ARCONIC

Innovation, engineered.

Launching November 1, 2016

Important Information

Forward–Looking Statements

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

Important Information (continued)

Non-GAAP Financial Measures

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

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

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

Other Information

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

Launching a Strong Company – Arconic

Key Strengths

Strongly Positioned in Attractive Markets

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

Clear Market Leader in Major Sectors

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

Driver of Differentiated Innovation / Advanced Technology Solutions

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

Compelling Financial Profile

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

Management Team and Culture Focused on Performance and Creating Value

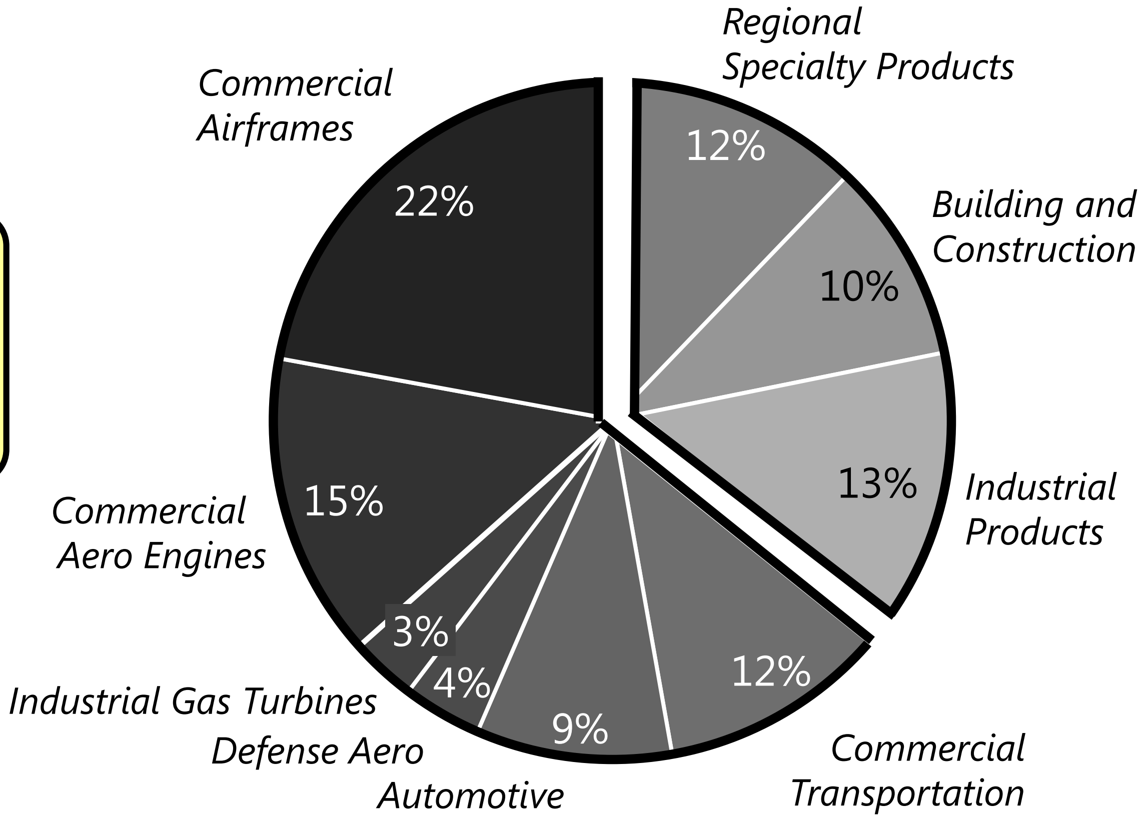
- Proven **track record**
- Strong **value orientation**

Strongly Positioned in Attractive Markets

Markets as Percentage of 2015 Combined Segments Revenue[1] ($12.5B)

~65%

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



~35%

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

1) Excludes Warrick
See appendix for revenue reconciliations

Clear Market Leader in Major Sectors

2015 Revenues from #1/#2 Market Positions

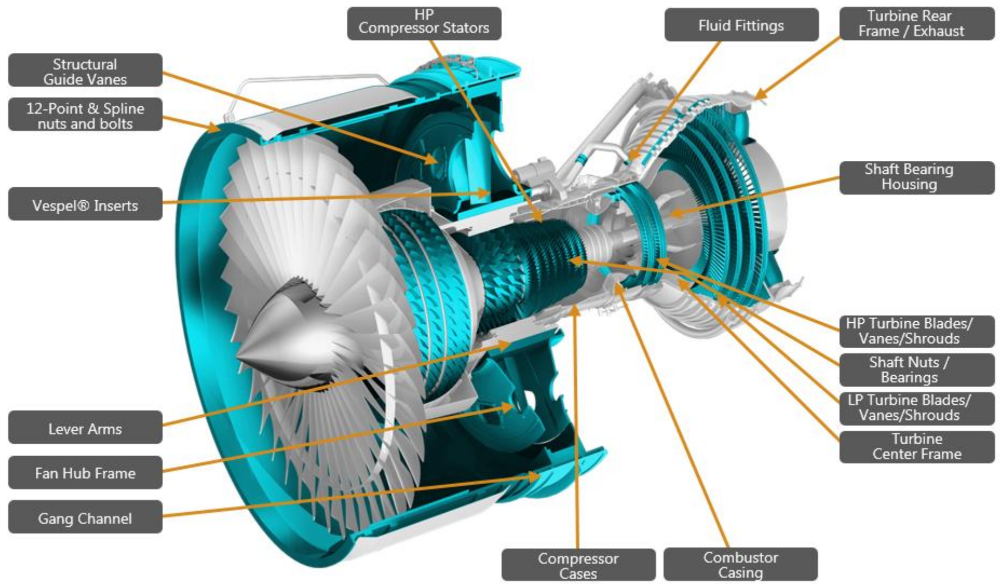
	% Revenues #1/#2 position	Examples
Aerospace	***85%***	▪ **#1:** Commercial aerospace **extrusions, fastening systems, rings, airfoils, and rolled sheet and plate;** Defense aerospace **airframe forgings, titanium ingots, titanium mill products, extrusions, fastening systems, rings, airfoils,** and **rolled sheet** and **plate** ▪ **#2: Commercial and defense** aerospace structural castings in Europe
North American Automotive	***96%***	▪ **#1:** Auto **extrusions** and brazing **rolled sheet** ▪ **#2:** Auto **rolled sheet**
Commercial Transportation	***93%***	▪ **#1: Forged aluminum** heavy-duty truck **wheel,** commercial transportation **fastening systems**, commercial transportation **rolled sheet** in N.A. and China

