SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant / x /
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Check the appropriate box:
/ / Preliminary Proxy Statement
/ / Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e) (2))
/ x / Definitive Proxy Statement
/ / Definitive Additional Materials
/ / Soliciting Material Pursuant to 240.14a-11(c) or 240.14a-12

Alcoa Inc.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if other than Registrant)

Payment of Filing Fee (Check the appropriate box):
/ x / No fee required.
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1) Title of each class of securities to which transaction applies:

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2) Aggregate number of securities to which transaction applies:

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

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1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

ALCOA LOGO

2000
Notice of Annual Meeting and Proxy Statement

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ALCOA LOGO

TO ALCOA SHAREHOLDERS:

I cordially invite you to the 2000 annual meeting of Alcoa shareholders.

The meeting this year is on Friday, May 12, 2000 at 9:30 a.m. in the Allegheny Ballroom of the DoubleTree Hotel Pittsburgh in Pittsburgh, Pennsylvania. The location is accessible to disabled persons, and we will have headsets available for the hearing impaired.

I hope you will participate in this review of our company's business and operations. This proxy statement describes the items you will vote on at the meeting. In addition to voting, we will review the major developments of 1999 and answer your questions.

If you plan to attend, you will need an admission ticket. For registered holders, we have included an admission ticket with your proxy card. Other shareholders may obtain tickets by contacting the corporate secretary.

Whether or not you plan to attend the meeting, your vote is important. Please vote by returning your signed and dated proxy card in the postage-paid envelope or by using the on-line voting option.

I look forward to seeing you at the annual meeting.

Sincerely,

/s/Paul H. O'Neill
Paul H. O'Neill
Chairman of the Board

February 25, 2000

Alcoa
201 Isabella Street at 7th Street Bridge
Pittsburgh, Pennsylvania 15212-5858

ALCOA LOGO

NOTICE OF 2000 ANNUAL MEETING

February 25, 2000

Alcoa's annual meeting of shareholders will be on Friday, May 12, 2000 at 9:30 a.m. We will meet in the Allegheny Ballroom of the DoubleTree Hotel Pittsburgh, 1000 Penn Avenue, Pittsburgh, Pennsylvania. If you owned common stock at the close of business on February 14, 2000, you may vote at this meeting.

At the meeting, we plan to:

- - elect three directors to serve for new terms;

- - vote to approve an amendment to Alcoa's Articles of Incorporation increasing the number of authorized shares of common stock; and

- - attend to other business properly presented at the meeting.

The Board is not aware of any other proposals for the May 12, 2000 meeting. Should another arise, the proxy committee will vote your proxy according to its best judgment.

On behalf of Alcoa's Board of Directors,

/s/Denis A. Demblowski

Denis A. Demblowski
Secretary

THE ANNUAL MEETING AND VOTING - QUESTIONS AND ANSWERS

This booklet and proxy card contain information about the items you will vote on at the annual meeting.

Who is entitled to vote and how many votes do I have?
If you are a common stock holder of record at the close of business on February 14, 2000, you can vote. For each matter presented for vote, you have one vote for each share you own.

How do I vote?
You may vote in person by attending the meeting or by completing and returning a proxy by mail or electronically using the Internet. To vote your proxy by mail, mark your vote on the enclosed proxy card, then follow the directions on the card. To vote your proxy using the Internet, see the instructions on the proxy form, and have the proxy form available when you access the Internet Web site. The homepage will prompt you to enter your control number; then follow the instructions to record your vote. The proxy committee will vote your shares according to your directions. If you do not mark any selections, your shares will be voted as recommended by the Board of Directors. Whether you plan to attend the meeting or not, we encourage you to vote by proxy as soon as possible.

What does it mean if I receive more than one proxy card?
If you are a shareholder of record or participate in Alcoa's Dividend Reinvestment and Stock Purchase Plan or employee savings plans, you will receive one proxy card for all shares of common stock held in or credited to your accounts as of the record date, if the account registrations are the same. If your shares are registered differently and are in more than one account, you will receive more than one proxy card. We encourage you to have all accounts registered in the same name and address whenever possible. You can do this by contacting our transfer agent, First Chicago Trust Company of New York, at 1 800 317 4445 (in the U.S. and Canada) or 1 201 324 0313 (all other calls) or by e-mail at FCTC@delphi.com.

How do I vote if I participate in one of the employee savings plans?
The plans' independent trustee will vote your Alcoa employee savings plan shares according to your voting instructions or as recommended by the Board of Directors if you give no instructions on the proxy form. The trustee will vote plan shares not voted by proxy in proportion to the way the other plan participants voted their shares.

Can I change my vote?
You can revoke your proxy before the time of voting at the meeting in several ways:

- by mailing a revised proxy dated later than the prior proxy
- by voting again at the Internet Web site
- by voting in person at the meeting or
- by notifying Alcoa's corporate secretary in writing that you are revoking your proxy.

Is my vote confidential?
Yes. Proxy cards, ballots and voting tabulations that identify shareholders are kept confidential. There are exceptions for contested proxy solicitations or where necessary to meet legal requirements. Corporate Election Services, Inc., the independent proxy tabulator used by Alcoa, counts the votes and acts as the inspector of election for the meeting.

Who can attend the annual meeting, and how do I obtain an admission ticket?
You may attend the meeting if you were a shareholder on February 14, 2000. If you plan to attend the meeting, you will need an admission ticket, which is part of your proxy form. If a broker holds your shares and you would like to attend, please write to: Secretary, Alcoa, 201 Isabella Street, Pittsburgh, PA 15212-5858. Please include a copy of your brokerage account statement or an omnibus proxy (which you can get from your broker), and we will send you an admission ticket.

What constitutes a "quorum" for the meeting?

A majority of the outstanding shares, present or represented by proxy, constitutes a quorum. A quorum is necessary to conduct business at the annual meeting. You are part of the quorum if you have voted by proxy. Abstentions, broker non-votes and votes withheld from director nominees count as "shares present" at the meeting for purposes of determining a quorum. However, abstentions and broker non-votes do not count in the voting results. A broker non-vote occurs when a broker or other nominee who holds shares for another does not vote on a particular item because the nominee does not have discretionary voting authority for that item and has not received instructions from the owner of the shares.

Director candidates who receive the highest number of votes cast will be elected. Approval of each other item being considered requires a majority of the votes cast.

At the close of business on February 14, 2000, the record date for the meeting, Alcoa had outstanding 369,486,363 shares of common stock.

Who pays for the solicitation of proxies?
Alcoa pays the cost of soliciting proxies. We retain Morrow & Company, Inc. to assist with the solicitation for a fee of $13,000 plus reasonable out-of-pocket expenses. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses for sending proxy materials to shareholders and obtaining their votes.

How do I comment on company business?
There is space for your comments on the proxy card or you may send your comments to us in care of the corporate secretary. Although it is not possible to respond to each shareholder, your comments help us to understand your concerns and address your needs.

May I nominate someone to be a director of Alcoa?
If you are a shareholder entitled to vote at an annual meeting, you may nominate one or more persons for election as directors of Alcoa at that meeting. You may do this by sending a written notice to: Secretary, Alcoa, 201 Isabella Street, Pittsburgh, PA 15212-5858. The notice must include certain information about the persons you nominate, and we must receive it at least 90 days before the annual meeting date. For complete details, contact the corporate secretary.

When are the 2001 shareholder proposals due?
The next Alcoa annual meeting is on April 20, 2001. You must submit shareholder proposals in writing by November 1, 2000 for them to be considered for the 2001 proxy statement. No proposals received after January 19, 2001 may be raised at the annual meeting. Address all shareholder proposals to the corporate secretary of Alcoa at the above address.

