluminum actually we've already come down four percentage points with the improvements last year. Our project in Saudi Arabia plays a very important role in that because it's going to be the lowest cost in each one of the segments so that alone improves the cost position in refining as well as in smelting by two percentage points each. So where do we stand with this project? The project is structured in two phases. Phase one is the smelter and the rolling mill, it's currently 74% complete. Phase II is the refinery at the mine and it's currently 46% complete. And let me just give you an interesting factoid. Beginning of March we did the concrete pour for the tank farm and the pour took over 600 concrete trucks over three days continuously pouring metal there. Just imagine the amazing logistical execution that was behind that. You get a feel through these pictures that we attached where this project stands in addition to the dry 74 and 46 completeness. So to sum this up, this project is nicely progressing as we planned.

So let me come to a close here. So let me summarize. We are executing on our targets to deliver long term value. All segments achieved a solid financial performance. We have a strong commitment to generate cash. We are capturing the opportunities also on the growing markets. And with that, let me open for questions.

QUESTION AND ANSWER

Operator

(Operator Instructions)

Brian Yu, Citigroup.

Brian Yu - ***Citigroup - Analyst***

Bill, I think you'd mentioned in your prepared remarks that with the free cash flow target that you are looking to deploy more aggressive operational. If you could kind of list those out for us in order that they would be deployed. And then along those same lines, it looks like on the credit rating side, it's still under review. How important is that maintaining investment grade rating in conjunction with the free cash flow objective? Thanks.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well Brian, we have said all along that we are very committed to it and Bill had that in his presentation there. We are very committed to be free cash flow positive this year and we are operating against that. You see in this quarter again in spite of all of the headwinds on the primary side, they are showing really really good performance. You can see we're coming down on the cost curve and then you see a very very good and strong performance also on the mid and even more so on the downstream side. That's the strategy; we're executing against the strategy but we're very committed to being cash flow positive this year and we use basically every lever for that. You can go from days working capital and to be able to get another four days out honestly, I mean we ourselves were surprised that we were able to do that. That has been very very good performance from everybody and requires a lot of care for the details to the productivity that you saw in there. A lot of work going into that.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

And specifically, Brian when we talk about improving on the operational targets, last year we delivered over $1.2 billion in gross productivity. We're looking at further deployment against the current productivity target. We'll be aggressively managing capital, both sustaining and growth, and our upstream business clearly understands that at the current metal price, cash is very important, so as Klaus said, it will be productivity, it will be overhead, it will be working capital and it will be CapEx. As far as the ratings go, I think Klaus alluded to it. It is important for us to maintain investment grade. We, I think, had a very strong cash generation quarter in relation to where we've been historically and we are working with the ratings agencies to insure that they understand what all of the good things that we're doing within the Company to meet their metrics.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Okay, next question?

Operator

Michael Gambardella, JP Morgan.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

Hi, Klaus and congratulations.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Can you speak up a little bit, Mike, we can almost not hear you.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

Yes, congratulations on the quarter, Klaus, and I just wanted to say a couple of charts here are very positive. This Aerospace chart on slide 25 I think is great in terms of getting people to understand.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Mike, we cannot hear you.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

We cannot hear you.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

Can you hear me now?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

A little better, but can we bring up the volume here on the—

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

I can hear you fine.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Now we can hear you better. I hope that’s true for everybody.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

I just wanted to say I thought some of the charts were very good and that you included on this go around the aerospace chart in 25, giving people a sense of where your exposures are I think is a great slide, and some of the other slides are very good too and I appreciate the extra guidance on some of the segments. On the debt side, I think on one of the slides you said your target to maintain the debt-to-capital for the year is 30% to 35% and I think you said you’re at 35% in the first quarter, so you’re basically saying you’re going down in terms of leverage from this point on for the year; is that correct?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Yes, Mike, this is Bill. Our target is 30% to 35%. We’re sitting currently at 34.7% and net debt-to-cap is 30.5%.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

Okay, and one last question. On the automotive exposure, are you planning more capacity for the auto sheet body, the body and white?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Yes, that’s what the expansion that we have under way in Davenport is targeted at, absolutely.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

But above and beyond the Ford pickup?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

We have not mentioned what customers we are catering to and will not do that, but I did mention that the capacity that we are bringing online is pretty much already committed.

Michael Gambardella - ***JPMorgan Chase & Co. - Analyst***

Right. Okay, thanks.

Operator

Sal Tharani, Goldman Sachs.

Sal Tharani - ***Goldman Sachs - Analyst***

Thank you. Hi, Klaus, hi, Bill. Couple of quick questions on free cash flow. Do you include the Ma'aden investment in your free cash flow calculation?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Free cash flow, the Ma'aden investment is post the free cash flow calculation, so it actually goes into cash for investments, so it is not, the free cash flow calculation is simply cash from ops less sustaining capital [*Alcoa Correction: capital expenditures*] and since this is an investment, it's not covered there.

Sal Tharani - ***Goldman Sachs - Analyst***

Okay, and on that line, this new development happened in Massena where you're going to spend $50 million plus in CapEx and plus the clean up, is that included in your CapEx budget or is it on top of that?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

It is included in our CapEx budget and just to be clear on the Massena record of decision that has already been reserved so that's in there already.

Sal Tharani - ***Goldman Sachs - Analyst***

And is $52 million takes you to the full spending you need or there will be several phases beyond this?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

There will be several phases.

Sal Tharani - ***Goldman Sachs - Analyst***

Do you know what the total will be over the next couple of years?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

The $52 million is spent over the next few years and as we get closer, we'll announce the size of the project in the future.

Sal Tharani - ***Goldman Sachs - Analyst***

Great. Thank you very much.

Operator

Timna Tanners, Bank of America Merrill Lynch.

Timna Tanners - *BofA Merrill Lynch - Analyst*

Hi, good afternoon. How are you? Not a sir. Just wanted to ask you a little bit about some of the overhead on cost savings so in your corporate expenses line and your SG&A line, that's where at least on our estimates where the out performance was so just wondered if you could give us a little bit of help on the run rate for the first quarter and if that's sustainable throughout the year or if we might see the seasonal trend of higher costs as the year moves on.

William Oplinger - *Alcoa Inc. - EVP, CFO*

The comparison that you're drawing is against the fourth quarter and typically we see a higher spend in the fourth quarter and so we did not see that recur in the first quarter and it came from a series of initiatives. I don't anticipate that we will see significantly higher SG&A during the course of the year.

Klaus Kleinfeld - Alcoa Inc. - Chairman & CEO

I would actually go even a little further, Bill that the most likely scenario is that we will continue to bring the SG&A down.

William Oplinger - *Alcoa Inc. - EVP, CFO*

Okay.

Klaus Kleinfeld - *Alcoa Inc. - Chairman & CEO*

Wouldn't you agree with that?

William Oplinger - *Alcoa Inc. - EVP, CFO*

We have, Klaus is alluding to the fact that we have a series of internal initiatives to lower overhead expenses.

Timna Tanners - *BofA Merrill Lynch - Analyst*

So in addition to the productivity gains, focus on the SG&A and corporate expenses is something we can expect this year?

William Oplinger - *Alcoa Inc. - EVP, CFO*

Yes.

Timna Tanners - *BofA Merrill Lynch - Analyst*

Okay, great. Thank you very much.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you, Timna. Okay, next question, please?

Operator

David Gagliano, Barclays.

David Gagliano - ***Barclays Capital - Analyst***

Hi, thanks very much. My first question is along the same lines as Sal's question earlier. Do or does the free cash flow target for the year or being free cash flow positive target for the year, does that include or exclude the EUR200 million payment in Italy and the $450 million to $500 million pension funding requirement?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

It is after those, so yes, it includes the effect of those, so yes that's the case, Dave.

David Gagliano - ***Barclays Capital - Analyst***

Okay, perfect and then my follow-up, just on the primary metal segment, it looks to us like the third party realized price worked out to about a $0.17 per pound premium when you do it on a per pound basis over the LME average, if you lag the LME average by about two weeks. My question is if we assume regional premiums don't change is that magnitude of a premium over the LME a reasonable assumption moving forward?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well, look. I think that you see where the regional premiums are and the rest I think you will be able to figure out yourself.

David Gagliano - ***Barclays Capital - Analyst***

I guess the question in the past there have been some timing issues. I just want to make sure there's no timing issues with regards to this quarter after.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

The timing issue is the same that you've always seen and that Bill referred to as 15 days.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

15 day lag on the LME.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

15 days lag on the LME.

David Gagliano - ***Barclays Capital - Analyst***

Okay, I'll take it offline. Thanks.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you.

Operator

Tony Rizzuto, Cowen Security.

Tony Rizzuto - ***Cowen and Company - Analyst***

Thank you. I'm speaking from South America. I hope you guys can hear me all right, and Bill—

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Yes, we can hear you very well. Tony, we can hear you well.

Tony Rizzuto - ***Cowen and Company - Analyst***

Thank you. Congratulations on your promotion too, Bill.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Thank you.

Tony Rizzuto - ***Cowen and Company - Analyst***

My question is, you're welcome, my question is how should we think about EBITDA margins in the EPS division or segment in the remainder of this year and if you could give us a vision for 2014. Obviously you're knocking the cover off the ball, just want to get a better feel for that as we go forward.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well Tony as you are well aware we have targets out for every one of the businesses and also targets for our EPS business and the target for the EPS business is broken down in a growth target which we basically put out at the end of 2010 for '11, '12 and '13, so this is the last year. And we said we wanted to achieve $1.6 billion additional revenues and we broke that down into various buckets. And the second thing we said was a profitability target and we said we want to make sure that the performance is above historic norms. And as you can see in this one slide that I provided when you see the 10 year performance here in EPS, you see that we have stably gone up and we continue to intent that and I think you also saw that with this quarter now is 20.9% EBITDA margin is a nice place to be at and that's our commitment.

Tony Rizzuto - ***Cowen and Company - Analyst***

I don't have a slide deck in front of me but is it possible, Klaus, and Bill that we could see those margins maybe getting up? Is it possible they could get up to the mid 20 range? Is that something that you're thinking about?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well, we have a commitment as I said and when you have a chance take a look at the slides and you can access those. The commitment is very clear. We are going to have a performance on EPS that's above the historic norms and you can clearly see where the historic norms are.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

And the extent of the guidance we've given, Tony is around the second quarter. EPS had a record first quarter of 20.9% and they're going to get — projected to be 5% better in the second quarter.

Tony Rizzuto - ***Cowen and Company - Analyst***

All right, thanks gentlemen.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Pleasure, Tony. Next question, please?

Operator

(Operator Instructions)

Aldo Mazzaferro, Macquarie.

Aldo Mazzaferro - ***Macquarie Research Equities - Analyst***

Thank you. It's Mazzaferro. Hello. On the Massena project now that you've moved ahead and decided to go forward with it is there any timing that you see in terms of the EPA finalizing their plan for clean up and what the wide variety of what they're saying could be the range. I'm just wondering if you have any clarity.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well the good news is Aldo, what's called the record of decision has been put out by the EPA last week, so this is final. After 25 years I think I don't know exactly when this whole debate started and a very good cooperation with the communities, with the EPA, a lot of testing, a lot of science that goes into it we have been able to come to a conclusion and the EPA has basically come out with this final decision which is called the record of decision and it's in line with what they had proposed before as a remedial action plan. And if you want to attach a dollar number to it the dollar number is $243 million and Bill said it before, the good news also is that because we had been working very intensely together with everybody there, this is also the number that we have accrued so there's no impact coming from that.

Aldo Mazzaferro - ***Macquarie Research Equities - Analyst***

Well congratulations on settling that on a favorable basis.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Yes, well thank you, but it was a lot of work for a lot of people and very good cooperation and fortunately, openness towards the science. Next question?

Operator

Paretosh Misra, Morgan Stanley.

Paretosh Misra - ***Morgan Stanley - Analyst***

Hi guys. I had a question about your CapEx, $1 billion in sustaining CapEx and $550 million in growth CapEx. How much of that is for upstream versus downstream?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Paretosh, unfortunately, I don't have that right in front of me, but you can clearly follow-up with Kelly and she will give you a better estimate of it. You can imagine that a large portion of that is in the upstream with some of the sustaining capital requirements that we have, specifically around residue storage areas and things like that so we will follow-up.

Paretosh Misra - ***Morgan Stanley - Analyst***

Great, thanks.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you, Paretosh. Okay, next question, please?

Operator

Charles Bradford, Bradford Research.

Charles Bradford - ***Bradford Research - Analyst***

Good afternoon. Hi. Could you talk a bit about the Saudi project and what kind of start up costs you're incurring and how they're going to run for the next few quarters?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Well, as I said, the good news is we are ahead of our own plan. We had the first hot metal on the 12th of December last year and so this has only been up 25 months after the pouring of the first concrete, and now we're ramping up. And also on the ramp up things look really good, so we will be complete as I think it was on one of the slides there, we will be able to basically produce for this year roughly 250,000 tons of metal. Construction is almost 90% complete there on the smelter side, and for next year, we will be at full operating capacity next year. I don't know whether we have given out any break out. I don't think so.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

Well let me, Chuck, I think we alluded to in January to a $20 million outflow in the first quarter and we did better than that so we were approximately $12 million outflow in the first quarter and we're projecting to maintain that in the second quarter. So that's a combination of start up costs and actual operations and we believe at this point that's ahead of where we would have thought to have been at this point of the project.

Charles Bradford - ***Bradford Research - Analyst***

Thank you.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you, Chuck. Okay, any more questions?

Operator

Sal Tharani, Goldman Sachs.