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

Grew Aero Jet Engine Content to Over 90% of Components

Arconic Aero Engine Component Portfolio

2008



Technology / Innovation

Organic

e.g.

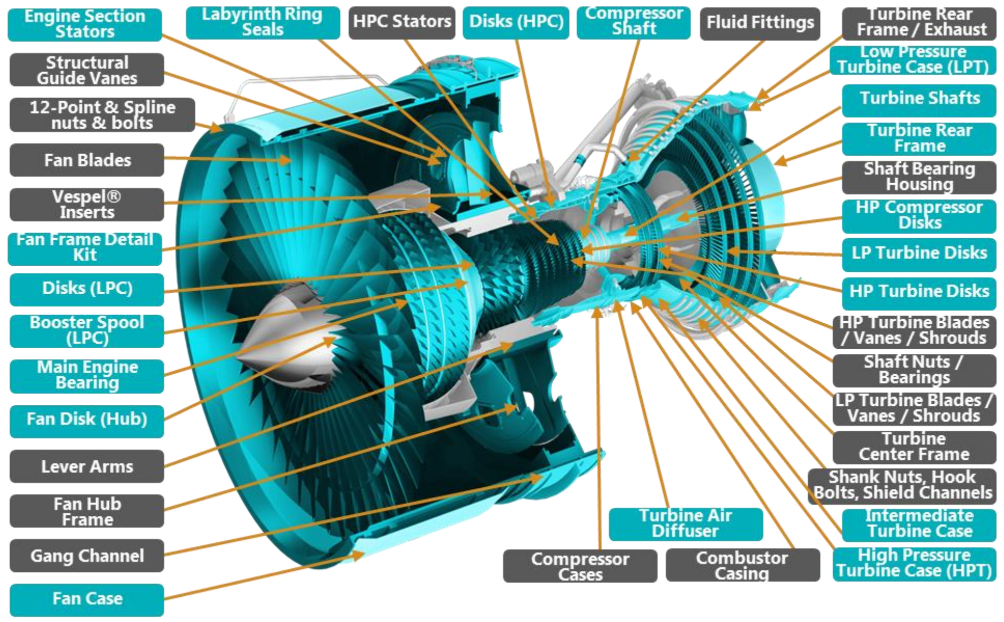
- Al-Li
- Enhanced Equiax Castings

Inorganic

e.g.

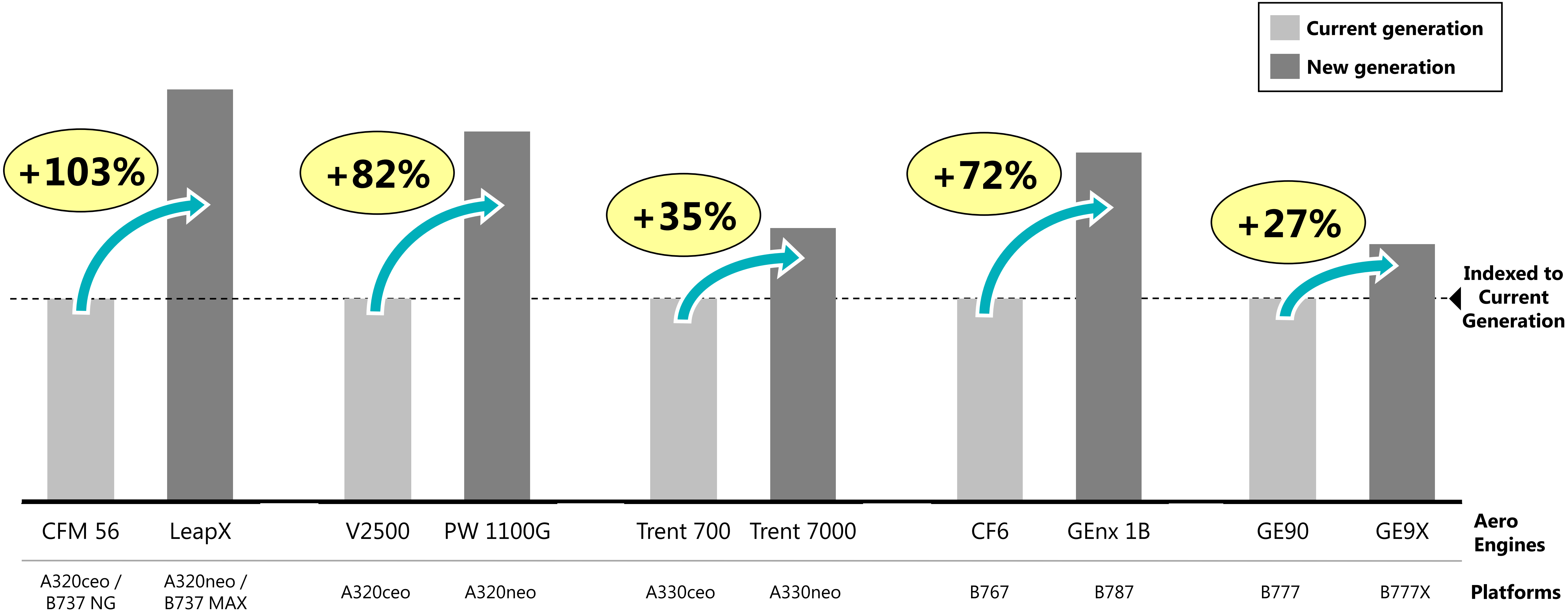
- Ti Al
- Isothermal Forgings
- Rings / Discs