BOARD OF DIRECTORS

COMMITTEES AND MEETINGS OF THE BOARD

The Board of Directors considers all major decisions of Alcoa. The Board met nine times in 1999. Attendance by directors at Board and committee meetings averaged over 90%. All directors attended at least 75% of the meetings. The Board has the following five standing committees:

The Audit Committee reviews Alcoa's auditing, financial reporting and internal control functions and recommends the firm that Alcoa should retain as its independent accountant. It also reviews the company's environmental, health and safety audits and monitors compliance with Alcoa business conduct policies. The independent accountants, the vice president-environment, health & safety, audit and compliance and the general counsel have access to the committee without management's presence. The committee met four times in 1999. In addition, the chairman of this committee met with management and the independent accountants prior to the announcement of quarterly earnings in April, July and October. The full committee reviewed quarterly and annual results in January.

The Compensation Committee determines cash compensation for Alcoa officers, approves posttermination contracts and performs other functions specified by the company's compensation plans. The committee also reviews the participation of officers in other benefit programs for salaried employees. A subcommittee of the Compensation Committee administers the company's stock incentive plan. In addition, this committee issues the Report of the Compensation Committee on executive compensation (see page 15 of this proxy statement). The committee met six times in 1999.

The Executive Committee has authority to act on behalf of the Board. It meets when specific action must be taken between Board meetings. This committee met once in 1999.

The Nominating Committee considers and recommends nominees for election as directors and reviews the performance of incumbent directors. The committee reviews the names and qualifications of nominees that shareholders submit in writing to the corporate secretary. This committee met once in 1999.

The Pension and Savings Plan Investment Committee reviews and approves the investment management of Alcoa's retirement plans and principal savings plans. This committee met twice in 1999.

DIRECTORS' COMPENSATION

Alcoa pays each director who is not an Alcoa employee an annual retainer fee of $100,000. Alcoa does not pay any additional fees, such as meeting or committee fees.

Directors may elect to defer some or all of their annual retainer under the company's deferred fee plan for nonemployee directors. Alcoa encourages directors to defer the maximum amount that their individual circumstances allow. The company credits all fee deferrals to an Alcoa stock investment account, except that directors may invest deferrals exceeding 50% of the annual retainer fee in other investment options under the plan. Alcoa credits deferred accounts as if invested in the investment options under Alcoa's principal savings plan for salaried employees. Directors may change among investment options once each month. Directors cannot, however, transfer from the Alcoa stock investment option. Alcoa does not fund directors' deferred accounts, but pays them out in cash from general funds of the company after Board service ends.

TRANSACTIONS WITH DIRECTORS' COMPANIES

In the course of ordinary business, Alcoa and its subsidiaries may have transactions with companies and organizations whose executive officers are also Alcoa directors. None of these transactions exceeded 5% of the gross revenues of either Alcoa or the other organization.

ITEM 1 - ELECTION OF DIRECTORS

Alcoa's Board of Directors has 11 members, who are divided into three classes. Directors are elected for three-year terms. The terms for members of each class end in successive years.

The Board of Directors has nominated the three members of the class of directors whose terms of office are expiring to serve for new terms. Paul H. O'Neill, Alcoa's chairman and one of the nominees, has indicated that he intends to retire as chairman and as a director on December 31, 2000 and, as a consequence, his new term as a director will expire at that time. The new terms of the other two director nominees will expire in 2003.

The proxy committee will vote your proxy for the election of these nominees unless you withhold authority to vote for any one or more of them. If any director is unable to stand for election, the Board may reduce its size or choose a substitute.

NOMINEES TO SERVE FOR A THREE-YEAR TERM EXPIRING IN 2003

Kenneth W. Dam

Age:	67
Director since:	1987
Alcoa Board Committees:	Audit Committee, Compensation Committee and Executive Committee.
Principal occupation:	Max Pam Professor of American and Foreign Law, University of Chicago Law School, since 1992.
Recent business experience:	Mr. Dam served as President and Chief Executive Officer for United Way of America in 1992, Vice President for Law and External Relations of IBM

Corporation from 1985 to 1992, Deputy Secretary of State from 1982 to 1985 and Provost of the University of Chicago from 1980 to 1982.

Other directorships: Council on Foreign Relations and the Brookings Institution.

NOMINEES TO SERVE FOR A THREE-YEAR TERM EXPIRING IN 2003 (continued)

Judith M. Gueron

Age: 58

Director since: 1988

Alcoa Board Committees: Audit Committee and Pension and Savings Plan Investment Committee.

Principal occupation: President, Manpower Demonstration Research Corporation (MDRC), a nonprofit research organization, since 1986.

Recent business experience: Dr. Gueron was MDRC's Executive Vice President for research and evaluation from 1978 to 1986. Before joining MDRC, she was director of special projects and studies and a consultant for the New York City Human Resources Administration.

NOMINEE TO SERVE FOR A TERM EXPIRING DECEMBER 31, 2000

Paul H. O'Neill

Age: 64

Director since: 1986

Alcoa Board Committee: Executive Committee (chair).

Principal occupation: Chairman of the Board of Alcoa.

Recent business experience: Mr. O'Neill has served as Alcoa's Chairman of the Board since 1987 and was Chief Executive Officer from 1987 to May 1999. From 1985 to 1987, he was President and a director of International Paper Company.

Other directorships: Eastman Kodak Company, Gerald R. Ford Foundation, Lucent Technologies Inc., Manpower Demonstration Research Corporation, National Association of Securities Dealers, Inc. and The RAND Corporation.

DIRECTORS WHOSE TERMS EXPIRE IN 2002

Joseph T. Gorman

Age: 62

Director since: 1991

Alcoa Board Committees: Compensation Committee, Nominating Committee and Pension and Savings Plan Investment Committee (chair).

Principal occupation: Chairman and Chief Executive Officer, TRW Inc., a global company serving the automotive, space and information systems markets.

Recent business experience: Mr. Gorman was TRW's President from 1985 to 1991 and Chief Operating Officer from 1985 to 1988. He has served as Chairman and Chief Executive Officer of TRW since 1988.

Other directorships: The Procter & Gamble Company and TRW.

Sir Ronald Hampel

Age: 67

Director since: 1995

Alcoa Board Committees: Nominating Committee and Pension and Savings Plan Investment Committee.

Principal occupation: Since April 1999, Chairman of United News & Media plc, a U.K.-based media company with interests in broadcasting, publishing and news dissemination services.

Recent business experience: Sir Ronald was Chairman, Imperial Chemical Industries PLC (ICI), a diversified chemicals manufacturer, from 1995 to 1999, Deputy Chairman and Chief Executive of ICI from 1993 to 1995 and Chief Operating Officer from 1991 to 1993. He was an ICI director from 1985 to 1999. Sir Ronald is Chairman of the UK Committee on Corporate Governance.

Other directorships: BAE Systems PLC and the All England Lawn Tennis Club (Wimbledon) Limited.

DIRECTORS WHOSE TERMS EXPIRE IN 2002 (continued)

John P. Mulroney

Age: 64

Director since: 1987

Alcoa Board Committees: Compensation Committee and Nominating Committee (chair).

Principal occupation: Former President and Chief Operating Officer, Rohm and Haas Company, a specialty chemicals manufacturer.

Recent business experience: Mr. Mulroney was President and Chief Operating Officer of Rohm and Haas Company from 1986 until his retirement in 1998. He served as a director of Rohm and Haas from 1982 to 1998.

Other directorships: Teradyne, Inc.

Marina v.N. Whitman

Age: 64

Director since: 1994

Alcoa Board Committee: Audit Committee and Pension and Savings Plan Investment Committee.