Sal Tharani - ***Goldman Sachs - Analyst***

Hi, Klaus. Slide 26 where you talk about aluminum lithium, it's very interesting that you are talking about almost a 30% CAGR between now and '19. I was wondering, this is the revenue you expect Alcoa to generate. I was wondering if, do you have the capacity to increase and do you have the license or qualifications which needed to move on to a new product with these airlines or also the airplane producers, or are you still working on those?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Yes, to start with the second part and I think I actually mentioned that and most of these revenues are already committed contracts, so yes, we have that. It's basically designed in. On the capacity side, we are as we speak building out our capacity because at this point in time the capacity for aluminum lithium production that we have is basically in Pittsburgh at our Tech Center and then in Kitts Green, in our UK facilities, and we are building an outlet basically in Lafayette and that's also built into the capital cost for this year, that's going to be specialized on aluminum lithium, so that's where we stand, Sal.

Sal Tharani - ***Goldman Sachs - Analyst***

Just quickly on the auto side, I know you are not telling us which customer it is for the Davenport facility but so everybody has an idea of what we're looking at, and if there is another platform which goes fully aluminum let's say, down the road 2017, '18, I'm just wondering if Davenport would be enough or you can further expand or do you think another facility will be needed if you become part of the provider for that platform?

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

That's a very good question, and I can tell you Davenport is not enough. Davenport is not enough. Basically Davenport is basically sold out even though we haven't even built that part, the automotive side of things, so that is something to talk about at a later point in time but that's better news. I mean more good news than bad news I would say.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

And needless to say we have optionality in the future —

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

We have a lot of optionality.

William Oplinger - ***Alcoa Inc. - EVP, CFO***

We haven't announced at this point but we do have optionality going forward.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

And in fact the optionality allows us also to do some things that we probably could not have done before.

Sal Tharani - ***Goldman Sachs - Analyst***

Okay, great. Thank you very much.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Thank you, Sal. Okay, any more questions?

Operator

Harry Mateer, Barclays.

Harry Mateer - ***Barclays Capital - Analyst***

So just, I'm just going to follow-up with one question on the credit rating if I can, Bill. Given that you've been executing against the back drop of your free cash flow targets and your operating performance, is there anything left to do here to try and save that rating? Is issuing equity something that's on the table to save that? And then related to that, if you just walk us through potential debt reduction levers in the next six months I guess specifically, you do have a maturity coming up in July. How do you plan to take care of that. Are you going to refinance it or pay it down with cash?

William Oplinger - ***Alcoa Inc. - EVP, CFO***

The plan is to pay it down with cash, so just to be clear on that, Harry. Before even considering issuing equity, we have a series of options, a series of levers that we will be pulling at various stages, and it's continued capital reduction, better productivity, better working capital, and if need be, asset sales. So those are all of the things that we have in our arsenal to insure that we stay where we need to be from a cash flow perspective so we are committed to insuring that we keep that investment grade rating.

Harry Mateer - ***Barclays Capital - Analyst***

Thank you.

Klaus Kleinfeld - ***Alcoa Inc. - Chairman & CEO***

Okay, I guess that's all the time we have today, so let me conclude. All-in all, I think you all agree we had a strong quarter. What makes me very positive here, our strategy is working. Step by step, little by little, we are making progress. You see that the value add businesses are ever greater contributors to our bottom line and that they have great growth opportunities, also thanks to the innovation capabilities, technical capabilities that we have and I think you also see that the upstream side is gaining competitiveness and overcoming some headwinds. As many of the questions referred to today, I think you can also tell we have a very very strong commitment throughout the Company. Otherwise we would not be able to achieve such numbers on working capital to commit to generate cash in every aspect. So with that said, thank you very much for joining us.

Operator

Thank you for your participation in today's conference. This concludes the presentation. You may now disconnect. Have a good day.

Exhibit 99.2

[Alcoa Logo]

1st Quarter Earnings Conference

[Alcoa Logo]

April 8, 2013

[Alcoa Logo]

Cautionary Statement

Forward-Looking Statements

This presentation contains statements that relate to future events and expectations and as such constitute forward-looking statements. Forward-looking statements include those containing such words as “anticipates,” “estimates,” “expects,” “forecasts,” “intends,” “outlook,” “plans,” “projects,” “should,” “targets,” “will,” or other words of similar meaning. All statements that reflect Alcoa’s expectations, assumptions, or projections about the future other than statements of historical fact are forward-looking statements, including, without limitation, forecasts concerning global demand growth for aluminum, end-market conditions, supply/demand balances, and growth opportunities for aluminum in automotive, aerospace and other applications, trend projections, targeted financial results or operating performance, and statements about Alcoa’s strategies, outlook, and business and financial prospects. Forward-looking statements are subject to a number of known and unknown risks, uncertainties, and other factors and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: (a) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) deterioration in global economic and financial market conditions generally; (c) unfavorable changes in the markets served by Alcoa, including automotive and commercial transportation, aerospace, building and construction, distribution, packaging, defense, and industrial gas turbine; (d) the impact of changes in foreign currency exchange rates on costs and results, particularly the Australian dollar, Brazilian real, Canadian dollar, euro, and Norwegian kroner; (e) increases in energy costs, including electricity, natural gas, and fuel oil, or the unavailability or interruption of energy supplies; (f) increases in the costs of other raw materials, including calcined petroleum coke, caustic soda, and liquid pitch; (g) Alcoa’s 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 (including moving its alumina refining and aluminum smelting businesses down on the industry cost curves and increasing revenues in its Global Rolled Products and Engineered Products and Solutions segments) anticipated from its restructuring programs and productivity improvement, cash sustainability, and other initiatives; (h) Alcoa's inability to realize expected benefits, in each case as planned and by targeted completion dates, from sales of non-core assets, or from newly constructed, expanded, or acquired facilities, such as the upstream operations in Brazil and the investments in hydropower projects in Brazil, or from international joint ventures, including the joint venture in Saudi Arabia; (i) political, economic, and regulatory risks in the countries in which Alcoa operates or sells products, including unfavorable changes in laws and governmental policies, civil unrest, or other events beyond Alcoa’s control; (j) the outcome of contingencies, including legal proceedings, government investigations, and environmental remediation; (k) the business or financial condition of key customers, suppliers, and business partners; (l) adverse changes in tax rates or benefits; (m) adverse changes in discount rates or investment returns on pension assets; (n) the impact of cyber attacks and potential information technology or data security breaches; and (o) the other risk factors summarized in Alcoa's Form 10-K for the year ended December 31, 2012 and other reports filed with the Securities and Exchange Commission. Alcoa 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 presentation is derived from Alcoa’s consolidated financial information but is not presented in Alcoa’s financial statements prepared in accordance with U.S. generally accepted accounting principles (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 and on our website at www.alcoa.com under the “Invest” section. Any reference during the discussion today to EBITDA means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix and on our website.

[Alcoa Logo]

[Alcoa Logo]

Klaus Kleinfeld

Chairman and Chief Executive Officer

April 8, 2013

[Alcoa Logo]

Delivering Strong Quarterly Results

All segments profitable; Best net income excluding special items since 3Q 2011

Adjusted EBITDA up 16% sequentially and 11% YoY

Record profitability in the Downstream

Improved Upstream performance YoY despite lower metal price

Strong liquidity; $1.6 Billion cash on hand

Solid global end market growth;
Reaffirm 2013 global aluminum demand growth of 7%

[Alcoa Logo]

[Alcoa Logo]

William Oplinger

Executive Vice President and Chief Financial Officer

April 8, 2013

[Alcoa Logo]

Income Statement Summary

$ Millions, except per-share amounts

	1Q12	4Q12	1Q13	Sequential Change
Revenue	**$6,006**	**$5,898**	**$5,833**	**($65)**
Cost of Goods Sold	**$5,098**	**$4,968**	**$4,847**	**($121)**
COGS % Revenue	84.9%	84.2%	83.1%	(1.1 % pts.)
Selling, General Administrative, Other	**$241**	**$277**	**$251**	**($26)**
SGA % Revenue	4.0%	4.7%	4.3%	(0.4 % pts.)
Other Income, Net	**($16)**	**($345)**	**($27)**	**$318**
Restructuring and Other Charges	**$10**	**$60**	**$7**	**($53)**
Effective Tax Rate	**28.3%**	**35.8%**	**27.4%**	**(8.4 % pts.)**
Net Income	**$94**	**$242**	**$149**	**($93)**
Net Income Per Diluted Share	**$0.09**	**$0.21**	**$0.13**	**($0.08)**

[Alcoa Logo]

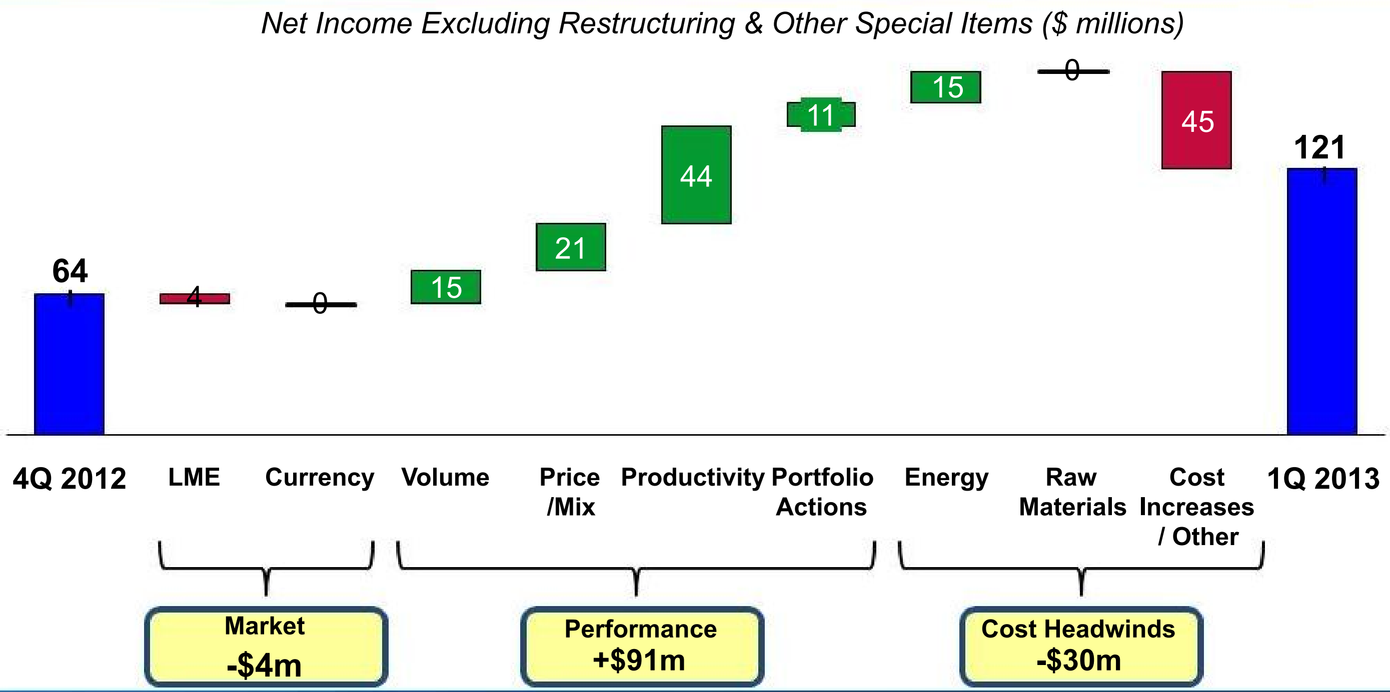
Restructuring and Other Special Items

$ Millions, except per-share amounts	4Q12	1Q13	Income Statement Classification	Segment
Net Income	**$242**	**$149**		
Net Income Per Diluted Share	**$0.21**	**$0.13**		
Tapoco Asset Sale	$161	-	Other Income, Net	Primary Metals / Corporate
Restructuring-Related	($54)	($5)	Restructuring and Other Charges	Corporate
Discrete Tax Items	$58	$19	Income Taxes and Noncontrolling Interest	Corporate
Mark-to-Market Energy Contracts	$12	$9	Other Income, Net	Corporate
Interest Income	$8	-	Other Income, Net	Corporate
Massena Fire	($7)	$5	Revenue and COGS	Primary Metals/EPS
Special Items	**$178**	**$28**		
Net Income excluding Special Items	**$64**	**$121**		
Net Income per Diluted Share excl Special Items	**$0.06**	**$0.11**		

See appendix for Adjusted Income reconciliation

[Alcoa Logo]

Profitability increases nearly 90% driven by performance



[Alcoa Logo]

Record results for Engineered Products and Solutions

1Q13 Actual and 2Q13 Outlook - EPS

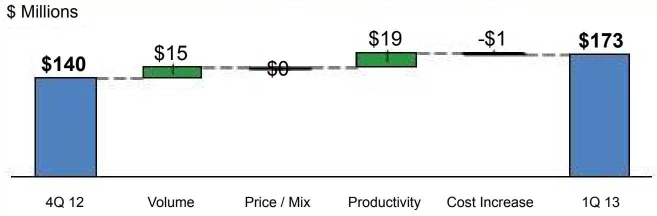
1st Quarter Results

$ Millions	1Q 12	4Q 12	1Q 13
3rd Party Revenue	1,390	1,348	1,423
ATOI*	157	140	173
Adjusted EBITDA Margin*	19.4%	18.0%	20.9%

1st Quarter Business Highlights

- Quarterly **ATOI up $16M** year-over-year to **record level**
- **Record ATOI** driven by **productivity & Aerospace volume** offsetting **weakness** in **Non-Residential Construction** and **Commercial Transportation**
- Achieved **record** adjusted EBITDA **margin of 20.9%**
- Generated **$19M of productivity** savings; **improvements** achieved by **all business units**

1st Quarter Performance Bridge



2nd Quarter Outlook

- **Aerospace** market remains **strong**
- **European Non-Residential Construction** market continues to **decline**; signs of **recovery in North America**
- **Share gains** through innovation **continue** across all market sectors
- **Productivity improvements** to continue
- **ATOI** is expected to **increase ~5% sequentially**

See appendix for Adjusted EBITDA reconciliation. * Prior period amounts have been revised to conform to the current period presentation. See appendix for additional information.