2016



Substantial Share Gain Achieved on Next Generation Aero Engines

Arconic Revenue Shipset Value[1]



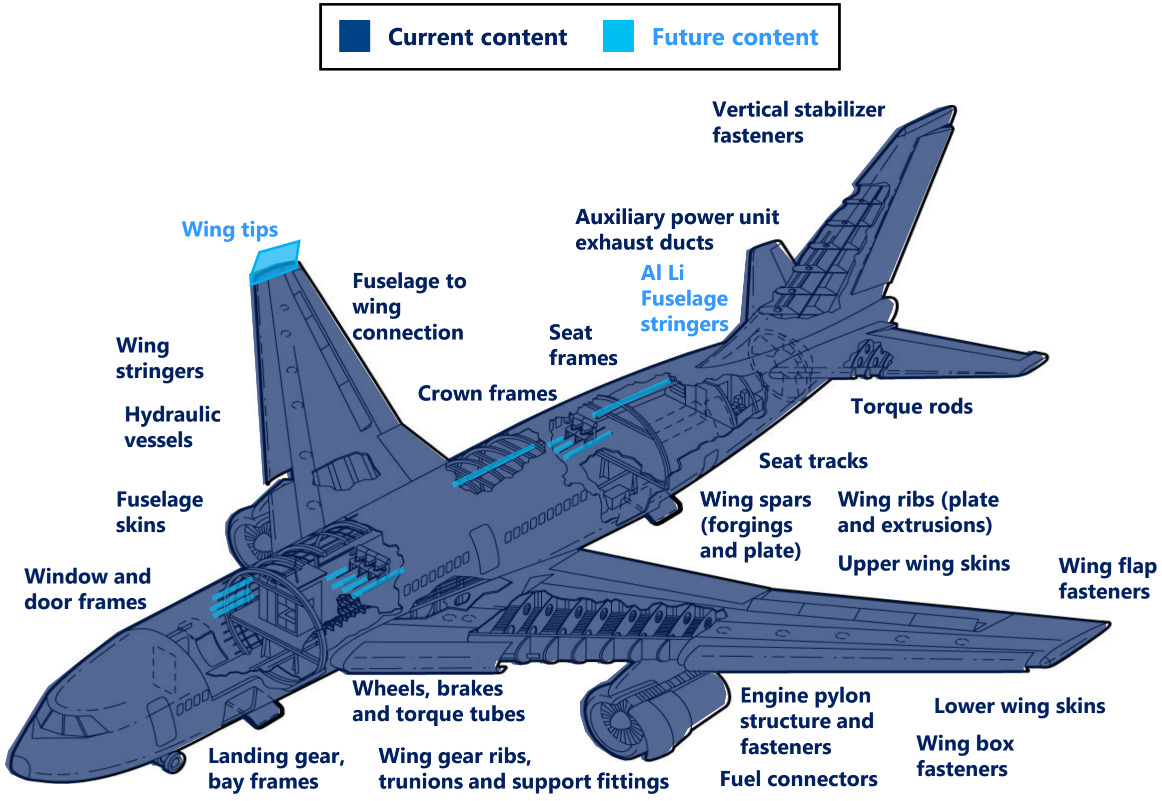
ARCONIC

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

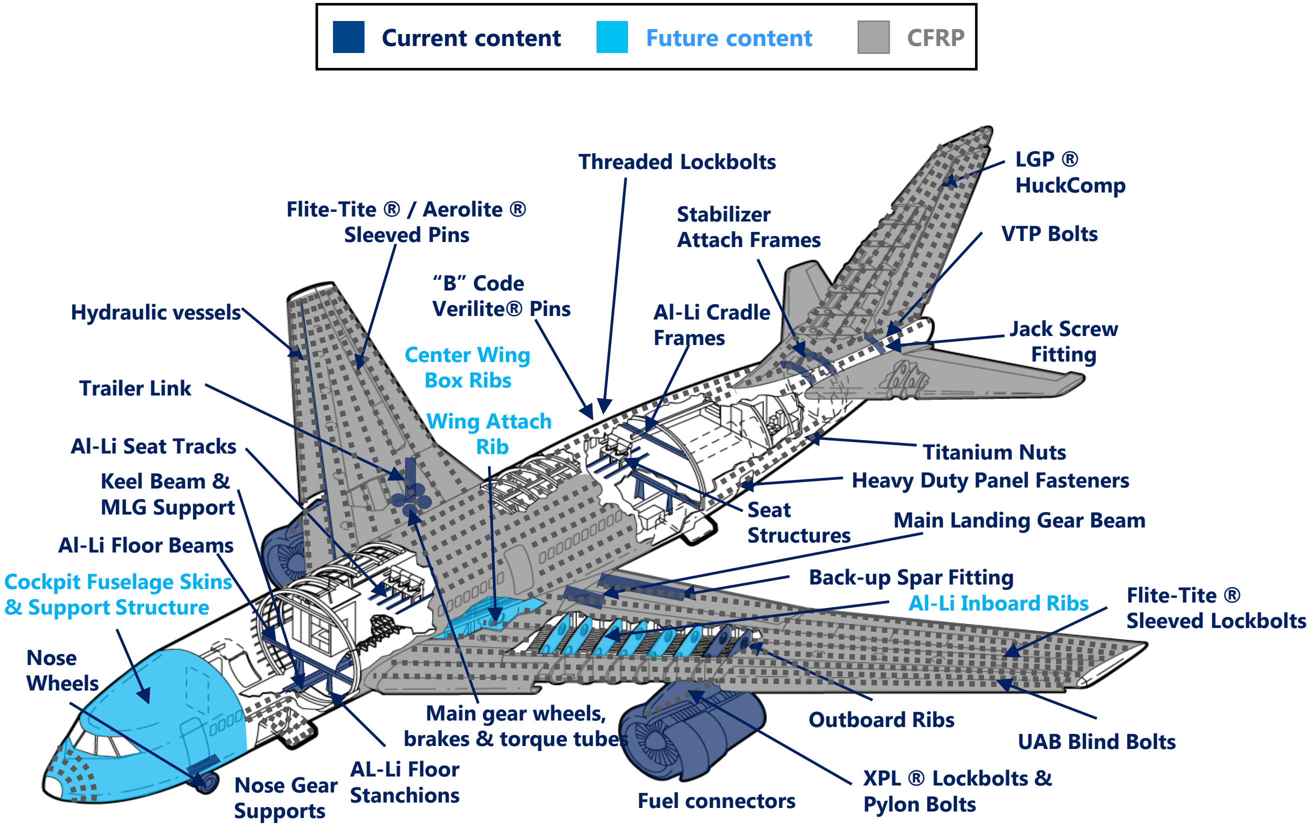
Metallic or CFRP, our Content Flies from Nose to Tail