Principal occupation: Professor of Business Administration and Public Policy, School of Business Administration and the School of Public Policy at the University of Michigan, since 1992.

Recent business experience: Dr. Whitman was Vice President and Group Executive, Public Affairs and Marketing Staffs of General Motors Corporation, from 1985 to 1992 and Vice President and Chief Economist from 1979 to 1985. She was a member of the President's Council of Economic Advisers from 1972 to 1973.

Other directorships: The Chase Manhattan Corporation, The Procter & Gamble Company and Unocal Corporation.

DIRECTORS WHOSE TERMS EXPIRE IN 2001

Alain J. P. Belda

Age: 56

Director since: 1998

Principal occupation: President and Chief Executive Officer of Alcoa since May 1999.

Recent business experience: Mr. Belda was President and Chief Operating Officer of Alcoa from 1997 to May 1999. He served as Alcoa's Vice

	Chairman from 1995 to 1997 and Executive Vice President from 1994 to 1995. From 1979 to March 1994, he was President of Alcoa Aluminio S.A. in Brazil. In August 1991, he was named President-Latin America for the company after he had been given responsibility for all of Alcoa's interests in Latin America (other than Suriname) in 1989.
Other directorships:	Citigroup Inc., Cooper Industries, Inc., E. I. du Pont de Nemours and Company and The Ford Foundation.

Hugh M. Morgan

Age:	59
Director since:	1998
Alcoa Board Committee:	Compensation Committee and Pension and Savings Plan Investment Committee.
Principal occupation:	Managing Director and Chief Executive Officer, WMC Limited, an Australian mining and minerals processing company.
Recent business experience:	Mr. Morgan has been Managing Director of WMC since 1986 and its Chief Executive Officer since 1990. He was Executive Director of WMC from 1976 to 1986 and a director of Alcoa of Australia Limited from 1977 to 1998.
Other directorships:	Reserve Bank of Australia and a number of industry, business, trade and international associations and advisory groups.

DIRECTORS WHOSE TERMS EXPIRE IN 2001 (continued)

Henry B. Schacht

Age:	65
Director since:	1994
Alcoa Board Committee:	Audit Committee (chair).
Principal occupation:	Managing Director, E. M. Warburg, Pincus & Co., LLC, a financial services firm, since January 2000.
Recent business	Mr. Schacht became Senior Advisor to E. M. Warburg, Pincus in 1999. He was Senior Advisor to Lucent Technologies Inc. from February 1998 to February 1999. He served as Chairman of Lucent Technologies from 1996 to 1998 and was its Chief Executive Officer from February 1996 to October 1997. Mr. Schacht was Chairman of Cummins Engine Company, Inc. from 1977 to 1995 and its Chief Executive Officer from 1973 to 1994.
Other directorships:	Cummins Engine Company, Inc., The Chase Manhattan Bank, The Chase Manhattan Corporation, Johnson & Johnson, Knoll, Inc., Lucent Technologies Inc. and The New York Times Company.

Franklin A. Thomas

Age:	65
Director since:	1977
Alcoa Board Committees:	Audit Committee, Compensation Committee (chair), Executive Committee, Nominating Committee and Pension and Savings Plan Investment Committee.
Principal occupation:	Consultant, TFF Study Group, a nonprofit institution assisting development in South Africa, since 1996.
Recent business experience:	From 1979 until 1996, Mr. Thomas was President of the Ford Foundation. He was

President and Chief Executive Officer of Bedford Stuyvesant Restoration Corporation from its founding in 1967 until 1977.

Other directorships: Citigroup Inc., Conoco Inc., Cummins Engine Company, Inc., Lucent Technologies Inc. and PepsiCo, Inc.

ALCOA STOCK OWNERSHIP AND PERFORMANCE

The following shareholders reported to the Securities and Exchange Commission that they owned more than 5% of Alcoa common stock on December 31, 1999.

Name and address of beneficial owner	Number of shares owned	Percent of outstanding Alcoa common stock owned
Capital Research and Management Company (1) 333 South Hope Street Los Angeles, CA 90071	23,061,300	6.30%
Fidelity Management & Research Company, LLP (2) 82 Devonshire Street Boston, MA 02109	37,799,385	10.316%
Wellington Management Company, LLP (3) 75 State Street Boston, MA 02109	25,950,230	7.08%

(1) Capital Research and Management is a registered investment adviser that provides investment advisory services to various investment companies. Capital Research and Management reported that it has sole power to dispose of all of the shares shown, but no power to vote the shares. It disclaimed beneficial ownership of the reported shares.

(2) FMR is a parent holding company and its report also covered interests owned or controlled by its affiliates. FMR reported sole power to vote 2,460,417 shares and sole power to dispose of all shares shown. It did not share power to vote or dispose of any shares.

(3) Wellington reported these amounts as an investment adviser; the shares are owned by its clients. Wellington reported that it had shared power to dispose of 25,942,230 shares and shared voting power over 6,420,116 of the shares shown; it did not have sole power to vote or dispose of any shares.

Stock Ownership of Directors and Executive Officers:
The following table shows beneficial ownership of Alcoa common stock by directors, nominees for director and executive officers as of December 31, 1999. The named executive officers are Paul H. O'Neill, who served as chief executive officer until May 6, 1999, Alain J.P. Belda, who became the chief executive officer on May 6, and the four executive officers who were the highest paid in 1999.

No individual director, nominee or executive officer owned more than 1% of Alcoa's common stock. The total ownership shown for directors and executive officers as a group represents less than 2% of outstanding shares.

STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

Name	Exercisable stock options (1)	Number of shares owned (2)	Number of deferred share equivalent units (3)
Alain J. P. Belda	661,659	273,213	6,192
Kenneth W. Dam	0	6,400	5,573
Joseph T. Gorman	0	4,647	5,885
Judith M. Gueron	0	6,045	4,869
Sir Ronald Hampel	0	5,264	0
Hugh M. Morgan	0	200	3,207

John P. Mulroney	0	6,321	4,842
Paul H. O'Neill	2,298,609	800,360	1,088
Henry B. Schacht	0	5,081	4,842
Franklin A. Thomas	0	6,467	13,881
Marina v.N. Whitman	0	3,800	4,869
George E. Bergeron	419,369	147,024	3,641
Richard L. Fischer	607,612	126,723	1,004
L. Patrick Hassey	288,501	46,265	1,826
Richard B. Kelson	378,196	95,061	2,378
Directors and executive officers executive officers as a group (23 individuals)	5,822,254	2,082,360	74,581

(1) This column lists the number of shares of Alcoa common stock that the officers had a right to acquire within 60 days through exercise of employee stock options. Nonemployee directors are not eligible for stock option grants under any Alcoa plan.

(2) This column includes shares held of record and shares owned through a bank, broker or other nominee. It also includes, for executive officers, shares owned through the Alcoa Savings Plan for Salaried Employees.

(3) Reported in this column are share equivalent units credited to an individual's account under deferred fee or deferred compensation plans.

Compliance With Section 16(a) Reporting: The rules of the Securities and Exchange Commission require that we disclose late filings of reports of stock ownership by Alcoa directors and executive officers. Due to the complexity of the reporting rules, the company has assumed certain responsibilities for filing compliance and has instituted procedures to assist officers and directors with these obligations. Based on a review of the filings made for the year, we believe that all required reports were filed on a timely basis in 1999.