[Alcoa Logo]

Improved sequential performance for Global Rolled Products

1Q13 Actual and 2Q13 Outlook - GRP

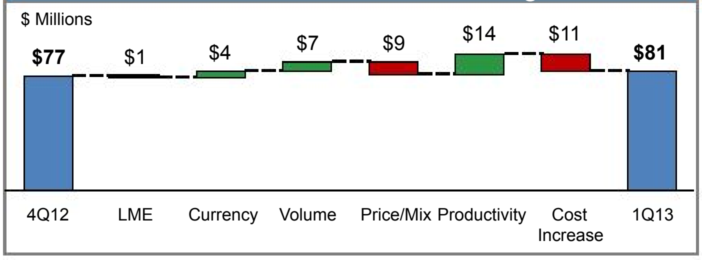
1st Quarter Results

$ Millions	1Q 12	4Q 12	1Q 13
3rd Party Revenue	1,845	1,771	1,779
ATOI*	102	77	81
Adjusted EBITDA/mt*	447	370	385

1st Quarter Business Highlights

- **Aerospace and auto** demand remained strong
- **Higher volumes** in Packaging and Auto
- **Price and mix** was impacted by **weaker pricing**
- **Productivity** driven by **higher utilizations offset** by costs related to **energy, maintenance, and labor**
- Days working capital **improved ~7 days year-over-year**

1st Quarter Performance Bridge



2nd Quarter Outlook

- **Aero & auto demand** expected to **remain strong**
- **Seasonal demand** increases in **Packaging**
- **Pricing pressures** continue in **European and N.A. Industrials and China markets**
- **Productivity improvements** to continue
- Excluding LME and currency, **ATOI** is expected to **increase 15%-20% sequentially**

See appendix for Adjusted EBITDA reconciliation. * Prior period amounts have been revised to conform to the current period presentation. See appendix for additional information.

[Alcoa Logo]

41% ATOI improvement in the Alumina segment

1Q13 Actual and 2Q13 Outlook - Alumina

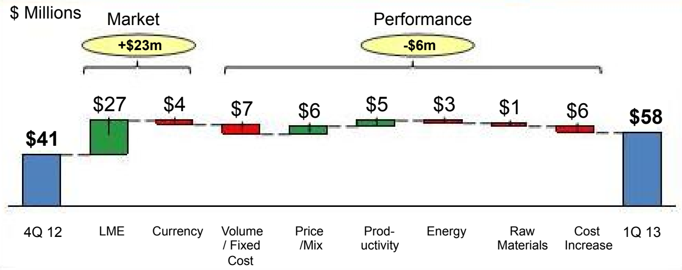
1st Quarter Results

	1Q 12	4Q 12	1Q 13
Production (kmt)	4,153	4,079	3,994
3rd Party Shipments (kmt)	2,293	2,440	2,457
3rd Party Revenue ($ Millions)	775	803	826
ATOI ($ Millions)	35	41	58

1st Quarter Business Highlights

- **Production lower** due to 2 fewer days in the quarter
- **Alumina Price** Index and **spot pricing** continued positive trend
- **Productivity improvements** continued
- **Record** days working capital of **23 days; ~9 day improvement** year-over-year
- Increased costs driven by the **Myara crusher move**

1st Quarter Performance Bridge



2nd Quarter Outlook

- **52%** of 3rd party shipments on **spot or alumina price** index with **30 day lag** for 2013
- **Production** increases by **150 kmt**
- **Mining cost increases** of $20m in Australia (Myara crusher move) and Suriname
- **Productivity improvements** to continue

[Alcoa Logo]

Primary Metals performance overcomes cost headwinds

1Q13 Actual and 2Q13 Outlook – Primary Metals

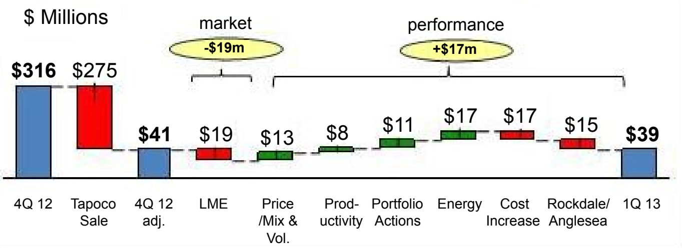
1st Quarter Results

	1Q 12	4Q 12	1Q 13
Production (kmt)	951	912	891
3rd Party Shipments (kmt)	771	768	705
3rd Party Revenue ($ Millions)	1,944	1,890	1,758
3rd Party Price ($/MT)	2,433	2,325	2,398
ATOI ($ Millions)	10	316	39

1st Quarter Business Highlights

- Price/Mix improved as **regional premiums rose** and **value-added product mix** strengthened
- **Productivity improvements** continued
- **Rockdale outage** neared completion
- Achieved **record days working capital** of **18.8 days**
- **Ahead of schedule** startup and cost control of **Saudi Arabia JV** minimized equity charge

1st Quarter Performance Bridge

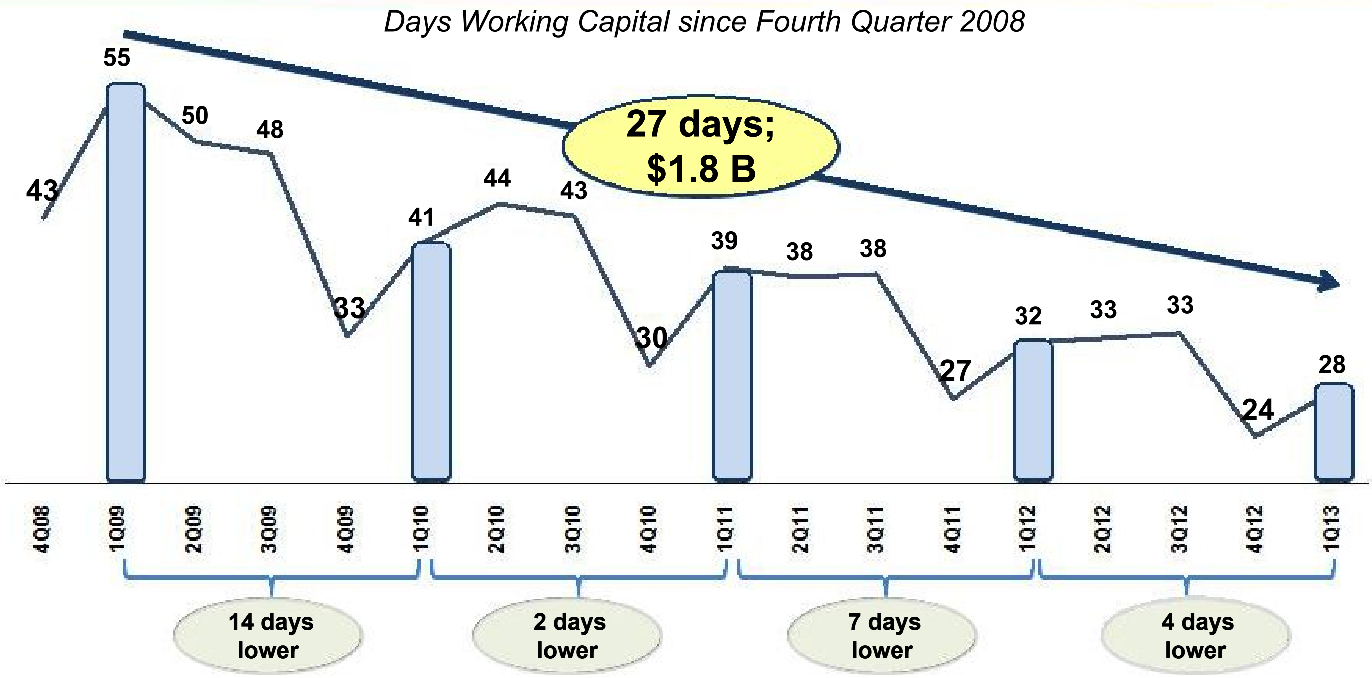


2nd Quarter Outlook

- **Pricing** to follow **15 day lag** to LME
- Production increases by **15 kmt**
- **Power plant outages** with $25m impact in **Anglesea** (4-year overhaul) and **Warrick**
- **Saudi Arabia JV** impact to remain flat
- **Productivity improvements** to continue

[Alcoa Logo]

Continued sustainable days working capital reductions



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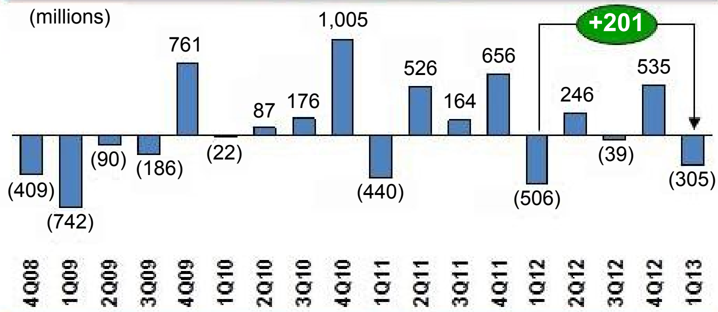
1st Quarter Cash Flow Overview

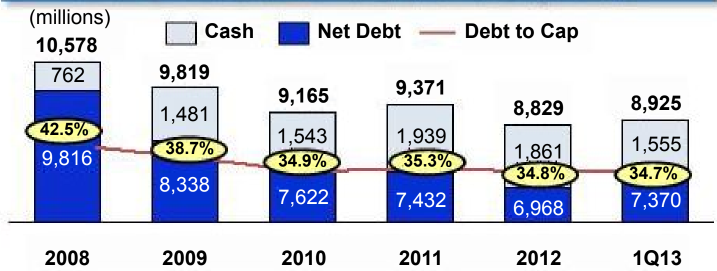
1st Quarter 2013 Cash Flow Overview

($ Millions)	1Q12	4Q12	1Q13
Net Income	$99	$257	$170
DD&A	$369	$363	$361
Change in Working Capital	($289)	$536	($323)
Pension Contributions	($213)	($46)	($83)
Taxes / Other Adjustments	($202)	($177)	($195)
Cash from Operations	**($236)**	**$933**	**($70)**
Dividends to Shareholders	($33)	($33)	($33)
Change in Debt	$357	($692)	$90
Distributions to Noncontrolling Interests	($26)	($24)	($25)
Contributions from Noncontrolling Interests	$90	$39	$15
Other Financing Activities	$6	($2)	$0
Cash from Financing Activities	**$394**	**($712)**	**$47**
Capital Expenditures	($270)	($398)	($235)
Other Investing Activities	($80)	$605	($50)
Cash from Investing Activities	**($350)**	**$207**	**($285)**

Free Cash Flow



Debt, Net Debt and Debt-to-Capital %



See appendix for Free Cash Flow, Net Debt and Net Debt-to-Capital reconciliations

[Alcoa Logo]

Aggressive targets set to maximize cash in 2013

2013 Targets: Key Actions to Execute 2013 Cash Sustainability Program

Taking the right actions

- Generate Productivity Gains of $750M
- Manage Growth Capital of $550M
- Control Sustaining Capital of $1.0B
- Target Saudi JV Investment of $350M
- Maintain 30%-35% Debt-to-Capital

Overarching 2013 Financial Target

Positive Free Cash Flow

[Alcoa Logo]

Capital Flows Into Equities from Commodities

2013 Global Aluminum Demand Will Grow at 7%

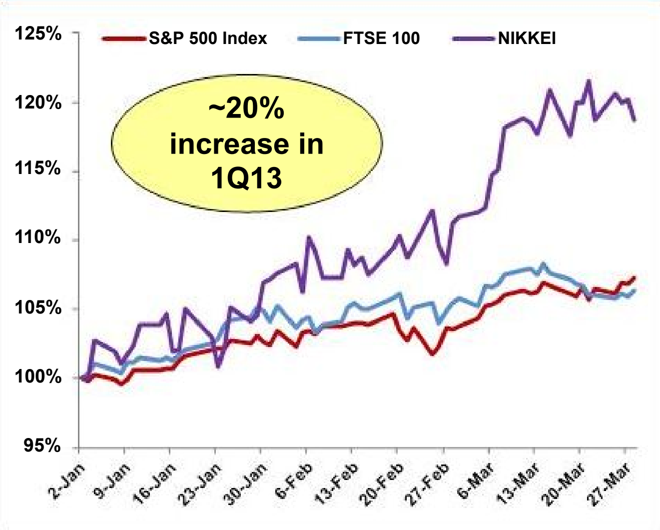
Supply and Demand Tightening On Curtailments

Inventories Are Stable, Premiums Remain Strong

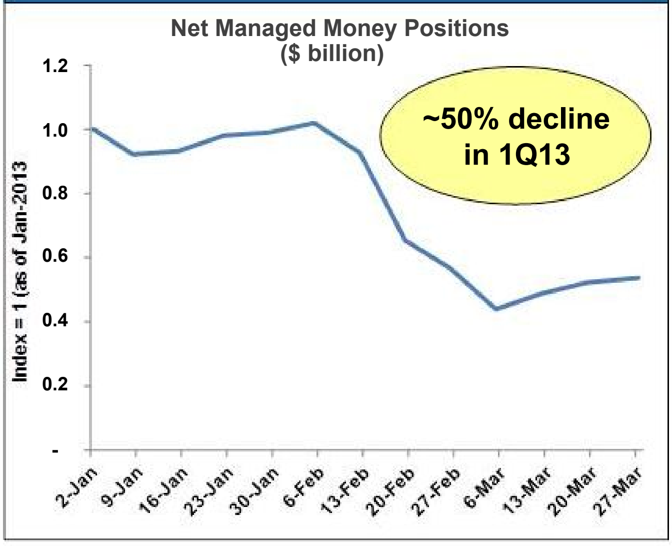
[Alcoa Logo]