Arconic Participation in Airframe Parts

Metallic Airframe



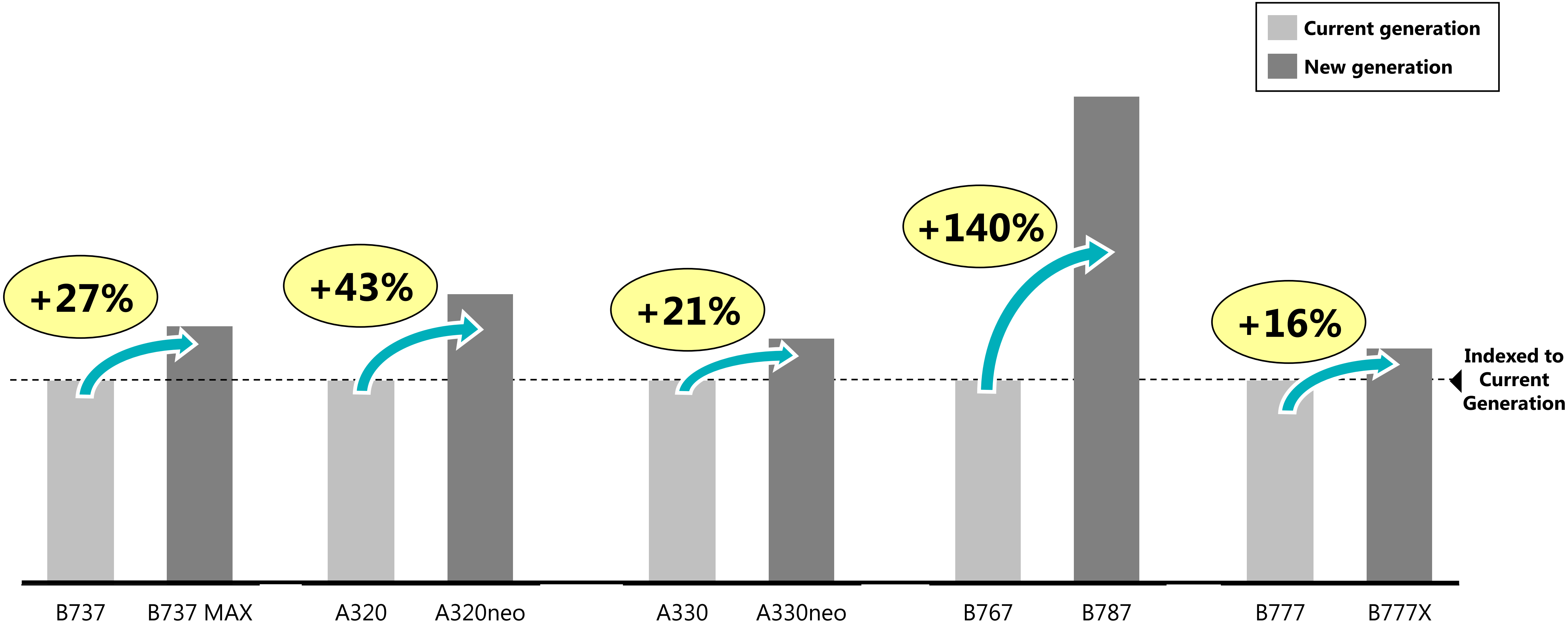
CFRP[1]-intensive Airframe



1) CFRP refers to carbon fiber reinforced plastic fastened panels

Substantial Share Gain Achieved on Next Generation Aircraft

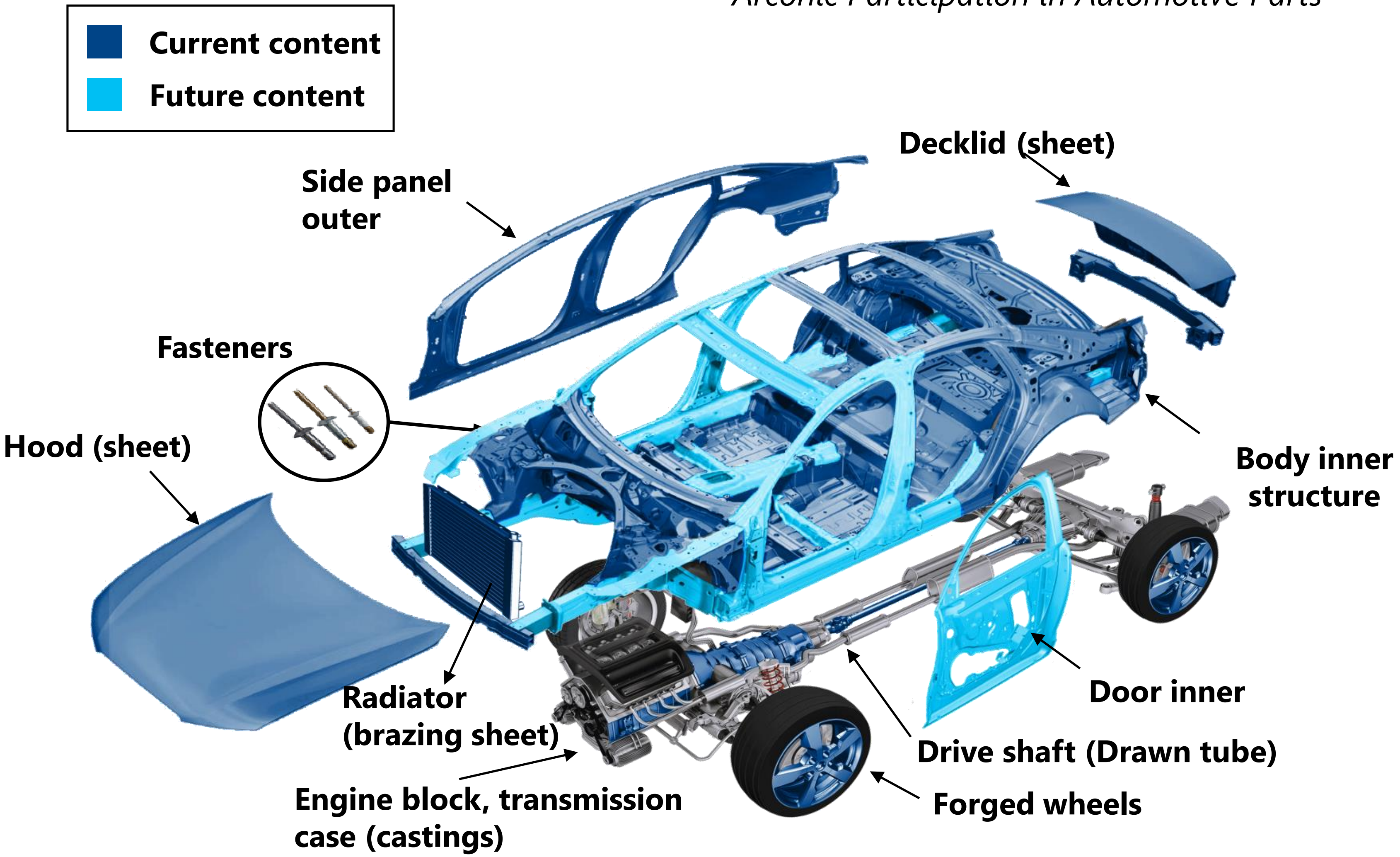
Arconic Revenue Shipset Value[1]



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

Our Automotive Content Runs Bumper to Bumper

Arconic Participation in Automotive Parts



Aluminizing North American Automotive

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