STOCK PERFORMANCE GRAPH

This graph compares the most recent five-year performance of Alcoa common stock with the S&P 500 Index and a peer group index. It shows an investment of $100 on December 31, 1994 and the reinvestment of all dividends. Over the five-year period, your $100 investment in Alcoa stock would have grown to $419.77 by the end of 1999. This compares with $351.12 for the S&P 500 Index and $179.00 for the peer group index. The peer group index, which is weighted for market capitalization, includes Alcan Aluminium Limited and Reynolds Metals Company. Alcoa uses the peer group index instead of the S&P Aluminum Industry Index, which includes Alcoa as well as Alcan and Reynolds, because Alcoa's heavy market capitalization weighting would distort a comparison with the full index.

	1994	1995	1996	1997	1998	1999
Alcoa	$100.00	124.33	153.33	171.57	185.78	419.77
S&P 500	$100.00	137.58	169.17	225.60	290.08	351.12
Peer Group	$100.00	122.46	131.29	121.37	116.58	179.00

EXECUTIVE COMPENSATION

REPORT OF THE COMPENSATION COMMITTEE

Our committee, the Compensation Committee, is responsible for determining compensation for Alcoa corporate officers and executive officers. All committee members are independent directors who have never been Alcoa employees.

We base our decisions on our understanding of Alcoa's businesses and long-term strategy and our knowledge of the capabilities and performance of the company and its executives.

Compensation Philosophy - We believe that managing the company with a long-term perspective, while striving to deliver consistently good annual results, will best serve Alcoa shareholders. The company, therefore, designs its executive compensation program to hire, reward, motivate and retain high-performing employees worldwide.

Alcoa's total compensation program includes:

- annual salary
- annual cash incentives
- long-term, stock-based incentives and
- employee benefits.

We determine compensation based on certain principles:

- pay for performance - both individual and team performance
- competitive total compensation compared with leading industrial companies and
- total compensation that is highly leveraged to financial and nonfinancial business performance.

Our committee places less emphasis on high base salaries in favor of at-risk, short-term and long-term incentives based on performance. We believe that the company's executives will more effectively represent Alcoa shareholders if they are shareholders themselves and have a meaningful portion of their personal assets invested in Alcoa stock.

Annual Cash Compensation - Each year we review comparative market compensation information prepared by internal and outside consultants. The outside consultants survey leading manufacturing companies for both total cash compensation and long-term incentive information. These companies are among the largest and best performing in a broad range of industries and serve as a sample of the larger market. We also compare the level of responsibility for executive positions surveyed within these companies.

Total annual cash compensation for Alcoa senior managers includes base salary and cash incentive awards. We set the annual cash compensation levels above the median of high-performing industrial companies. In order to tie annual cash compensation more closely to performance, we set base salaries at or slightly below the median and annual cash incentive levels above it.

Annual Cash Incentives - Alcoa establishes targets for cash incentive awards, which vary by position as a percentage of base salary. Our committee may make adjustments in payout, however, to recognize and reward individual performance. The maximum payout, before any adjustment for individual performance, is 200% of the target.

Alcoa revised its cash incentive programs in 1992 to provide more consistent performance measures for both executives and, under a performance-based pay plan, most U.S. employees.

Alcoa measures its business unit employees according to the goals of their individual units. The company bases annual cash incentive payouts for most executive officers on the achievement of business plan goals by all of the company's business units. Key financial measures for the business units and the corporation include cost of goods sold (as a per-

centage of sales), administrative and sales expenses, cash from operations, after-tax operating income, net funds flow and return on capital. About 40% of the business unit goals are nonfinancial. They may include measurements for environmental, health and safety performance, customer satisfaction, employee development and succession planning, product innovation, on-time delivery, manufacturing excellence, reduced cycle time, inventory reduction and product quality improvements. The company believes that if managers focus on the achievement of excellence in those areas within their control, there will be long-term growth in shareholder value.

Special Performance Enhancement Program - We have approved a performance enhancement reward program, which is an integral part of the company's $1.1 billion cost-reduction initiative. Under the program, special cash incentives, in addition to normal variable compensation, will be paid to eligible participants if the company meets certain aggressive financial goals for the year 2000. The goals relate to a target return on capital and reductions in cost of goods sold as a percentage of sales, capital as a percentage of sales and overhead expenses. If these goals are met, a one-time payment will be made in 2001 to eligible participants, including executive officers. Individual award payments could range from 120% to 240% of target annual cash bonus award levels.

Long-Term Incentives - A goal of our committee is to closely align management's interests with those of shareholders. The company's long-term incentives are, therefore, principally stock-based. We believe this encourages stock ownership among Alcoa executives.

In 1999, the Alcoa Board adopted and shareholders approved a new stock incentive plan under which long-term incentives are awarded to employees. The new plan is called the Alcoa Stock Incentive Plan. It became effective on June 1, 1999 and replaced a prior plan. The new plan provides for a variety of stock-based incentive award types, including stock options, stock appreciation rights, contingent stock (forfeitable, restricted stock) awards and performance awards. From June through December 1999, we awarded only stock options (principally reload options granted in connection with the exercise of previously granted options) and a small number of contingent stock awards under this plan.

Alcoa encourages all of its employees and directors to own an increasing equity interest in the company. In January 1999 we approved new stock ownership guidelines for Alcoa senior executives. The guidelines became effective on January 1, 2000, and individuals have five years to reach the minimum ownership requirement for their positions. The guidelines range from 10,000 shares for most business unit presidents, to 20,000 or 40,000 shares for most executive officers. The ownership target for the chief executive officer is 140,000 shares. Amounts invested in the Alcoa stock fund of the Alcoa savings plan (401(k) plan) as well as share equivalent units in the company's deferred compensation plan are counted as ownership for purposes of the guidelines since they represent an equity investment position for the executive. Most executives, including all of the named executive officers, currently own more than the guideline number of shares for their positions.

To assist executives who are of relatively short tenure with the company to achieve the guideline ownership requirement, we approved a program that provides an incentive for those eligible to invest all or a portion of their annual cash bonus in Alcoa stock. Under the program, Alcoa matches 25% of the portion of the participant's annual cash bonus that is used to purchase Alcoa stock or that is deferred into the notional Alcoa stock investment fund in the deferred compensation plan. The match is in Alcoa shares or share credits that vest in three years. If the executive voluntarily leaves the company prior to the vesting date, other than due to

retirement, the company matching contribution is forfeited. None of the named executive officers are eligible to participate in this program.

0Annual Awards of Stock Options - A subcommittee of our committee administers the Alcoa Stock Incentive Plan. In January of each year we make new awards of long-term incentives in the form of stock options to eligible key employees. The stock option program allows us to provide awards that are competitive with the sample of leading industrial companies. The performance of Alcoa stock determines the actual amount earned. The guidelines used to establish the size of a stock option award include an executive's level of responsibility, the size of prior grants and comparative award information. Individual grants typically follow the guideline amounts.

Stock Option Reload Feature - Alcoa added a reload feature to its stock option program in 1989. This feature encourages increased stock ownership and is available to all participants who are active employees and whose awards were granted under the current or predecessor plan (about 1,200 individuals). The reload feature promotes the early exercise of options and the retention of Alcoa shares.

Share ownership by executive officers and other stock option program participants has increased significantly in the last several years due to the reload feature.

In 1997, we approved a dividend equivalent compensation plan. Under this plan, Alcoa pays cash dividend equivalents, when approved by the Board, on a portion of the exercisable options held by active and retired participants.

For U.S. federal income tax purposes, Alcoa may deduct compensation paid as the result of option exercises under the shareholder-approved Alcoa Stock Incentive Plan. The company may not, however, deduct portions of salary, bonus and other cash and noncash compensation in excess of $1 million paid to a named executive officer.