Capital flows into equities and out of commodities

Major equity exchanges rally…



…attracting capital from commodities

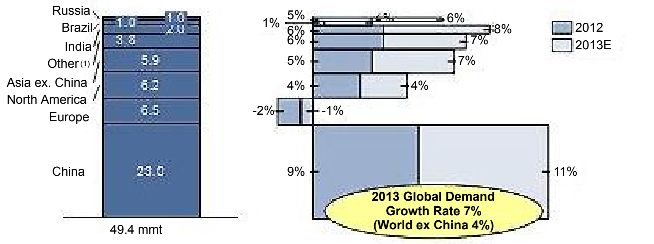


[Alcoa Logo]

Market fundamentals are stable

Global Aluminum **Demand Growth** at **7%**

2013 Primary Aluminum Consumption (mmt) and Annualized Growth (%)

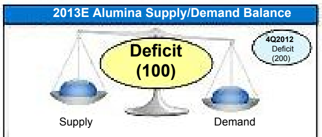


(1) Other includes Middle East, Latin America ex Brazil, Eastern Europe and Rest of World

Market **Tightening** On Curtailments

Supply/Demand analysis

2013E Alumina Supply/Demand Balance



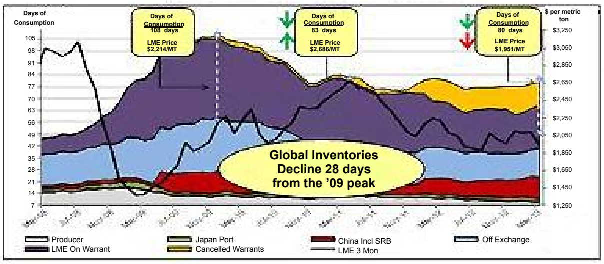
'000 mt	China	Rest of World
2013 Production (Feb annualized)	41,600	53,700
2013 Production to be added	600	2,400
2013 Capacity to be curtailed	(1,000)	0
Imports/(exports)	3,900	(3,900)
Total supply	45,100	52,200
Demand	(45,100)	(52,300)
Net Balance	**0**	**(100)**

2013E Aluminum Supply/Demand Balance

'000 mt	China	Rest of World
2013 Production (Feb annualized)	21,330	25,360
2013 Production to be added	2,270	1,190
2013 Capacity to be curtailed	(525)	(50)
Total supply	23,075	26,500
Demand	(23,000)	(26,420)
Net Balance	**75**	**80**

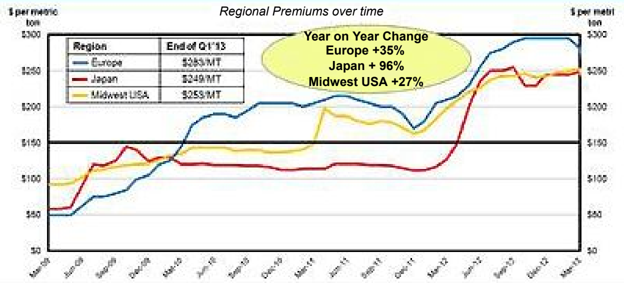
Inventory is **Stable**

Global Inventories vs. LME Price Over Time $



Regional **Premiums** Remain **Strong**

Regional Premiums over time



[Alcoa Logo]

[Alcoa Logo]

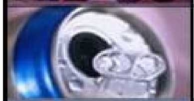
Klaus Kleinfeld

Chairman and Chief Executive Officer

April 8, 2013

Growth continues in global end markets

Alcoa End Markets: Current Assessment of 2013 vs. 2012

		North America	Europe	China	Global
	Aerospace				**9% - 10%** sales growth
	Automotive	**0% - 4%** prod growth	**2% - 5%** prod decline	**7% - 10%** prod growth	**1% - 4%** prod growth
	Heavy Truck & Trailer	**15% - 19%** prod decline	**6% - 10%** prod decline	**12% - 16%** prod growth	**2% - 7%** prod growth
	Beverage Can Packaging	**-1% - 0%** sales flat	**2% - 3%** sales growth	**8% - 12%** sales growth	**2% - 3%** sales growth
	Commercial Building and Construction	**1% - 2%** sales growth	**4% - 6%** sales decline	**8% - 10%** sales growth	**4% - 5%** sales growth
	Industrial Gas Turbine				**3% - 5%** airfoil market growth rate

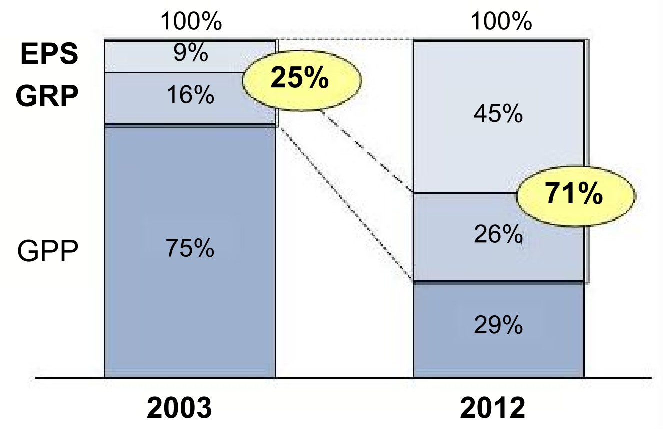
[Alcoa Logo]

Value add businesses driving 71% of segment profits

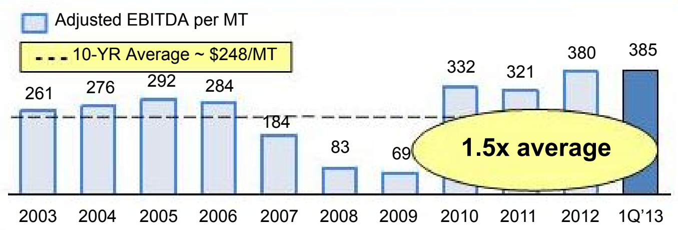
Alcoa business mix shift and GRP/EPS margins

Business mix shifted toward value add

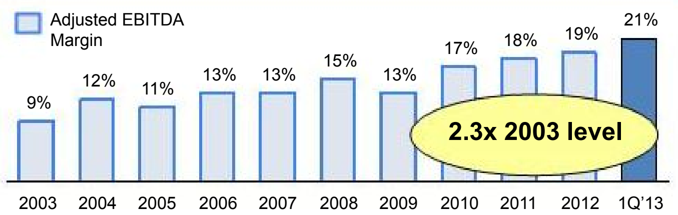
After tax operating income (ATOI) by segment (% of total segment ATOI)



GRP: Generating Record Margins



EPS: Continuing to Grow Profitability

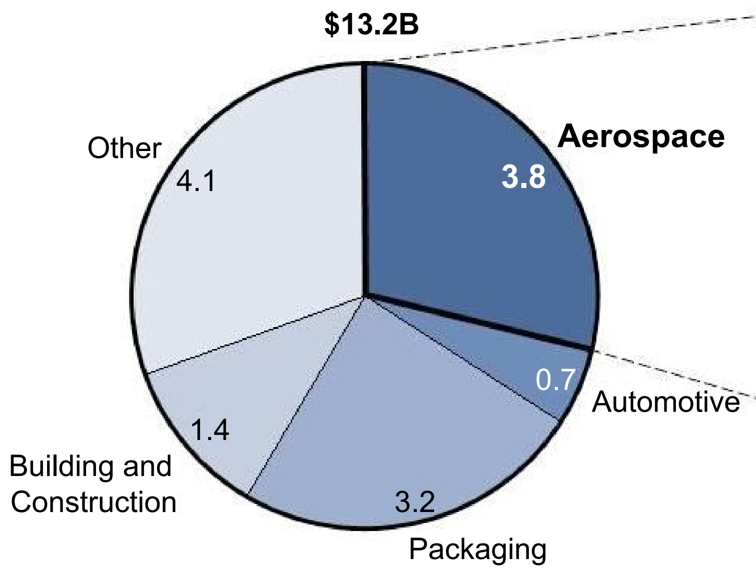


GPP: Combined Alumina and Primary Metals segments, GRP: Global Rolled Products, EPS: Engineered Products and Solutions.
Prior period amounts have been revised to conform to the current period presentation. See appendix for additional information.

[Alcoa Logo]

Aerospace accounts for $3.8B of value add revenue

Breakdown of 2012 Alcoa value-add revenue by market ($B)



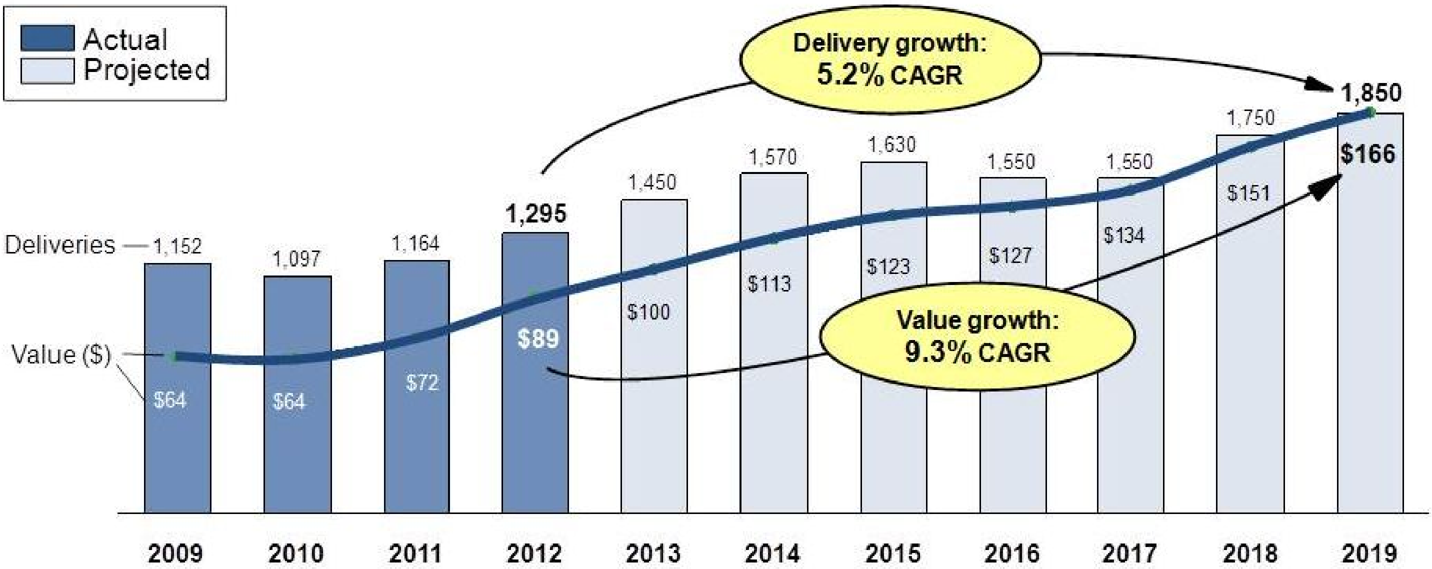
End Market Highlights

- **11.6%** End Market **CAGR** (2012 - 2015)
- **~8 year backlog** of production (at 2012 rates)
- Alcoa **well positioned** on both **Aluminum** and **CFRP** planes

[Alcoa Logo]

Vibrant growth projected for the aerospace market

Aero market growth: Commercial Jet Deliveries[1] and Value in $B

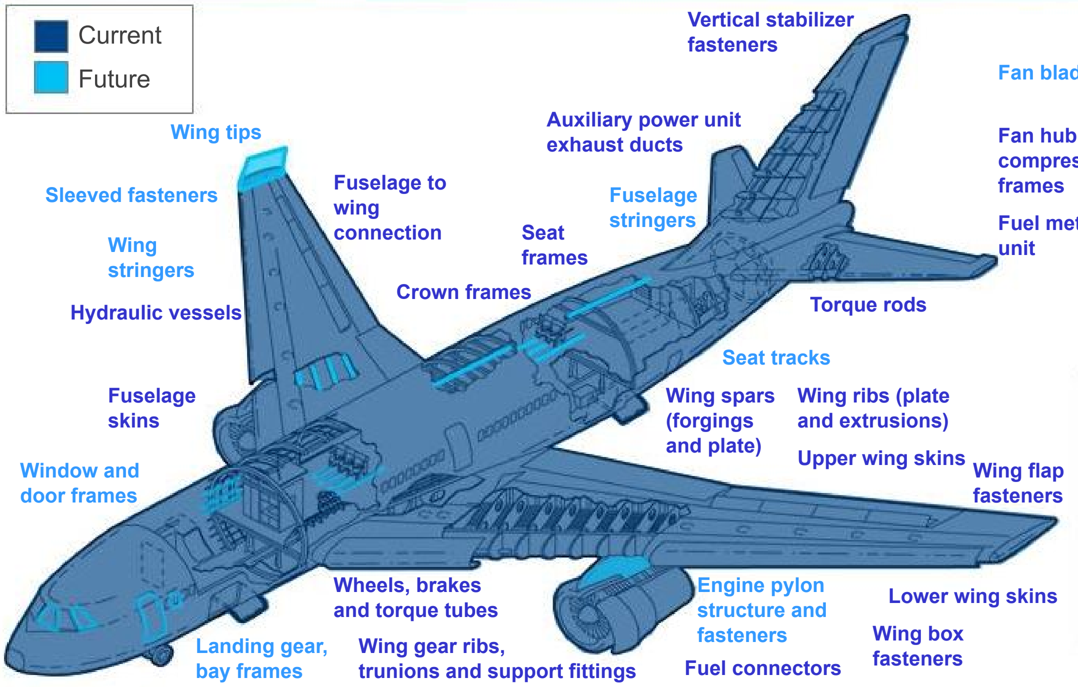


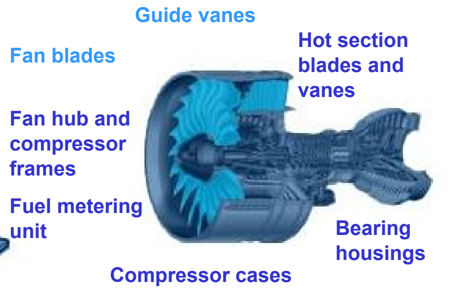
Notes: (1) All figures include both Large Commercial Aircraft & Regional Jets