Significant Restructuring and Growth to Drive Profitability

Combined Segments[1] Financial Performance: 2008 and 2015

$15.5B

~8%
EBITDA Margin

2008 Revenue

- **Divestitures**
  e.g., wire harness and soft alloy extrusions
- **Business Line Exits**
  e.g., automotive wheels
- **Productivity**
  e.g., ~$600M savings per annum

Costs

- **Innovations**
  e.g., Al-Li, DuraBright®
- **Organic Expansions**
  e.g., Davenport auto
- **Acquisitions**
  e.g., Firth Rixson, RTI

$12.5B

~15%[2]
EBITDA Margin

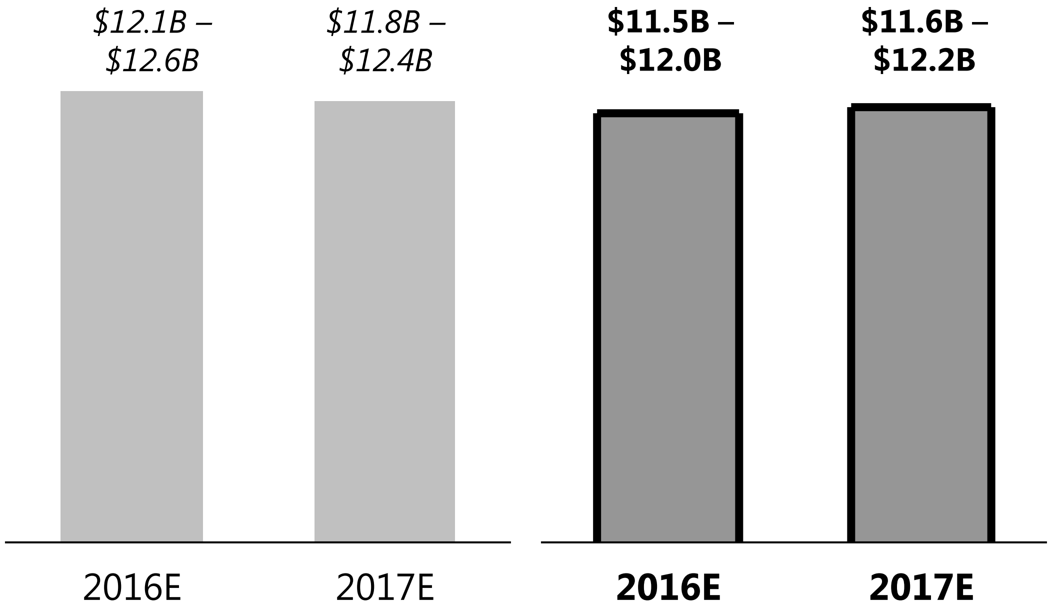
2015 Revenue[2]