Compensation of Executive Officers in 1999 - Our committee increased salary and annual cash incentive targets for executive officers this year, reflecting similar increases in the comparison group. Annual incentive payouts to executive officers for 1999 averaged about 155% of target based on attainment of business unit financial and nonfinancial goals.

In January 1999, Alcoa granted stock options to executive officers at or above the target levels for their positions. Above-target grants reflected our judgment of the significant contributions made by these individuals to the overall growth and profitability of the company. The majority of stock option exercises in 1999 by executive officers also included the grant of reload options.

Compensation of the Chief Executive Officer - Alcoa bases the chief executive officer's compensation on the same philosophy and policies as for all executive officers. This compensation includes base salary, annual cash incentives and stock option awards.

Our committee meets annually without the chief executive officer and evaluates his performance compared with previously established financial and nonfinancial goals. We reach a consensus as a committee and make the appropriate compensation adjustments. Finally, we report in full to the other members of the Board for their consideration and agreement. This meeting is an executive session of nonemployee directors only.

Paul H. O'Neill served as Alcoa chief executive officer until May 6, 1999. In January 1999, we increased Mr. O'Neill's base annual salary from $850,020 to $950,400. We also awarded him a stock option covering 700,000 shares, which

was twice the guideline number of shares for his position. This was Mr. O'Neill's final annual stock option award as an Alcoa officer, even though he will remain an Alcoa employee through December 31, 2000. Mr. O'Neill was not granted a new annual stock option award in January 2000. In January 2000, we awarded him a bonus of $2 million, which was 175% of his target incentive award for 1999. We based this amount on the superior performance of the company, as reflected in total business unit results compared with plan goals. The award also recognized Mr. O'Neill's leadership role in the transition of the chief executive officer position during 1999.

Alain J. P. Belda was elected Alcoa's chief executive officer on May 6, 1999. During the year, we increased his annual salary from $650,000 to $900,000. Mr.Belda received a new annual stock option award in January 1999 covering 210,000 shares, which was the guideline amount for his then-current position as the company's chief operating officer. We also awarded a special stock option grant covering 350,000 shares in May 1999 at the time of his election as chief executive officer. This award vests (and becomes exercisable) in three installments: the option as to 100,000 shares vests on May 6, 2000, as to another 100,000 shares on May 6, 2001 and as to the final 150,000 shares on May 6, 2002. If Mr. Belda leaves the active employment of Alcoa prior to an option installment vesting date, he forfeits rights to exercise that portion of the option. This special option award is intended as an additional incentive for Mr. Belda to remain in the employ of the company and to increase overall shareholder value during his tenure as chief executive officer. All options granted have reload rights.

In January 2000, we awarded Mr. Belda a bonus of $1.5 million, which was 170% of his target incentive award for 1999. We based this amount on total business unit results compared with plan goals and in recognition, by our committee and all other nonemployee directors, of Mr. Belda's leadership of Alcoa during 1999.

We, as a committee, believe that Alcoa's compensation programs help to maintain Alcoa's leadership position among global industrial companies.

The Compensation Committee

Franklin A. Thomas, Chairman
Kenneth W. Dam
Joseph T. Gorman
Hugh M. Morgan
John P. Mulroney

SUMMARY COMPENSATION TABLE

This table summarizes the compensation for the CEOs and the four highest paid executive officers in 1999.

Name and Principal Position	Year	Annual Compensation Salary(1)	Annual Compensation Bonus	Other Annual Compensation	Long-term Compensation Number of Securities Underlying Option Grants(3)	All Other Compensation(4)
Paul H. O'Neill	1999	$950,400	$2,000,000	$7,822	1,928,626	$150,114
Chairman of the Board; Chief	1998	850,020	1,600,000	12,612	816,220	153,236
Executive Officer through May 6	1997	850,020	1,250,000	10,411	649,168	171,206
Alain J. P. Belda	1999	770,837	1,500,000	105,771	1,310,820	290,311
President; Chief Executive	1998	640,707	1,100,000	16,020	523,518	185,211
Officer beginning May 6	1997	610,200	850,000	9,729	608,708	195,781
George E. Bergeron	1999	425,475	556,420	1,280	563,966	72,422
Executive Vice President	1998	397,038	700,000	2,487	180,448	73,358
Allied Products (5)	1997	368,577	381,300	3,362	288,628	77,754
Richard L. Fischer	1999	404,350	532,400	4,886	609,459	58,740
Executive Vice President-	1998	400,200	500,000	1,176	234,746	61,858
Chairman's Counsel (5)	1997	395,200	500,000	2,029	358,398	68,186
L. Patrick Hassey	1999	373,192	599,700	1,770	304,117	188,717
Vice President and President	1998	354,231	584,700	147	83,600	175,433
Alcoa Europe	1997	316,000	329,800	3,255	134,306	64,824
Richard B. Kelson	1999	452,396	620,000	2,514	444,668	130,613
Executive Vice President	1998	400,200	500,000	4,657	251,324	91,677
and Chief Financial Officer	1997	318,000	308,700	2,058	150,018	59,829

(1) The most highly compensated executive officers are those with the highest annual salary and bonus for 1999. In addition to base salary, the salary column includes, when chosen by the employee, an extra week's pay instead of vacation for employees with 25 or more years of service.

(2) Amounts represent the reimbursement of taxes on certain personal benefits, the value of which benefits is less than the reporting threshold. For Mr. Belda, in 1999, this includes taxes on the additional term insurance referred to in note 4 below.

(3) New option grants made in 1999 totaled 700,000 for Mr. O'Neill; 560,000 for Mr. Belda (including the special option award described in note 1 to the Options Grant in 1999 table on page 21); 125,600 for Mr. Bergeron; 83,600 for Mr. Hassey; and 150,000 each for Messrs. Fischer and Kelson. The company granted all of these options at 100% of the fair market value of Alcoa common stock on the grant date. The other option awards relate to previous years' option grants and the use of the reload feature described earlier in the Report of the Compensation Committee. See also the table, Option Grants in 1999.

(4) Company matching contributions to 401(k) and excess savings plans for 1999 were: Mr. O'Neill, $57,024; Mr. Belda, $45,500; Mr. Bergeron, $24,653; Mr. Fischer, $24,261; Mr. Hassey, $21,990; and Mr. Kelson, $26,682. The present value costs of the company's portion of 1999 premiums for split-dollar life insurance, above the term coverage level provided generally to salaried employees, were: Mr.O'Neill, $93,090; Mr. Belda, $142,386; Mr. Bergeron, $47,769; Mr. Fischer, $34,479; Mr. Hassey, $48,707; and Mr. Kelson, $66,431.

The 1999 amount for Mr. Belda also includes $900 of unused health care credits received as cash and $101,525, which is the annual premium cost of additional term life insurance acquired for Mr. Belda in 1999. This insurance is designed to address certain estate planning complications related to Mr. Belda's status as a non-U.S. citizen residing in the U.S.

The 1999 amount for Mr. Hassey includes $118,020 in additional compensation relating to his assignment in Europe. This amount is paid under standard company programs for U.S. employees on international assignments.

Also included for Mr. Kelson is an additional one month's salary paid to employees in the year they attain 25 years of service with the company.

(5) Mr. Bergeron assumed the title of President - Reynolds Integration, and Mr. Fischer was named Special Counsel to the CEO, in January 2000. Both individuals have indicated an intent to retire in the near future, once they have completed a number of important ongoing assignments. Although they remain senior executives of the company, neither continues to be an executive officer for ongoing reporting purposes.