Alcoa Blue Flies From Nose to Tail

[Alcoa Logo]

Current
Future



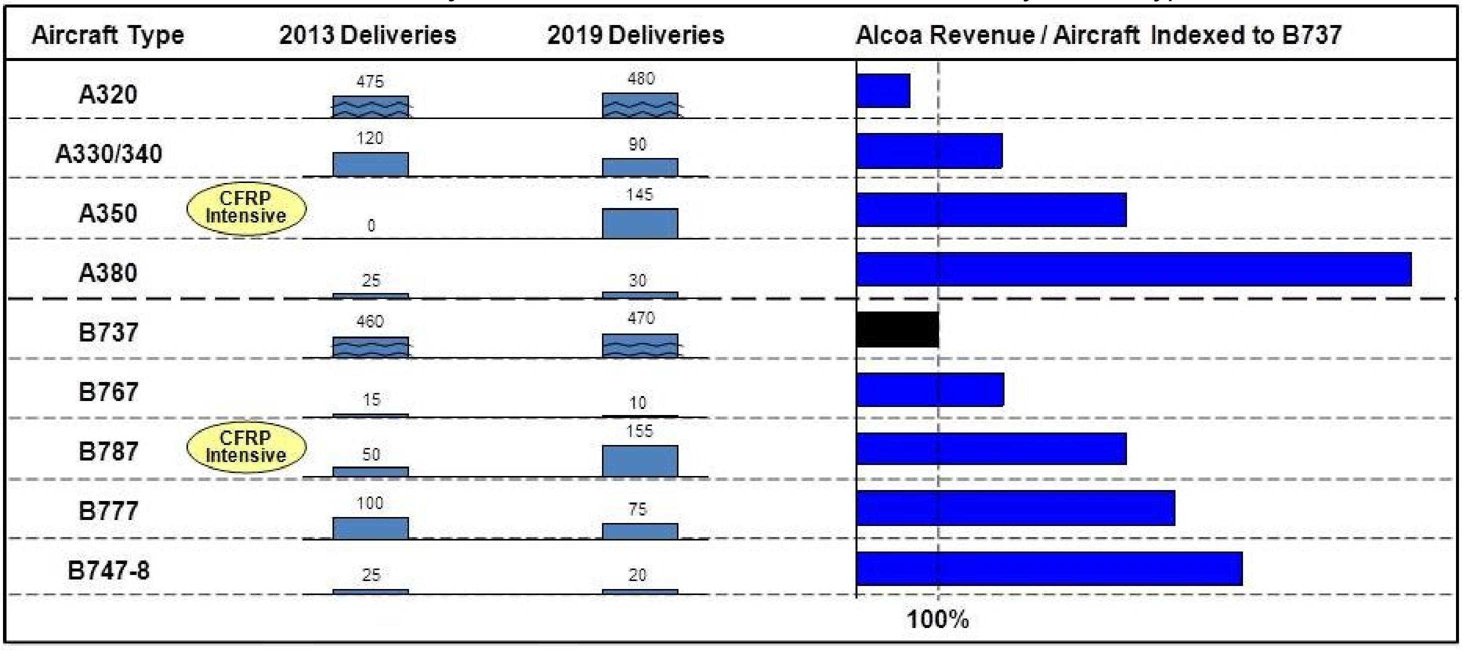


- **More than 90%** of all aluminum aerospace **alloys** have been developed by **Alcoa**
- **Every** Western Commercial **aircraft flying today** uses **Alcoa fasteners**
- **Every** Western Commercial and military aircraft **engine** uses **Alcoa castings**

[Alcoa Logo]

Alcoa is well positioned on both Aluminum and CFRP planes

Commercial jet deliveries and Alcoa Indexed Revenue by aircraft type



Sources: 1) The Airline Monitor February 2013
Notes: All figures include both Large Commercial Aircraft & Regional Jets. CFRP refers to carbon fiber reinforced plastic

[Alcoa Logo] Al + Li

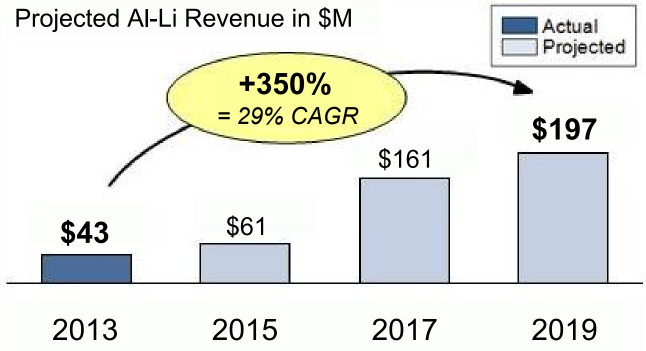
Innovation creating long term value for Alcoa

Aluminum Lithium Meeting Customer Needs

Customer Needs	Al-Li Value Proposition
20% fuel efficiency improvement	▪ 5% to 7% **lower density** ▪ 7% **higher stiffness**
Reduce inspection	▪ Improved **corrosion and fatigue** properties ▪ **2X** inspection **intervals**
Improve comfort	▪ Meets 787 **humidity and pressure benchmarks** ▪ 30%-50% **larger windows**
Lower capital costs	▪ **Capital costs avoided** by using existing Aluminum infrastructure

Al-Li Revenue quadrupling by 2019

Projected Al-Li Revenue in $M



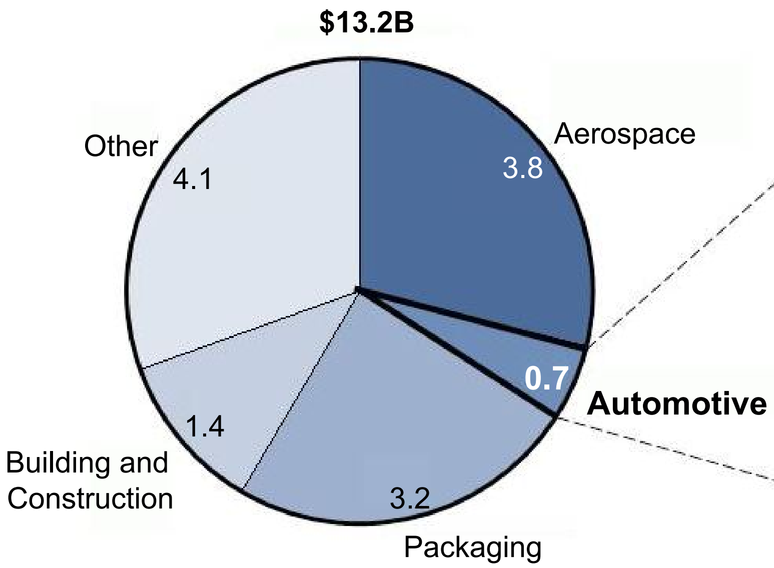
Key Platforms Drivers:

- Twin Aisle: Airbus A380 & A350, Boeing 787
- Single Aisle: Bombardier CSeries, Comac C919
- Regional/Business Jet: Gulfstream G650, Bombardier Global 7000/8000

[Alcoa Logo]

Automotive accounts for $700M of value add revenue

Breakdown of 2012 Alcoa value-add revenue by market ($B)



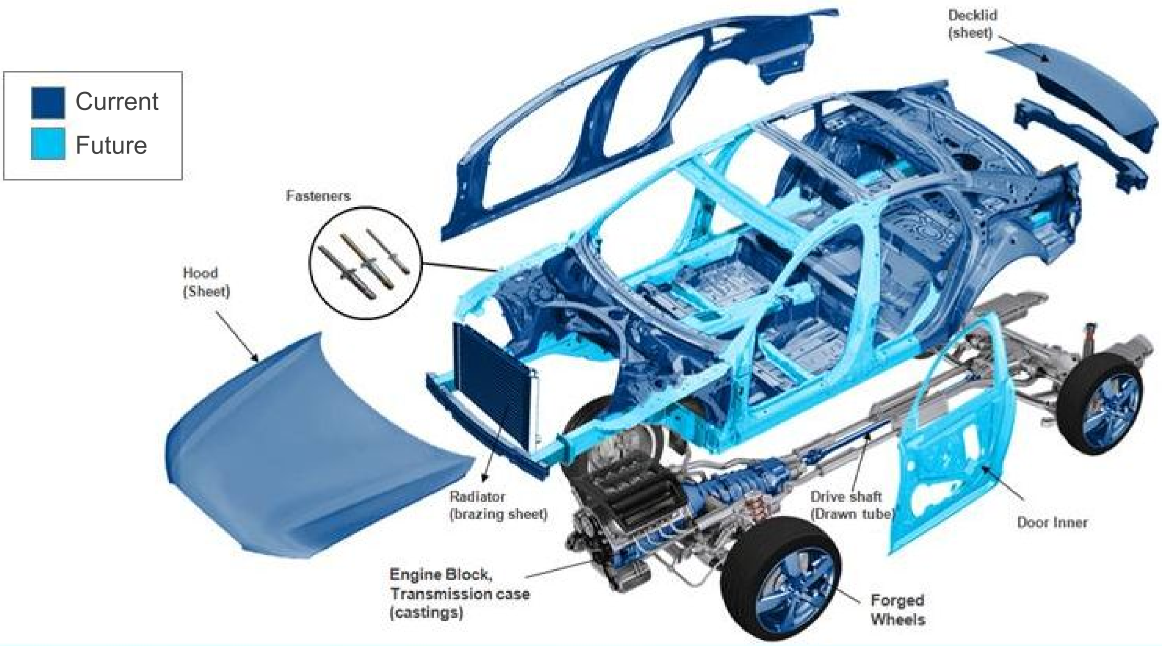
End Market Highlights

- 2-3% End Market CAGR (2012 - 2015)
- **30-35% CAGR** for NA Auto Sheet (2012-2015)
- **3.6x increase** in Auto Sheet **revenue** from 2012 to 2015

Alcoa's content runs from bumper to bumper

[Alcoa Logo]

Alcoa participation in automotive parts



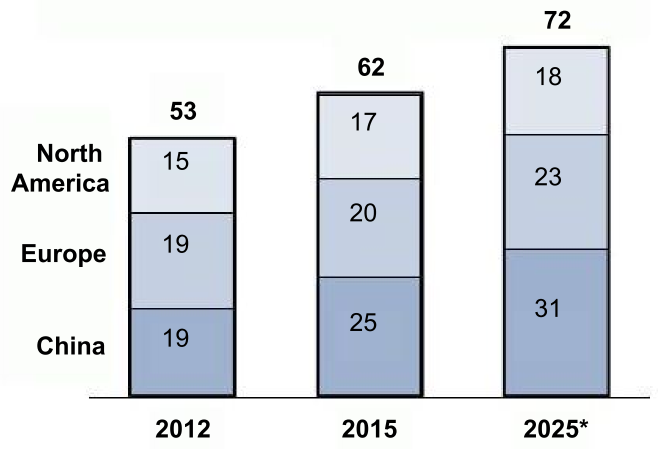
[Alcoa Logo]

Aluminum intensity amplifying automotive market growth

Auto industry growth and projected incremental aluminum content

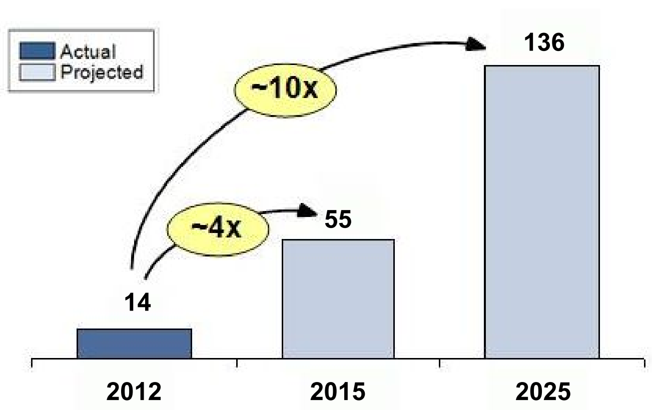
Growth in Automotive Market…

Global light vehicle production (in millions of units)



…amplified by increasing Al intensity

North America Aluminum Body Sheet Content Per Vehicle (in lbs)



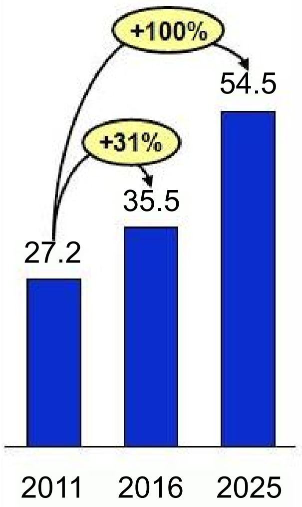
Sources: Ducker Worldwide , IHS , Alcoa analysis, *) Extrapolated based on IHS 2020 forecast

[Alcoa Logo]

Consumers and regulations drive auto light-weighting

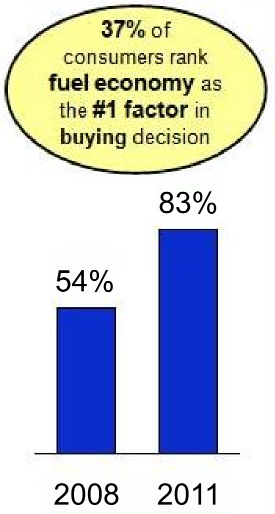
Regulations demand it

US Corporate Average Fuel Economy (MPG)