1) Excludes corporate spend
2) Excludes Warrick
See appendix for revenue and EBITDA reconciliations

Attractive Margin Profile with Profitable Growth Upside

Combined Segments[1] Financial Guidance: 2016E and 2017E

	Guidance[2]		***Guidance ex. Tennessee Packaging[2,3]***	
	2016E	*2017E*	**2016E**	**2017E**
Revenues	*\$12.1B – \$12.6B*	*\$11.8B – \$12.4B*	**\$11.5B – \$12.0B**	**\$11.6B – \$12.2B**
EBITDA % *(excludes corp. spend)*	*15% - 17%*	*16% - 18%*	**16% - 17%**	**17% - 19%**



Multi-Year[4] Opportunity

Aerospace

*Market: **Up Mid single** digits growth*

__Strong Share Gains__ on Airframe and Aero Engines; Leaving "__Teething__ Problems" and __Destocking behind__

Automotive

Market: __Flat__ to __Low growth__

__Strong Share Gains__ through Aluminization

Comm. Trans.

Market: __Up Low single__ digits

Strong Share Gains

2017 Initiatives

World Class Operations
incl. accelerated qualification, de-bottlenecking, increased utilization, digitization / automation

Continuous Productivity
incl. low-cost footprint, procurement excellence

Growth Transformation
incl. sales force management, innovation / product strategy

People Excellence
incl. recruiting, talent profile, differentiation

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

High Caliber Management Team, Proven Track Record

Management Team

Klaus Kleinfeld | Chairman & CEO

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

Ken Giacobbe
CFO

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

Karl Tragl
Group President, EPS

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

Kay Meggers
Group President, GRP

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

Tim Myers
Group President, TCS

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

Ray Kilmer
Chief Technology Officer

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

Christoph Kollatz
Chief Strategy Officer

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

Independent Board, Broad and Deep Relevant Experience

Board of Directors

Klaus Kleinfeld

Chairman and CEO, Arconic Inc.

Patricia Russo
Lead Director, Arconic Inc.

Chairman, Hewlett Packard Enterprise and former CEO, Alcatel Lucent

Amy Alving

former Senior Vice President and Chief Technology Officer, Leidos Holdings, Inc; Defense Science Board

Arthur Collins, Jr.

former Chairman and CEO, Medtronic, Inc.; director, The Boeing Company

Rajiv Gupta

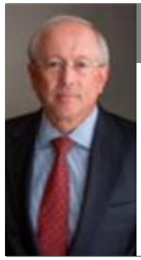
Chairman, Delphi Automotive PLC and Senior Advisor, New Mountain Capital, LLC.

Sean Mahoney

private investor & former Partner & head of the Financial Sponsors Group at Goldman, Sachs & Co.

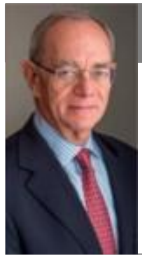
E. Stanley O'Neal

former Chairman and CEO, Merrill Lynch & Co., Inc.



John Plant

former Chairman, President and CEO, TRW Automotive



L. Rafael Reif

President, Massachusetts Institute of Technology

Julie Richardson

former Partner and the head of the New York office, Providence Equity Partners LLC

Ulrich Schmidt

former Executive Vice President and CFO, Spirit Aerosystems Holdings, Inc.

Martin Sorrell

founder and CEO, WPP plc

Ratan Tata

Chairman Emeritus, Tata Sons Limited

Customer and Talent Focused Culture

Mission and Values

ARCONIC

Everyone,
Everyday,
Everywhere…

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

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

Disciplined Capital Management Process

Capital Deployment Priorities and Criteria

Priorities

1. **Organic growth hurdle rate: Exceeding WACC**

2. **Tuck-in acquisitions**

3. **De-lever** and/or **return** cash **to shareholders**

Criteria

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

WACC = Weighted Average Cost of Capital

Combined Segments[1]: 2015 Revenue $12.5B, EBITDA ~$1.9B

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

Combined Segments	**2015[1]**	**2016 Guidance[1]**	**2016 Guidance excluding Tennessee Packaging[1,2]**
Revenue *($ Billions)*	**$12.5**	**$12.1 - $12.6**	**$11.5 - $12.0**
EBITDA *($ Millions)*	**$1,893**	**$1,945 - $2,005**	**$1,948 - 2,008**

Productivity

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

Capex

- **~$800M** (40% sustaining)

Corporate Spend (EBITDA)

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

Interest expense

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

Total depreciation

- **~$550M**

Effective tax rate

- **~35%**

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

Combined Segments[1]: 2015 Revenue $12.5B, EBITDA[2] ~$1.9B

Segment Profitability and Key Financial Elements (pre-tax)

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

Segment Productivity

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

Segment Depreciation

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

1) Excludes Warrick 2) Excludes corporate spend
3) Excludes Tennessee Packaging revenue of ~$550M in 2016; Arconic will exit Tennessee Packaging
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Intended Capital Structure: $6.3B in Net Debt

Estimated Capital Structure: Before monetizing retained interest

Pro Forma Capitalization as of November 1, 2016	
($B)	**Amount**
Cash	$2.51
19.9% Retained Interest in Alcoa Corporation	*Mark-to-market*
Bonds	$8.58
Other debt	$0.25
Total Debt	**$8.83**
Net Debt (excluding retained interest)	**$6.32**

Launching a Strong Company – Arconic

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

Appendix

ARCONIC

Innovation, engineered.