OPTION GRANTS IN 1999

INDIVIDUAL GRANTS

Name	Number of Securities Underlying Options Granted (1) (2) (3)	% of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price ($/Sh) (4)	Expiration Date (5)	Grant Date Present Value (6)
Paul H. O'Neill	700,000	3.21	$42.0937	2009/01/13	$7,455,000
	299,544	1.37	44.5937	2008/01/13	2,983,458
	309,663	1.42	44.5937	2007/01/13	3,084,243
	28,927	0.13	64.125	2006/01/11	373,158
	190,833	0.88	64.125	2005/01/13	2,461,746
	135,464	0.62	64.125	2004/01/14	1,747,486
	129,501	0.59	64.125	2003/01/15	1,670,563
	64,267	0.29	64.125	2002/01/20	829,044
	34,319	0.16	64.125	2001/01/23	442,715
	36,108	0.17	64.125	2000/01/22	465,793
Alain J. P. Belda	210,000	0.96	42.0937	2009/01/13	2,236,500
	350,000	1.61	61.50	2009/05/06	4,319,000
	184,990	0.85	42.0937	2008/01/13	1,535,417
	81,177	0.37	61.4377	2008/01/13*	1,025,266
	7,007	0.03	55.0625	2007/01/13	69,790
	181,398	0.83	61.5874	2007/01/13	2,247,521
	128,041	0.59	61.4916	2006/01/11*	1,615,658
	79,337	0.36	54.625	2005/01/13	790,197
	32,798	0.15	54.625	2004/01/14	326,668
	23,227	0.10	54.6515	2003/01/15*	231,341
	4,005	0.02	61.9375	2003/01/15	49,622
	15,477	0.07	54.625	2002/01/20	154,151
	4,853	0.02	54.625	2001/01/23	48,336
	8,510	0.04	61.6963	2001/01/23*	106,532
George E. Bergeron	125,600	0.58	42.0937	2009/01/13	1,337,640
	75,385	0.35	61.3208	2008/01/13	934,020
	92,336	0.42	42.0937	2008/01/13	766,389
	81,918	0.38	43.625	2007/01/13	679,919
	61,155	0.28	43.1875	2006/01/11	609,104
	13,438	0.06	55.0625	2006/01/11	133,842
	47,768	0.22	62.2187	2005/01/13	603,310
	5,868	0.03	43.0312	2004/01/14	48,704
	20,173	0.09	62.2187	2004/01/14	254,785
	954	0.00	43.0312	2003/01/15	7,918
	22,043	0.09	62.0659	2003/01/15*	273,853
	11,231	0.05	62.3125	2002/01/20	139,152

George E. Bergeron (Continued)	3,400	0.02	64.6562	2001/01/23	43,860
	1,965	0.01	62.3125	2001/01/23	24,346
	732	0.00	43.0312	2000/01/22	6,076
Richard L. Fischer	150,000	0.69	42.0937	2009/01/13	1,597,500
	92,970	0.43	42.0937	2008/01/13	771,651
	76,276	0.35	43.625	2007/01/13	633,091
	7,928	0.04	55.0625	2007/01/13	78,963
	89,626	0.41	61.875	2007/01/13	1,110,466
	76,724	0.35	42.3125	2006/01/11	636,809
	1,650	0.01	60.2187	2006/01/11	20,444
	3,517	0.02	63.0312	2005/01/13	44,420
	29,888	0.14	60.2187	2004/01/14	370,312
	5,633	0.03	63.0312	2004/01/14	71,145
	37,639	0.17	60.2187	2003/01/15	466,347
	25,233	0.12	60.2187	2002/01/20	312,637
	12,375	0.06	60.2187	2001/01/23	153,326
L. Patrick Hassey	83,600	0.38	42.0937	2009/01/13	890,340
	73,100	0.34	42.0937	2008/01/13	606,730
	70,076	0.32	43.625	2007/01/13	581,631
	42,063	0.19	61.75	2006/01/11	521,161
	15,616	0.07	42.0156	2004/01/14	129,613
	19,662	0.09	60.8125	2004/01/14	243,612
Richard B. Kelson	150,000	0.69	42.0937	2009/01/13	1,597,500
	93,076	0.43	42.0937	2008/01/13	772,531
	77,141	0.35	60.75	2008/01/13	955,777
	27,347	0.13	43.1875	2006/01/11	272,376
	1,702	0.01	55.0625	2006/01/11	16,952

2,513	0.01	53.125	2006/01/11	25,029
35,980	0.17	62.2187	2005/01/13	454,427
5,000	0.02	43.1875	2004/01/14	49,800
11,439	0.05	62.2187	2004/01/14	144,475
1,339	0.01	43.1875	2003/01/15	13,336
13,938	0.06	62.1348	2003/01/15*	175,039
10,956	0.05	43.1875	2002/01/20	109,122
6,004	0.03	61.9375	2002/01/20	74,390
1,812	0.01	43.1875	2001/01/23	18,048
3,427	0.02	61.9375	2001/01/23	42,461
2,994	0.01	43.1875	2000/01/22	29,820

(1) Alcoa grants annual options (the first grant listed for each officer) in January. These options become exercisable one year after the grant date and have a term of ten years.

In addition to the January annual grant, Mr.Belda received a special option grant covering 350,000 shares on May 6, 1999 in connection with his election as chief executive officer. This option becomes exercisable as to 100,000 shares on the first anniversary of the grant date, as to another 100,000 shares on the second anniversary of the grant date and as to the final 150,000 shares on the third anniversary of the grant date, provided that Mr. Belda is an active employee of Alcoa on the related anniversary date of grant (this condition is waived in the event of Mr. Belda's death while an active Alcoa employee). The option has a term of 10 years from date of grant.

(2) All other option grants are reload option grants, which become exercisable after six months. A reload option is available to active employees upon exercise of an outstanding option (annual or reload) under the current or prior Alcoa option plan. The reload feature promotes the early exercise of options and the retention of Alcoa shares, while continuing the opportunity to gain from future appreciation on the stock. By exercising an outstanding option, the participant realizes, in shares, the net profit or growth in value of that option (the excess of the current fair market value over the option grant price), less applicable withholding for taxes. Certain conditions apply: (i) the market value of Alcoa stock on the exercise date of the underlying option must be at least $2.50 more than the grant price of that option; and (ii) the participant must agree that one-half of the net profit shares received on exercise of the underlying option will be held by the participant (directly or in trust) for five years or until the participant's employment with Alcoa terminates, whichever is earlier. A reload option has the same expiration date as the underlying option and is granted at 100% of the market value of Alcoa stock on the grant date. The reload option covers the number of shares exercised in the underlying option less the number of profit shares delivered to the participant after withholding for taxes. Reload options may be granted where the exercise price of the underlying option is paid using previously owned shares or, subject to certain limitations, using cash.

(3) Options granted on or after June 1, 1999 provide for acceleration of vesting and become immediately exercisable upon certain events constituting a change in control of Alcoa.

(4) The exercise price of all options is 100% of the fair market value of Alcoa stock on the grant date. Option award participants may use shares they own for a minimum period to pay the exercise price and may have shares withheld for payment of required withholding taxes. Participants may transfer stock option awards to immediate family members or family trusts, provided the transfer is made as a gift, for no consideration. The participant remains responsible for payment of withholding taxes when the option is exercised by the family member or trust. Otherwise, stock option awards are not transferable during the participant's lifetime.

(5) We grouped together certain reload option grants for Messrs. Belda, Bergeron and Kelson (the groupings are marked by an asterisk in the table). Each grouping reflects a consolidation of two individual option grants (three grants for Mr. Bergeron) having the same expiration date and a spread of grant prices not exceeding 3% of the lowest price in the grouping.