Consumers want it

% willing to pay for better fuel efficiency

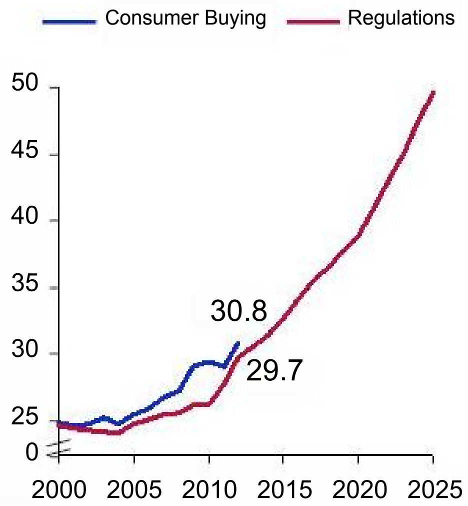


Safety benefits

- Changing body structure from steel to aluminum can **reduce stopping distances** from 45 mph to zero by up to 7 feet – this can mean the difference between a **serious collision and a near-miss**
- **NHTSA [1] says:** *Lightweighting conserves fuel, maintains footprint, and* ***may improve*** *the car's structural strength and handling*

Consumers Outpace Regulation

US Consumer Buying vs. Regulation miles per gallon



Source: Ducker Worldwide , Consumer Reports, The Aluminum Association , NHTSA[1] September 17, 2012, Alcoa Analysis

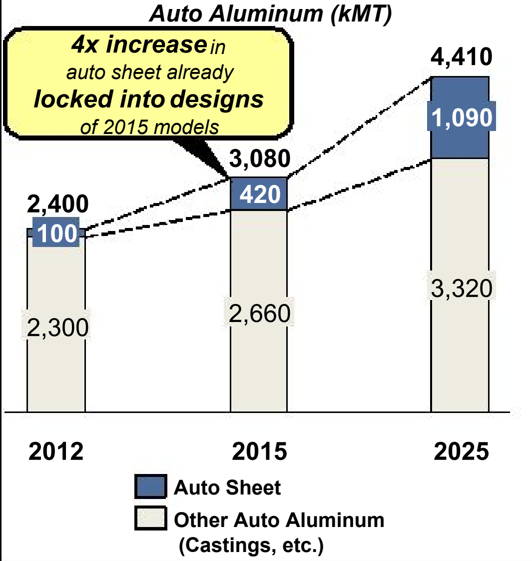
1) National Highway Traffic Safety Admin.

[Alcoa Logo]

Alcoa is capturing auto sheet opportunity

Auto Sheet Driving Growth

North America Market Demand – Auto Aluminum (kMT)



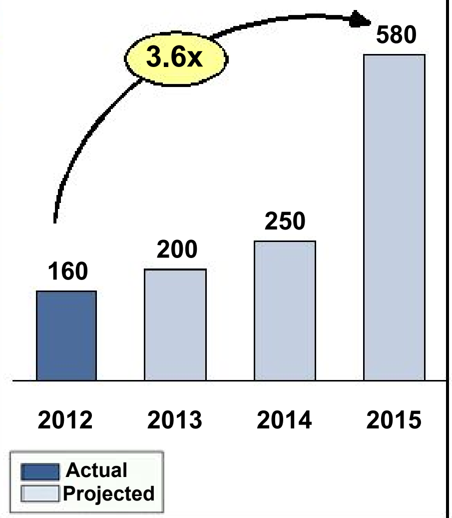
Positioned to Capture Demand

Auto Treatment Line – Davenport, IA

- **$300M expansion** to capture auto demand
- Supported by **secured contracts**
- **On time and on budget**
- **First coil** by December 2013

Delivers ~4x Revenue Increase

Projected Alcoa Auto Sheet Revenues ($M)

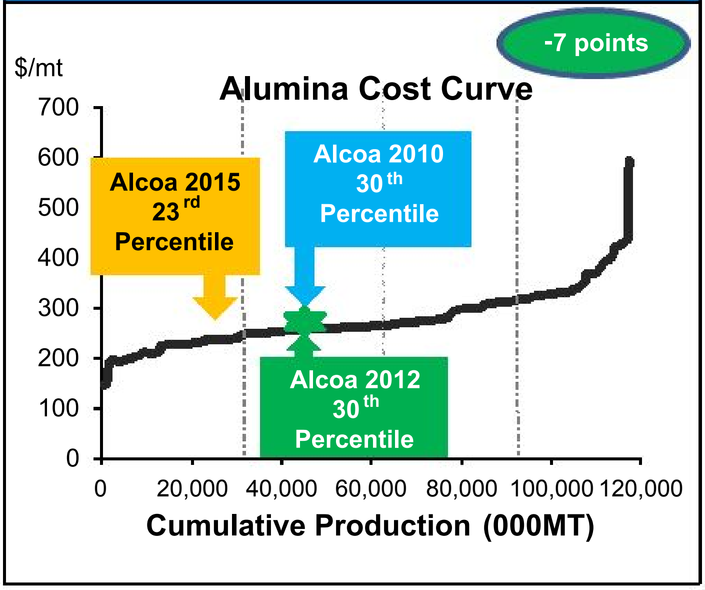


[Alcoa Logo]

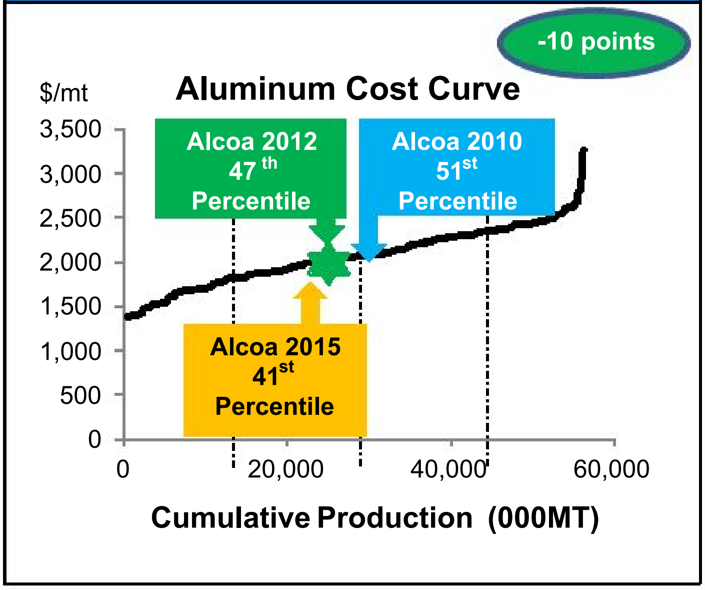
We continue to focus on coming down the cost curves

Alumina and Aluminum cost curves and Alcoa targets

Refining Cost Curve Holding Steady



Smelting Cost Curve Down 4% Points



[Alcoa Logo]

Phase 1 and 2 Construction Progressing As Planned

Phase 1		Phase 2	
Smelter	**Rolling Mill**	**Refinery**	**Mine**

Smelter
- **First Hot Metal December 12th, 2012**
- Full operating **capacity in 2014**
- **Lowest cost** smelting facility
- **2% point reduction** on the smelting cost curve

Rolling Mill
- **First hot coil 4Q 2013**
- **Auto** hot coil **4Q 2014**

74% Complete

Refinery
- **First alumina 4Q 2014**
- **Lowest cost** refinery
- **2% point reduction** on the refining cost curve

46% Complete

Mine
- On track to provide **bauxite in 2014**

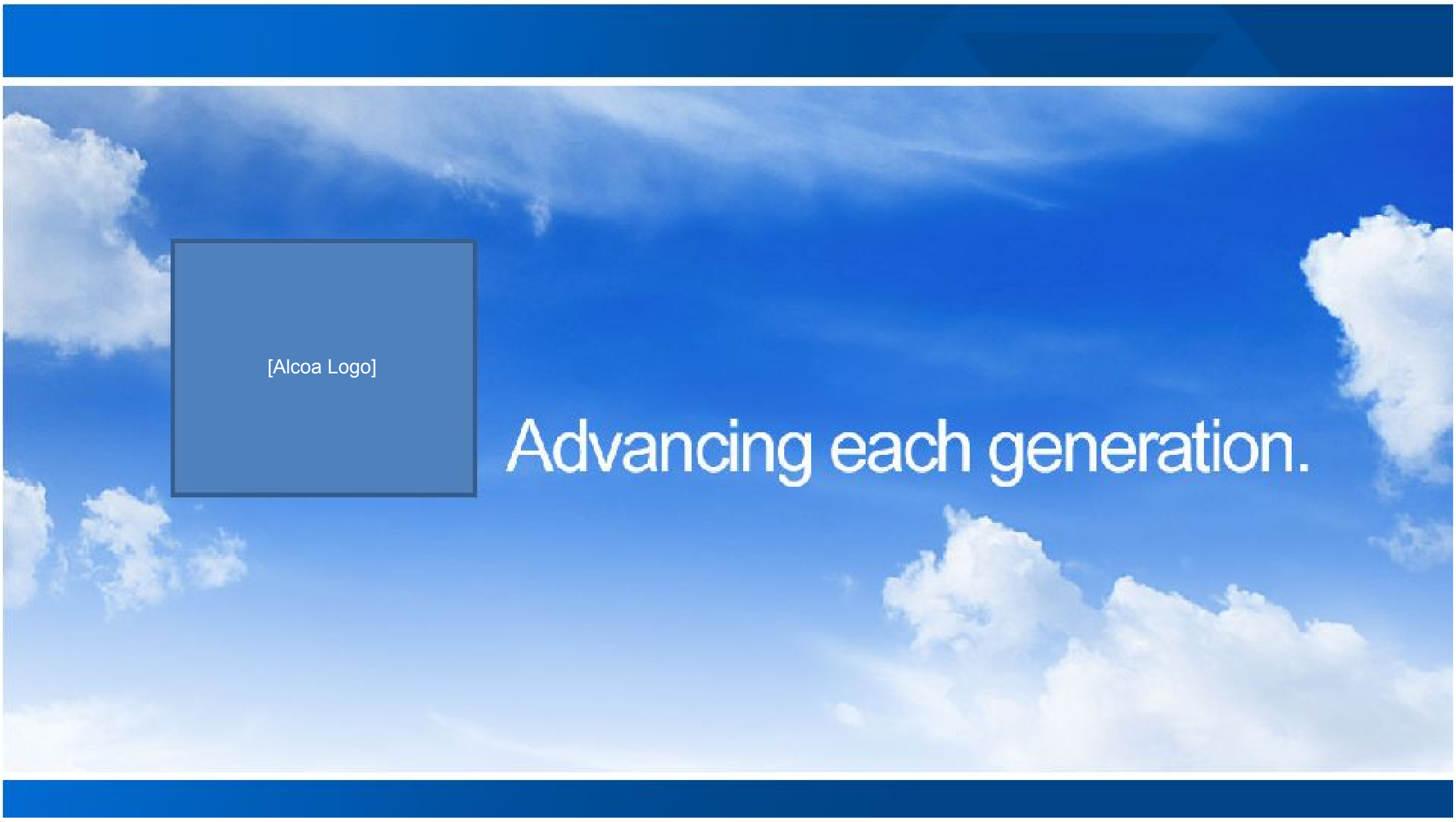
[Alcoa Logo]

Executing on our targets to deliver long term value

All segments achieved solid financial performance

Strong commitment to cash generation

Capturing opportunities in growing markets


[Alcoa Logo]
Advancing each generation.

[Alcoa Logo]

Additional Information

Kelly Pasterick
Director, Investor Relations

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www.alcoa.com

[Alcoa Logo]

Annual Sensitivity Summary

LME Aluminum Annual Net Income Sensitivity

+/- $100/MT = +/- $240 million

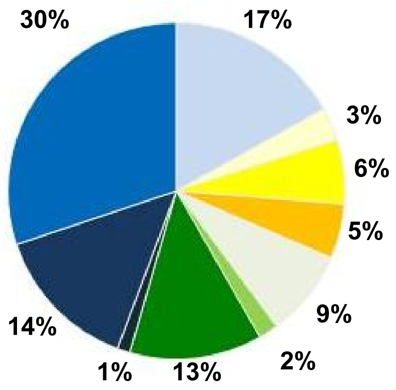
Currency Annual Net Income Sensitivity

Australian $	+/- $11 million	per 0.01 change in USD / AUD
Brazilian $	+/- $ 3 million	per 0.01 change in BRL / USD
Euro €	+/- $ 2 million	per 0.01 change in USD / EUR
Canadian $	+/- $ 5 million	per 0.01 change in CAD / USD
Norwegian Kroner	+/- $ 5 million	per 0.10 change in NOK / USD

[Alcoa Logo]

Revenue Change by Market

1Q'13 Third-Party Revenue



	Sequential Change	Year-Over-Year Change
Aerospace	4%	6%
Automotive	3%	0%
B&C	0%	(1%)
Comm. Transport	9%	(11%)
Industrial Products	7%	(4%)
IGT	2%	17%
Packaging	(2%)	(5%)
Distribution/Other*	(39%)	1%
Alumina	3%	7%
Primary Metals	(7%)	(10%)

[Alcoa Logo]

Reconciliation of ATOI to Consolidated Net Income (Loss) Attributable to Alcoa

(in millions)

	1Q12	2Q12	3Q12	4Q12	2012	1Q13
Total segment ATOI*	$ 304	$ 255	$ 224	$ 574	$ 1,357	$ 351
Unallocated amounts (net of tax):						
Impact of LIFO	–	19	(7)	8	20	(2)
Interest expense	(80)	(80)	(81)	(78)	(319)	(75)
Noncontrolling interests	(5)	17	32	(15)	29	(21)
Corporate expense	(64)	(69)	(62)	(87)	(282)	(67)
Restructuring and other charges	(7)	(10)	(2)	(56)	(75)	(5)
Other*	(54)	(134)	(247)	(104)	(539)	(32)
Consolidated net income (loss) attributable to Alcoa	$ 94	$ (2)	$ (143)	$ 242	$ 191	$ 149

* On January 1, 2013, management revised the inventory-costing method used by certain locations within the Global Rolled Products and Engineered Products and Solutions segments in order to improve internal consistency and enhance industry comparability. This revision does not impact the consolidated results of Alcoa. Segment information for all prior periods presented was revised to reflect this change.