Transaction Overview

Share Information

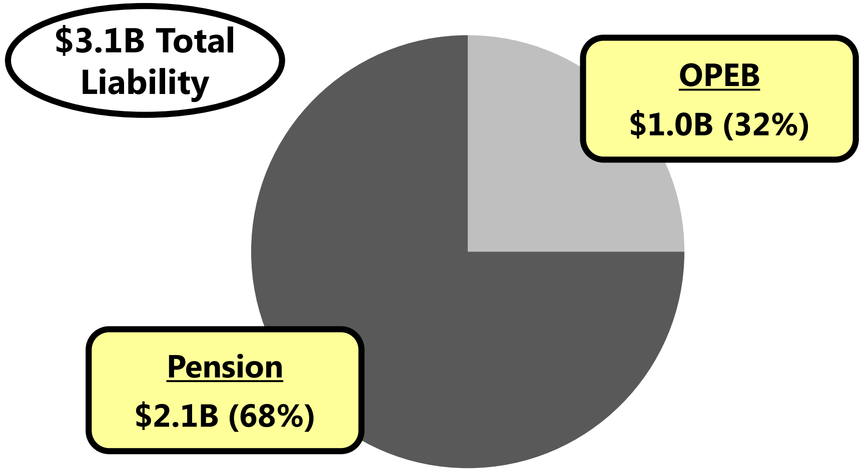
Ticker	ARNC
Exchange	NYSE
Distribution ratio	1 share of Alcoa Corporation for every 3 shares of Arconic Inc.
Number of outstanding Arconic shares	438M
"When issued" trading commenced	October 18, 2016
Record date	October 20, 2016
Distribution date	November 1, 2016
"Regular way" trading begins	November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

Manageable Pension and OPEB Obligations

Pension and OPEB Overview

Manageable Obligations

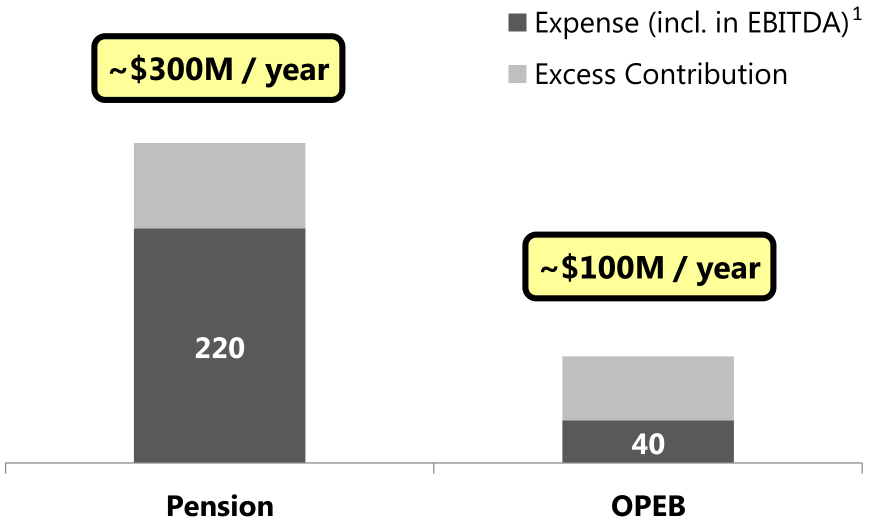
Unfunded pension and OPEB liability



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

Contributions Largely Reflected in EBITDA

2017 contributions



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

1) Approximately $60M of pension / OPEB expense is incorporated in corporate spend

Near-term Financial Reporting

Near-term Financial Reporting Overview

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

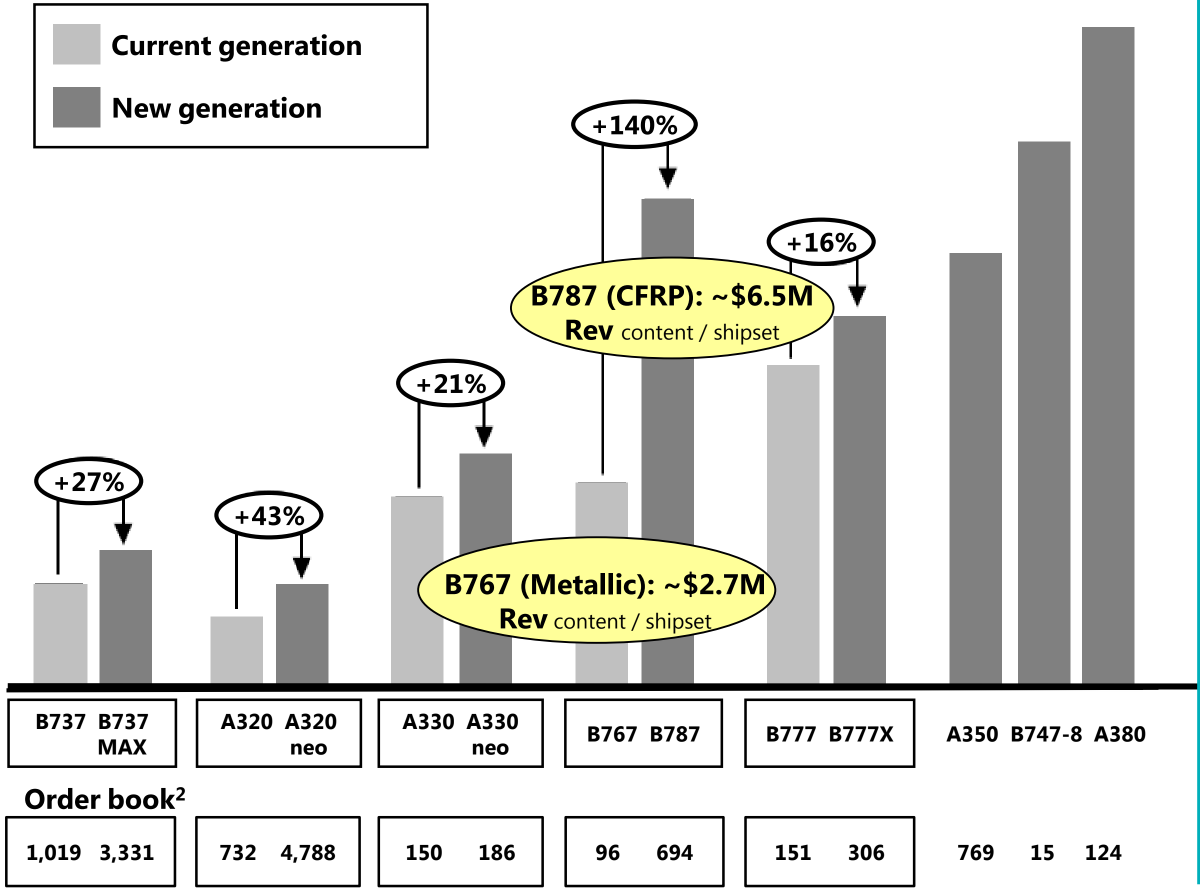
- **Arconic 3rd Quarter 2016 10-Q (November 2016):**
  - For the final time, the 3rd Quarter 2016 10-Q filed by Arconic will include Alcoa Corporation's results, including comparable historical periods, in Arconic's continuing operations.