(6) The company uses the Black-Scholes option pricing model to estimate Grant Date Present Value in this table. Our use of this model is not an endorsement of the model's accuracy in valuing options. All stock option models require a prediction about future stock prices. We used the following assumptions in calculating Grant Date Present Value: expected volatility - 37%; average risk-free rate of return - 5%; dividend yield - 1.4%; expected life, special option award for Mr. Belda - 3.5 years; expected life, annual grants - 2.5 years; expected life, reload grants - 1.5 years. The real value of the options in this table depends on the actual performance of Alcoa stock and the timing of exercises.

1999 AGGREGATE OPTION EXERCISES AND YEAR-END OPTION VALUES

This chart shows the number and value of stock options, both exercised and unexercised, for the named executive officers during 1999.

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options at Fiscal Year-End		Value of Unexercised In-the-Money Options at Fiscal Year-End (1)	
			Exercisable (2)	Unexercisable	Exercisable	Unexercisable

- --

Paul H. O'Neill	1,587,205	$33,121,788	1,598,609	700,000	$57,671,146	$28,634,410
Alain J. P. Belda	829,516	15,914,127	256,049	963,131	8,980,727	24,769,583
George E. Bergeron	433,537	8,248,454	186,229	304,165	7,775,877	8,918,463
Richard L. Fischer	434,141	8,898,805	261,201	355,561	11,149,038	10,644,710
L. Patrick Hassey	170,595	3,540,006	143,176	145,325	5,749,493	4,749,856
Richard B. Kelson	312,672	5,844,732	137,465	297,929	5,861,093	9,327,220

(1) We calculated the value of unexercised options using the difference between the option exercise price and the year-end stock price of $83.00 per share, multiplied by the number of shares underlying the option.

(2) Alcoa paid cash dividend equivalents in 1999 on a portion of the exercisable options held by plan participants. Dividend equivalents are equal in amount to the company's common stock dividend. The total amount of dividend equivalents paid in 1999 to all plan participants was slightly less than $2 million.

PENSION PLANS

Alcoa's pension plans cover a majority of salaried employees. Alcoa pays the full cost of these plans, which include both tax-qualified and non tax-qualified excess plans. This table shows the annual benefits payable at executive compensation levels.

PENSION PLAN TABLE

Average Annual Compensation	Annual Benefits for Years of Service Indicated					
	15	20	25	30	35	40
$ 100,000	$ 20,590	$ 27,450	$ 34,320	$ 41,180	$ 48,470	$ 56,620
250,000	53,340	71,120	88,900	106,680	124,460	142,240
500,000	108,650	144,870	181,080	217,300	253,520	289,740
750,000	163,960	218,620	273,270	327,930	382,580	437,240
1,000,000	219,280	292,370	365,460	438,550	511,640	584,740
1,250,000	274,590	366,120	457,650	549,180	640,710	732,240
1,500,000	329,900	439,870	549,830	659,800	769,770	879,740
2,000,000	440,530	587,370	734,210	881,050	1,027,890	1,174,740
2,500,000	551,150	734,870	918,580	1,102,300	1,286,020	1,469,740
3,000,000	661,780	882,370	1,102,960	1,323,550	1,544,120	1,764,740

The company bases the employee's amount of pension upon the average compensation for the highest five years in the last ten years of service. For the executive level, covered compensation includes base salary and annual cash bonus. We calculate the amounts in the table using salary at target and bonus at target. We also make payments as a straight life annuity, reduced by 5% when an employee elects the surviving spouse feature. The table shows benefits at age 65, before any reduction for surviving spouse coverage.

At March 1, 2000, pension service for the named officers was: Mr. Belda, 31 years; Mr. Bergeron, 31 years; Mr. Fischer, 34 years; Mr. Hassey, 32 years; Mr. Kelson, 25 years; and Mr. O'Neill, 28 years, reflecting an employment contract that provides somewhat more than double credit for his years with the company. The resulting pension for Mr. O'Neill will be offset by pension payments from his previous employer.

ITEM 2 - APPROVE AN AMENDMENT TO ALCOA'S ARTICLES OF INCORPORATION TO INCREASE COMMON STOCK

Alcoa's Board of Directors has approved an amendment to Article FIFTH of Alcoa's Articles of Incorporation to increase the number of shares of authorized common stock from 600 million shares to 1.8 billion shares. The amendment is subject to approval by the shareholders, and the Board recommends that shareholders vote to approve this amendment.

Approval of the amendment by shareholders is required to permit a Board-approved two-for-one split of the common stock. The Board of Directors, on January 10, 2000, authorized and declared, subject to shareholder approval of the foregoing amendment to Alcoa's Articles of Incorporation, a two-for-one split of the common stock. The split will provide one share of common stock for each authorized share of common stock issued (including shares held in treasury) or reserved for issuance at the close of business on May 26, 2000. The shares will be distributed on or about June 9, 2000. The Board believes that the stock split will broaden the potential market for Alcoa common stock and result in a wider distribution of shares, which the Board believes to be in the best interests of Alcoa and its shareholders.

The proposed amendment to Article FIFTH consists of revising the first paragraph of that Article to read as follows:

"FIFTH. The authorized capital stock of the corporation shall be 660,000 shares of Serial Preferred Stock of the par value of $100 per share, 10,000,000 shares of Class B Serial Preferred Stock of the par value of $1.00 per share and 1,800,000,000 shares of Common Stock of the par value of $1.00 per share."

The proposed amendment would increase the number of shares of common stock, $1.00 par value, that Alcoa is authorized to issue from 600 million to 1.8 billion. The additional 1.2 billion shares would be part of the existing class of common stock and, if and when issued, would have the same rights and privileges as the shares of Alcoa common stock presently issued and outstanding. No holder of common stock has any preemptive rights to acquire additional shares of common stock. No change in the $1.00 par value of the common stock is being proposed. Holders of common stock do not have the right to cumulate their shares in voting for directors.

At February 14, 2000, 369,486,363 shares of common stock were outstanding, 25,209,563 shares were held in treasury, 73 million shares were reserved for issuance in connection with the company's merger with Reynolds Metals Company and an additional 38,819,977 million shares were reserved under Alcoa benefit plans. The Board believes it is desirable to increase the number of shares of common stock that Alcoa is authorized to issue to accomplish the proposed stock split, to reserve an amount of shares sufficient to satisfy the requirements set forth above and to provide the company with adequate flexibility in the future. Except for the proposed stock split and in connection with current reserves for the Reynolds transaction and existing benefit plans, Alcoa has no present commitments, agreements or intent to issue additional shares of common stock.

The proposed stock split cannot occur unless shareholders approve the proposed amendment to Article FIFTH of the company's Articles of Incorporation. The proposed amendment to Article FIFTH would permit the issuance of additional shares up to the new 1.8 billion maximum authorization without further action or authorization by shareholders, except as may be required in a specific case by applicable law or stock exchange regulations. The Board believes it is prudent for the company to have this flexibility.

The issuance of additional shares of common stock could reduce existing shareholders' percentage ownership and voting power in Alcoa and, depending on the transaction in which the shares are issued, could affect the per share book value or other per share financial measures. The availability of additional shares of common stock could discourage, or make more difficult, efforts to obtain control of the company. For instance, the issuance of shares in a public or private sale, merger or similar transaction would increase the number of outstanding shares, thereby possibly diluting the interest of a party attempting to obtain control of the company. The proposed increase in the number of authorized shares is not intended to inhibit a change in control of Alcoa, and Alcoa is not aware of any pending or threatened efforts to acquire control of the company.