[Alcoa Logo]

Reconciliation of Adjusted Income

(in millions, except per-share amounts)	Income			Diluted EPS		
	Quarter ended			Quarter ended		
	March 31, 2012	December 31, 2012	March 31, 2013	March 31, 2012	December 31, 2012	March 31, 2013
Net income attributable to Alcoa	$ 94	$ 242	$ 149	$ 0.09	$ 0.21	$ 0.13
Restructuring and other charges	7	54	5			
Discrete tax items*	–	(58)	(19)			
Other special items**	4	(174)	(14)			
Net income attributable to Alcoa – as adjusted	$ 105	$ 64	$ 121	0.10	0.06	0.11

Net income attributable to Alcoa – as adjusted is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews the operating results of Alcoa excluding the impacts of restructuring and other charges, discrete tax items, and other special items (collectively, "special items"). There can be no assurances that additional special items will not occur in future periods. To compensate for this limitation, management believes that it is appropriate to consider both Net income attributable to Alcoa determined under GAAP as well as Net income attributable to Alcoa – as adjusted.

* Discrete tax items include the following:
- for the quarter ended March 31, 2013, a benefit related to the reinstatement under the American Taxpayer Relief Act of 2012 of two tax provisions that will be applied in 2013 to Alcoa's U.S income tax return for calendar year 2012 ($19); and
- for the quarter ended December 31, 2012, a benefit related to the interim period treatment of losses in jurisdictions for which no tax benefit was recognized during the nine months ended September 30, 2012 ($39); a benefit for a change in the legal structure of an investment ($13); and a net benefit for other miscellaneous items ($6).

** Other special items include the following:
- for the quarter ended March 31, 2013, a net favorable change in certain mark-to-market energy derivative contracts ($9) and a net insurance recovery related to the March 2012 cast house fire at the Massena, NY location ($5);
- for the quarter ended December 31, 2012, a gain on the sale of the Tapoco Hydroelectric Project ($161: $275 is included in the Primary Metals segment and $(114) is included in Corporate); a net favorable change in certain mark-to-market energy derivative contracts ($12); interest income on an escrow deposit ($8); and uninsured losses related to fire damage to the cast house at the Massena, NY location ($7); and
- for the quarter ended March 31, 2012, a net unfavorable change in certain mark-to-market energy derivative contracts.

Reconciliation of Alcoa Adjusted EBITDA

($ in millions)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	1Q12	4Q12	1Q13
Net income (loss) attributable to Alcoa	$ 938	$ 1,310	$ 1,233	$ 2,248	$ 2,564	$ (74)	$ (1,151)	$ 254	$ 611	$ 191	$ 94	$ 242	$ 149
Add:													
Net income (loss) attributable to noncontrolling interests	212	233	259	436	365	221	61	138	194	(29)	5	15	21
Cumulative effect of accounting changes	47	–	2	–	–	–	–	–	–	–	–	–	–
Loss (income) from discontinued operations	–	27	50	(22)	250	303	166	8	3	–	–	–	–
Provision (benefit) for income taxes	367	546	464	853	1,623	342	(574)	148	255	162	39	143	64
Other (income) expenses, net	(278)	(266)	(478)	(236)	(1,920)	(59)	(161)	5	(87)	(341)	(16)	(345)	(27)
Interest expense	314	271	339	384	401	407	470	494	524	490	123	120	115
Restructuring and other charges	(28)	(29)	266	507	268	939	237	207	281	87	10	60	7
Provision for depreciation, depletion, and amortization	1,110	1,142	1,227	1,252	1,244	1,234	1,311	1,450	1,479	1,460	369	362	361
Adjusted EBITDA	$ 2,682	$ 3,234	$ 3,362	$ 5,422	$ 4,795	$ 3,313	$ 359	$ 2,704	$ 3,260	$ 2,020	$ 624	$ 597	$ 690
Sales	$18,879	$21,370	$24,149	$28,950	$29,280	$26,901	$18,439	$21,013	$24,951	$23,700	$ 6,006	$ 5,898	$ 5,833
Adjusted EBITDA Margin	14%	15%	14%	19%	16%	12%	2%	13%	13%	9%	10%	10%	12%

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. 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.

[Alcoa Logo]

Reconciliation of Alumina Adjusted EBITDA

($ in millions, except per metric ton amounts)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	1Q12	4Q12	1Q13
After-tax operating income (ATOI)	$ 415	$ 632	$ 682	$ 1,050	$ 956	$ 727	$ 112	$ 301	$ 607	$ 90	$ 35	$ 41	$ 58
Add:													
Depreciation, depletion, and amortization	147	153	172	192	267	268	292	406	444	455	114	107	109
Equity (income) loss	–	(1)	–	2	(1)	(7)	(8)	(10)	(25)	(5)	(1)	(1)	(1)
Income taxes	161	240	246	428	340	277	(22)	60	179	(27)	(1)	2	14
Other	(55)	(46)	(8)	(6)	2	(26)	(92)	(5)	(44)	(8)	–	(4)	(3)
Adjusted EBITDA	$ 668	$ 978	$ 1,092	$ 1,666	$ 1,564	$ 1,239	$ 282	$ 752	$ 1,161	$ 505	$ 147	$ 145	$ 177
Production (thousand metric tons) (kmt)	13,841	14,343	14,598	15,128	15,084	15,256	14,265	15,922	16,486	16,342	4,153	4,079	3,994
Adjusted EBITDA / Production ($ per metric ton)	$ 48	$ 68	$ 75	$ 110	$ 104	$ 81	$ 20	$ 47	$ 70	$ 31	$ 35	$ 36	$ 44

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 nonoperating 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.

[Alcoa Logo]

Reconciliation of Primary Metals Adjusted EBITDA

($ in millions, except per metric ton amounts)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	1Q12	4Q12	1Q13
After-tax operating income (ATOI)	$ 657	$ 808	$ 822	$ 1,760	$ 1,445	$ 931	$ (612)	$ 488	$ 481	$ 309	$ 10	$ 316	$ 39
Add:													
Depreciation, depletion, and amortization	310	326	368	395	410	503	560	571	556	532	135	134	135
Equity (income) loss	(55)	(58)	12	(82)	(57)	(2)	26	(1)	7	27	2	11	9
Income taxes	256	314	307	726	542	172	(365)	96	92	106	(13)	157	1
Other	12	20	(96)	(13)	(27)	(32)	(176)	(7)	2	(422)	–	(423)	(1)
Adjusted EBITDA	$ 1,180	$ 1,410	$ 1,413	$ 2,786	$ 2,313	$ 1,572	$ (567)	$ 1,147	$ 1,138	$ 552	$ 134	$ 195	$ 183
Production (thousand metric tons) (kmt)	3,508	3,376	3,554	3,552	3,693	4,007	3,564	3,586	3,775	3,742	951	912	891
Adjusted EBITDA / Production ($ per metric ton)	$ 336	$ 418	$ 398	$ 784	$ 626	$ 392	$ (159)	$ 320	$ 301	$ 148	$ 141	$ 214	$ 205

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 nonoperating 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.

[Alcoa Logo]

Reconciliation of Global Rolled Products Adjusted EBITDA

($ in millions, except per metric ton amounts)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	1Q12	4Q12	1Q13
After-tax operating income (ATOI)*	$ 232	$ 290	$ 300	$ 317	$ 151	$ (41)	$ (106)	$ 241	$ 260	$ 346	$ 102	$ 77	$ 81
Add:													
Depreciation, depletion, and amortization	190	200	220	223	227	216	227	238	237	229	57	58	57
Equity loss	1	1	–	2	–	–	–	–	3	6	1	2	4
Income taxes*	77	97	135	113	77	14	12	103	98	159	51	35	39
Other	(5)	1	1	20	1	6	(2)	1	1	(2)	–	–	(1)
Adjusted EBITDA*	$ 495	$ 589	$ 656	$ 675	$ 456	$ 195	$ 131	$ 583	$ 599	$ 738	$ 211	$ 172	$ 180
Total shipments (thousand metric tons) (kmt)	1,893	2,136	2,250	2,376	2,482	2,361	1,888	1,755	1,866	1,943	472	465	468
Adjusted EBITDA / Total shipments ($ per metric ton)*	$ 261	$ 276	$ 292	$ 284	$ 184	$ 83	$ 69	$ 332	$ 321	$ 380	$ 447	$ 370	$ 385

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 nonoperating 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.

* On January 1, 2013, management revised the inventory-costing method used by certain locations within the Global Rolled Products segment in order to improve internal consistency and enhance industry comparability. This revision does not impact the consolidated results of Alcoa. Segment information for all prior periods presented was revised to reflect this change.

[Alcoa Logo]

Reconciliation of Engineered Products and Solutions Adjusted EBITDA

($ in millions)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	1Q12	4Q12	1Q13
After-tax operating income (ATOI)*	$ 126	$ 161	$ 276	$ 382	$ 423	$ 522	$ 311	$ 419	$ 537	$ 612	$ 157	$ 140	$ 173
Add:													
Depreciation, depletion, and amortization	166	168	160	152	163	165	177	154	158	158	40	40	40
Equity loss (income)	–	–	–	6	–	–	(2)	(2)	(1)	–	–	–	–
Income taxes*	57	70	120	164	184	215	138	198	258	296	73	71	84
Other*	11	106	(11)	(2)	(7)	2	1	–	(1)	(8)	–	(9)	–
Adjusted EBITDA*	$ 360	$ 505	$ 545	$ 702	$ 763	$ 904	$ 625	$ 769	$ 951	$ 1,058	$ 270	$ 242	$ 297
Third-party sales	$ 3,905	$ 4,283	$ 4,773	$ 5,428	$ 5,834	$ 6,199	$ 4,689	$ 4,584	$ 5,345	$ 5,525	$ 1,390	$ 1,348	$ 1,423
Adjusted EBITDA Margin*	9%	12%	11%	13%	13%	15%	13%	17%	18%	19%	19%	18%	21%

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 nonoperating 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.

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[Alcoa Logo]

Reconciliation of Free Cash Flow

(in millions)	Quarter ended								
	March 31, 2011	June 30, 2011	September 30, 2011	December 31, 2011	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012	March 31, 2013
Cash from operations	$ (236)	$ 798	$ 489	$ 1,142	$ (236)	$ 537	$ 263	$ 933	$ (70)
Capital expenditures	(204)	(272)	(325)	(486)	(270)	(291)	(302)	(398)	(235)
Free cash flow	$ (440)	$ 526	$ 164	$ 656	$ (506)	$ 246	$ (39)	$ 535	$ (305)

Free Cash Flow is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures due to the fact that these expenditures are considered necessary to maintain and expand Alcoa's asset base and are expected to generate future cash flows from operations. It is important to note that Free Cash Flow does not represent the residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure.

[Alcoa Logo]

Reconciliation of Free Cash Flow, con't

(in millions)

	Quarter ended								
	December 31, 2008	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010
Cash from operations	$ 608	$ (271)	$ 328	$ 184	$ 1,124	$ 199	$ 300	$ 392	$ 1,370
Capital expenditures	(1,017)	(471)	(418)	(370)	(363)	(221)	(213)	(216)	(365)
Free cash flow	$ (409)	$ (742)	$ (90)	$ (186)	$ 761	$ (22)	$ 87	$ 176	$ 1,005

Free Cash Flow is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures due to the fact that these expenditures are considered necessary to maintain and expand Alcoa's asset base and are expected to generate future cash flows from operations. It is important to note that Free Cash Flow does not represent the residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure.

[Alcoa Logo]

Days Working Capital

($ in millions)

	Quarter ended				
	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012	March 31, 2013
Receivables from customers, less allowances	$ 1,526	$ 1,575	$ 1,619	$ 1,399	$ 1,680
Add: Deferred purchase price receivable*	254	141	81	18	14
Receivables from customers, less allowances, as adjusted	1,780	1,716	1,700	1,417	1,694
Add: Inventories	3,097	3,051	2,973	2,825	2,982
Less: Accounts payable, trade	2,734	2,633	2,590	2,702	2,860
Working Capital	$ 2,143	$ 2,134	$ 2,083	$ 1,540	$ 1,816
Sales	$ 6,006	$ 5,963	$ 5,833	$ 5,898	$ 5,833
Days Working Capital	32	33	33	24	28

Days Working Capital = Working Capital divided by (Sales/number of days in the quarter).

* The deferred purchase price receivable relates to an arrangement to sell certain customer receivables to a financial institution on a recurring basis. Alcoa is adding back this receivable for the purposes of the Days Working Capital calculation.

[Alcoa Logo]

Reconciliation of Net Debt

(in millions)	December 31, 2008	2009	2010	2011	2012	March 31, 2013
Short-term borrowings	$ 478	$ 176	$ 92	$ 62	$ 53	$ 51
Commercial paper	1,535	–	–	224	–	104
Long-term debt due within one year	56	669	231	445	465	1,025
Long-term debt, less amount due within one year	8,509	8,974	8,842	8,640	8,311	7,745
Total debt	10,578	9,819	9,165	9,371	8,829	8,925
Less: Cash and cash equivalents	762	1,481	1,543	1,939	1,861	1,555
Net debt	$ 9,816	$ 8,338	$ 7,622	$ 7,432	$ 6,968	$ 7,370

Net debt is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management assesses Alcoa's leverage position after factoring in available cash that could be used to repay outstanding debt.

[Alcoa Logo]

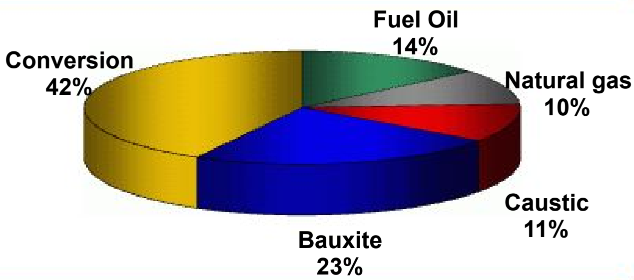
Reconciliation of Net Debt-to-Capital

($ in millions)	December 31, 2012			March 31, 2013		
	Debt-to-Capital	Cash and Cash Equivalents	Net Debt-to-Capital	Debt-to-Capital	Cash and Cash Equivalents	Net Debt-to-Capital
Total Debt						
Short-term borrowings	$ 53			$ 51		
Commercial paper	–			104		
Long-term debt due within one year	465			1,025		
Long-term debt, less amount due within one year	8,311			7,745		
Numerator	$ 8,829	$ 1,861	$ 6,968	$ 8,925	$ 1,555	$ 7,370
Total Capital						
Total debt	$ 8,829			$ 8,925		
Total equity	16,523			16,774		
Denominator	$ 25,352	$ 1,861	$ 23,491	$ 25,699	$ 1,555	$ 24,144
Ratio	34.8%		29.7%	34.7%		30.5%

Net debt-to-capital is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management assesses Alcoa's leverage position after factoring in available cash that could be used to repay outstanding debt.

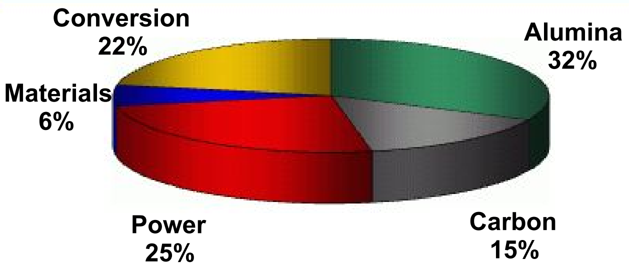
Composition of Upstream Production Costs

Refining Cost Structure



Input Cost	Inventory flow	Pricing convention	Annual ATOI Sensitivity
Fuel oil	1 – 2 months	Prior month	$4m per $1/bbl
Natural gas	N/A	Spot [1]	$16m per $1/GJ [1]
Caustic soda	3 - 6 months	Spot & semi-annual	$9m per $10/DMT

Smelting Cost Structure



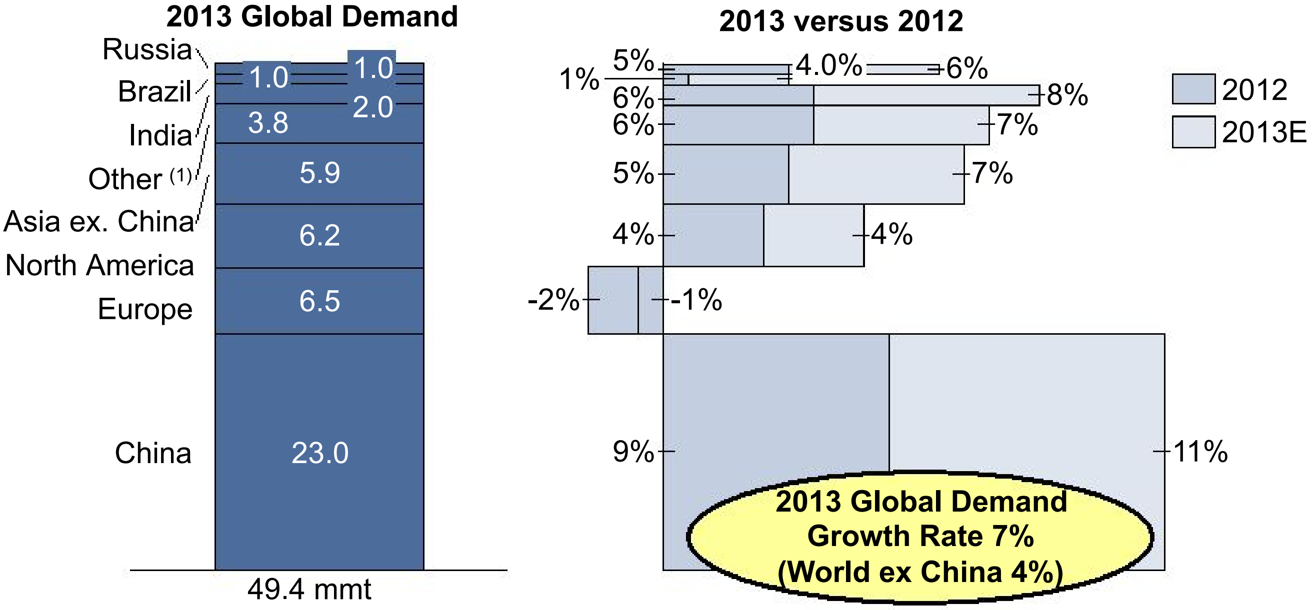
Input Cost	Inventory flow	Pricing convention	Annual ATOI Sensitivity
Coke	1 - 2 months	Spot, quarterly & semi-annual	$9m per $10/MT
Pitch	1 - 2 months	Spot, quarterly & semi-annual	$2.5m per $10/MT

[1] *Natural gas information corresponds to Point Comfort, as Australia is priced on a rolling 16 quarter average*

[Alcoa Logo]

Global Aluminum Demand Growth at 7%

2013 Primary Aluminum Consumption (mmt), Annualized Growth (%) and Change (% pts) by Region



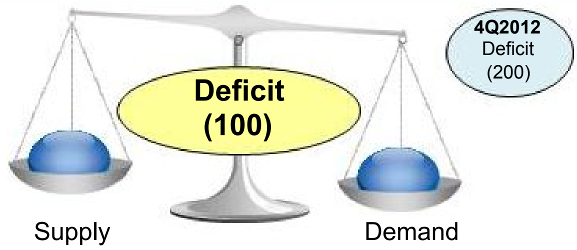
(1) Other includes Middle East, Latin America ex Brazil, Eastern Europe and Rest of World

Source: Alcoa analysis

[Alcoa Logo]

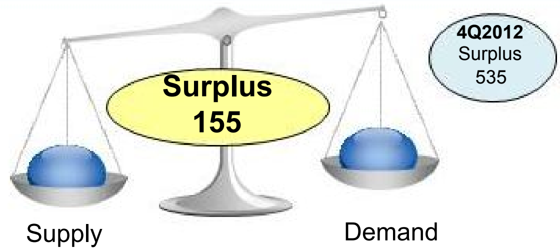
Market **Tightening** On Curtailments

2013E Alumina Supply/Demand Balance



'000 mt	China	Rest of World
2013 Production (Feb annualized)	41,600	53,700
2013 Production to be added	600	2,400
2013 Capacity to be curtailed	(1,000)	0
Imports/(exports)	3,900	(3,900)
Total supply	45,100	52,200
Demand	(45,100)	(52,300)
Net Balance	**0**	**(100)**

2013E Aluminum Supply/Demand Balance



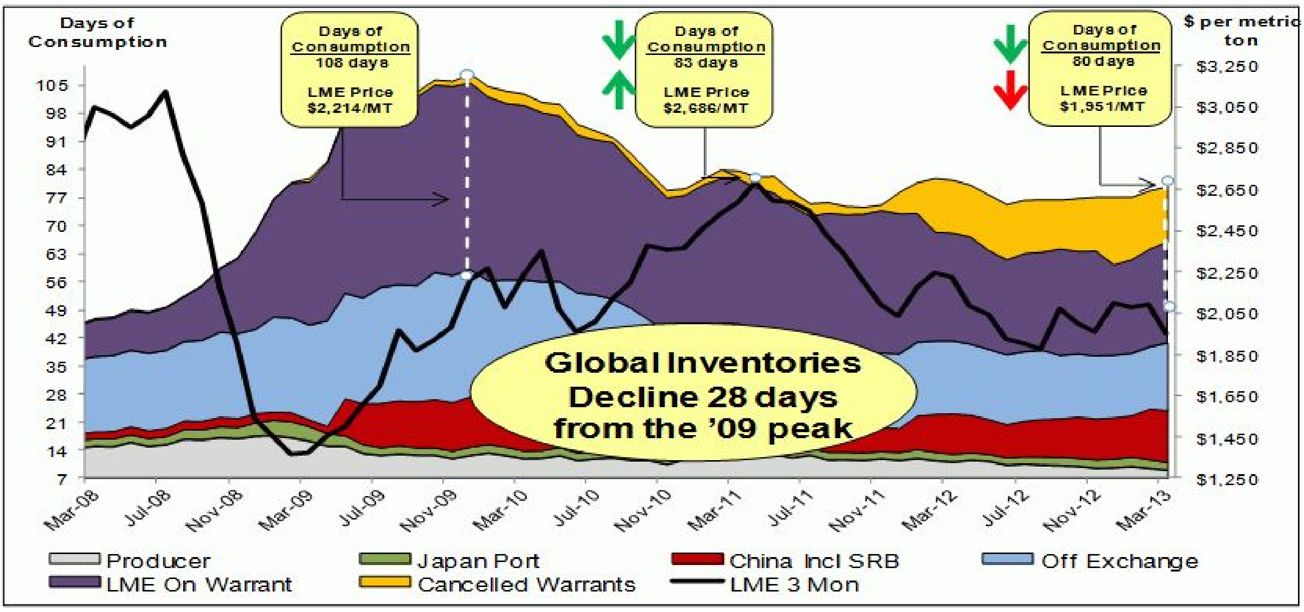
'000 mt	China	Rest of World
2013 Production (Feb annualized)	21,330	25,360
2013 Production to be added	2,270	1,190
2013 Capacity to be curtailed	(525)	(50)
Total supply	23,075	26,500
Demand	(23,000)	(26,420)
Net Balance	**75**	**80**

Source: Alcoa analysis, Brook Hunt, CRU, CNIA, NBS, Chinese Customs

[Alcoa Logo]

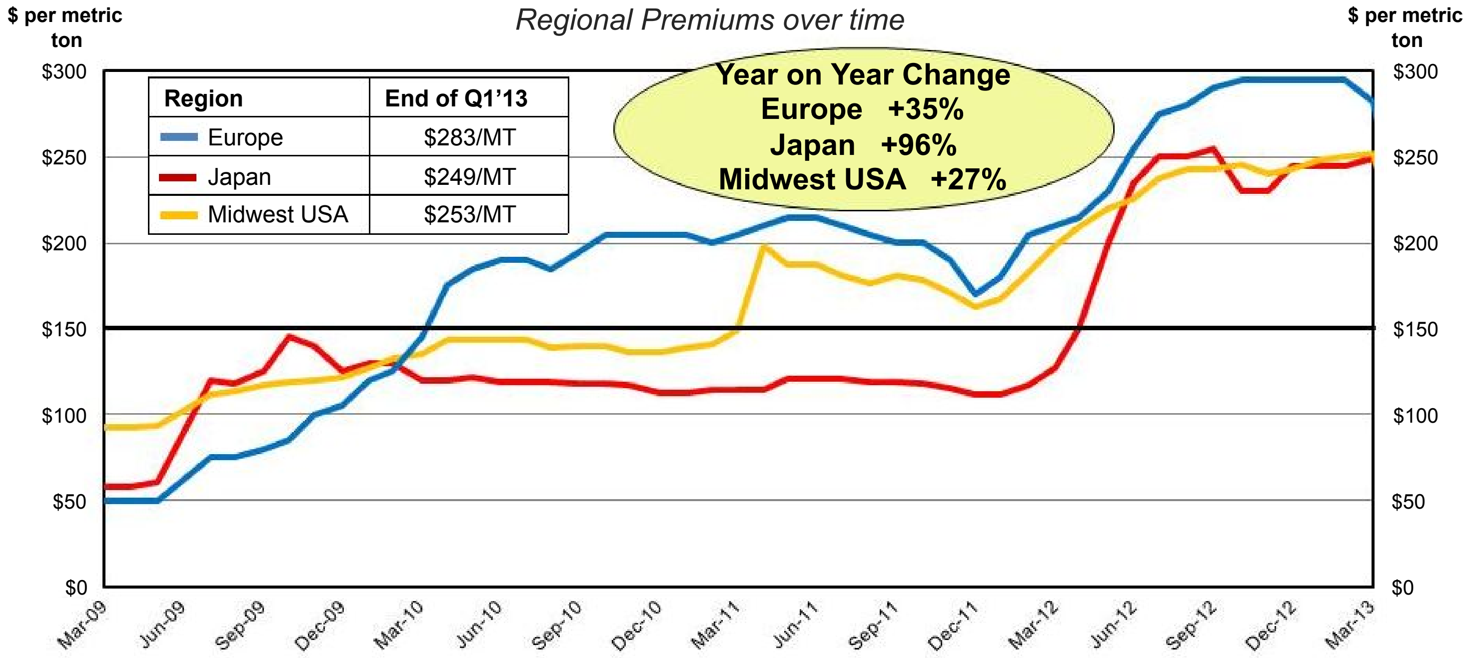
Inventory is Stable

Global Inventories vs. LME Price Over Time $



[Alcoa Logo]

Regional **Premiums** Remain **strong**



Source: Month end pricing - Platts Metals Week and Metal Bulletin