Alcoa has been advised by tax counsel that the proposed stock split would result in no gain or loss or realization of taxable income to holders of Alcoa common stock under existing U.S. federal income tax laws. For tax purposes, the cost basis of each new share and each retained share of common stock would be equal to one-half the cost basis of the corresponding share immediately preceding the stock split. In addition, the holding period for the additional share issued in the stock split would be deemed to be the same as the holding period for the original share of common stock. The laws of jurisdictions other than the United States may impose income taxes on the issuance of the additional shares, and shareholders are urged to consult their tax advisers.

If shareholders sell or purchase shares of Alcoa common stock following approval of the proposed amendment to Article FIFTH of Alcoa's Articles of Incorporation and the effectuation of the stock split, they may pay higher brokerage commissions and stock transfer taxes (if applicable) on the same relative interest in the company because that interest is represented by a greater number of shares. Consult your broker for complete details.

If approved by shareholders, the amendment will become effective upon filing of an appropriate certificate with the Secretary of State of the Commonwealth of Pennsylvania.

For this amendment to be approved, a majority of the votes cast by shareholders must be voted for approval.

Alcoa's Board of Directors recommends that shareholders vote FOR adoption of the proposed amendment to Alcoa's Articles of Incorporation.

OTHER INFORMATION

LEGAL PROCEEDING INVOLVING DIRECTORS AND EXECUTIVE OFFICERS

On October 15, 1999, Victoria Shaev, who represents that she is an Alcoa shareholder, filed a lawsuit in the United States District Court for the Southern District of New York, naming as defendants Alcoa, each member of the company's Board of Directors, certain Alcoa executive officers and PricewaterhouseCoopers LLP, Alcoa's independent accountants.

The suit purports to be a derivative action brought on behalf of the company against the other defendants. The shareholder did not make a demand on the company prior to filing this lawsuit. Under relevant law, this demand is required.

The lawsuit alleges, among other things, that Alcoa's proxy statement for the 1999 annual meeting contained materially false and misleading representations and omissions concerning one of the items voted on by shareholders at the 1999 meeting, the proposal to approve the Alcoa Stock Incentive Plan. The lawsuit further alleges that the shareholder approval of the Plan, based upon those alleged representations and omissions, was defective.

The lawsuit seeks, among other things, to invalidate the shareholder approval of the Plan and enjoin its implementation. The plaintiff also requests that Alcoa pay the fees and expenses of her counsel and experts retained in the lawsuit.

The defendants believe the suit is without merit.

RELATIONSHIP WITH INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP has been the independent accounting firm that audits the financial statements of Alcoa and most of its subsidiaries since 1950. In accordance with standing policy, PricewaterhouseCoopers periodically changes the personnel who work on the audit.

During 1999, PricewaterhouseCoopers reviewed Alcoa's filings with the SEC, prepared or reviewed financial and audit reports to lenders, including governmental agencies, conducted audits and due diligence reviews for acquisitions and evaluated the effects of various accounting issues, information systems and business strategy opportunities.

They also helped in tax planning and the preparation of tax returns for expatriate employees, executives and various foreign locations of the company.

The Audit Committee of Alcoa's Board reviews summaries of the audit and nonaudit services provided by PricewaterhouseCoopers and the related fees.

On recommendation of the Audit Committee, the Board has reappointed PricewaterhouseCoopers to audit the 2000 financial statements. Representatives from this firm will be at the annual meeting to make a statement, if they choose, and to answer any questions you may have.

ALCOA LOGO

Alcoa
201 Isabella Street at 7th Street Bridge
Pittsburgh, Pennsylvania 15212-5858

Printed in USA 0002   Form A07-12000

Graphics Appendix List

Page Where Graphic Appears	Description of Graphic or Cross-Reference
page 6	Photograph of Kenneth W. Dam, Nominee for Director
page 7	Photograph of Judith M. Gueron, Nominee for Director
page 7	Photograph of Paul H. O'Neill, Nominee for Director
page 8	Photograph of Joseph T. Gorman, Continuing Director
page 8	Photograph of Sir Ronald Hampel, Continuing Director
page 9	Photograph of John P. Mulroney, Continuing Director
page 9	Photograph of Marina v.N. Whitman, Continuing Director
page 10	Photograph of Alain J.P. Belda, Continuing Director
page 10	Photograph of Hugh M. Morgan, Continuing Director
page 11	Photograph of Henry B. Schacht, Continuing Director
page 11	Photograph of Franklin A. Thomas, Continuing Director

Two Ways to Vote

VOTE BY MAIL

Return your proxy in the
postage-paid envelope provided.

VOTE BY INTERNET

Access this Web site to cast your vote.
http://www.votefast.com

Your Internet
Control Number is

Vote By Mail--Please mark, sign and date your proxy card and return it in the postage-paid envelope provided.

Vote By Internet--Have your proxy card available when you access the Web site http://www.votefast.com. You will be prompted to enter your control number, and then follow the directions given to record your vote. If you vote through the Internet, do not mail your proxy card.
Vote 24 hours a day, 7 days a week. Your Internet vote must be received by 5:00 p.m. EDT on Thursday, May 11, 2000 to be counted in the final tabulation.

Alcoa Annual Meeting of Shareholders
9:30 a.m. Friday, May 12, 2000
DoubleTree Hotel Pittsburgh
Allegheny Ballroom
Pittsburgh, Pennsylvania

Admission Ticket
This ticket is not transferable.

ALCOA LOGO

Please retain this ticket for admittance to the annual meeting.

Fold and detach here

(continued from the other side)

(RETURN IN THE ENCLOSED ENVELOPE)

PROXY

Please mark your choices clearly in the appropriate boxes. Unless specified, the proxy committee will vote FOR both items.

DIRECTORS RECOMMEND A VOTE FOR THIS ITEM (#1)
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1. Election of Directors
   Nominees to serve a three-year term:
     Kenneth W. Dam

Judith M. Gueron

Nominee to serve a term expiring December 31, 2000:
Paul H. O'Neill

/ / FOR all listed nominees
/ / WITHHOLD vote for all listed nominees
/ / WITHHOLD vote only from ---------------------------

DIRECTORS RECOMMEND A VOTE FOR THIS ITEM (#2)

2. Amendment to Articles of Incorporation Increasing Authorized Common Stock

/ / VOTE FOR / / VOTE AGAINST / / ABSTAIN

PLEASE VOTE, SIGN, DATE AND RETURN

\- ----------------------------- Date -------- 2000

(Sign exactly as name appears above, indicating position or representative capacity, where applicable)

Shareholder comments about any aspect of company business are welcome. There is space on the bottom of this form for your comments. Although we do not respond to these comments on an individual basis, they do assist management in determining and responding to your needs as shareholders.

Please retain this ticket for admittance to the annual meeting.

Fold and detach here

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Alcoa
201 Isabella St. at 7th St. Bridge
Pittsburgh, PA 15212-5858

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

I authorize Timothy S. Mock, Russell W. Porter, Jr. and Robert G. Wennemer, together or separately, to represent me at the annual meeting of shareholders of Alcoa Inc. scheduled for Friday, May 12, 2000, and any adjournment of the meeting. I authorize them to vote the shares of stock that I could vote if attending the meeting, in accordance with the instructions on the reverse side of this card. The proxies are authorized in their discretion to vote upon such other business as may properly come before the meeting, and they may name others to take their place.

As described more fully in the proxy statement, this card votes or provides voting instructions for shares of common stock held under the same registration in any one or more of the following manners: as a shareholder of record, in the Alcoa Dividend Reinvestment and Stock Purchase Plan and in Alcoa's employee savings plans.

If you plan to attend the annual meeting, please check the box below.

I will attend the annual meeting.

Comments: ---

\- --

\- --

\- --

(continued on the other side)