- **Arconic 4th Quarter Earnings Release (January 2017) and Annual 2016 10-K (February 2017):**
  - Beginning in the fourth quarter of 2016, Alcoa Corporation's historical financial results for periods prior to the separation will be reflected in Arconic's consolidated financial statements as discontinued operations.

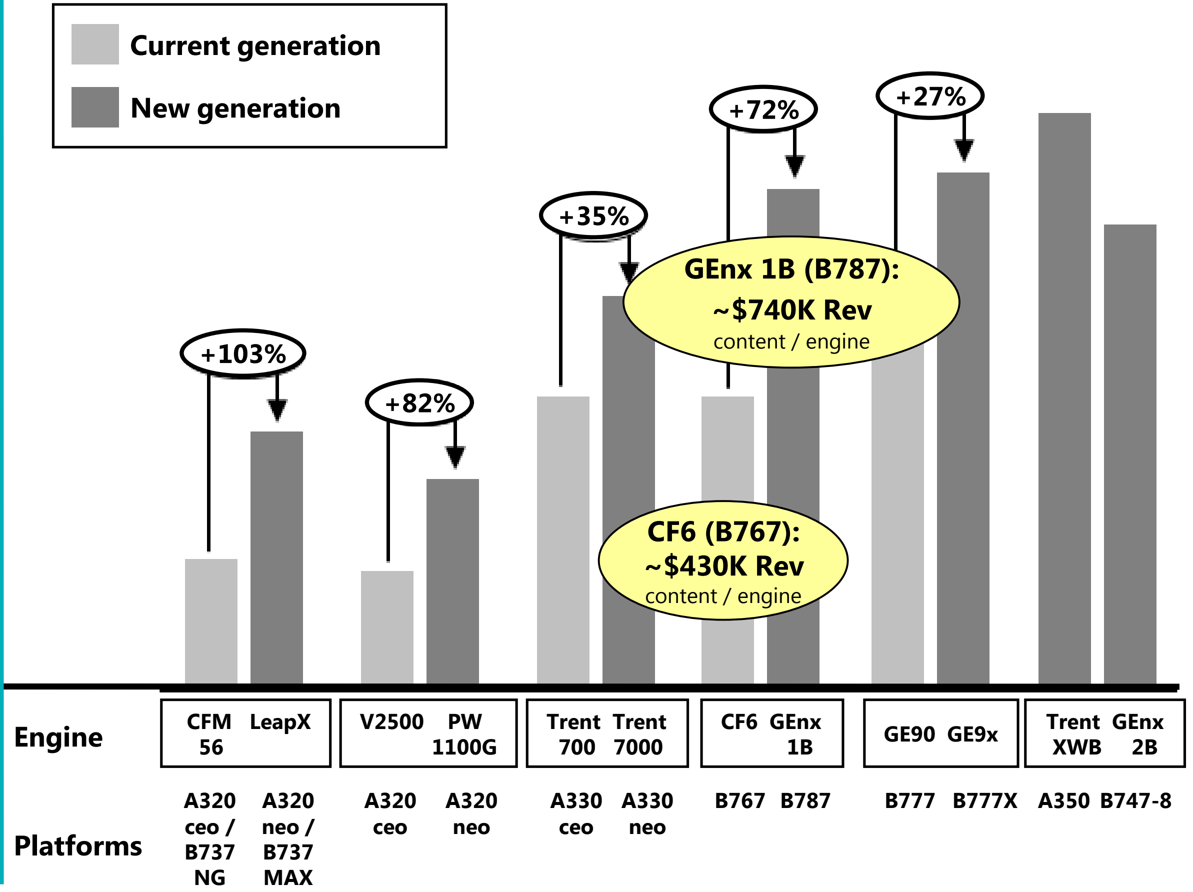
Well Positioned on Next Generation Aircraft and Engines

Indexed Arconic Revenue by Major Programs[1]

Revenue per Aircraft (indexed to B737)



Revenue per Aero Engine (indexed to CFM56)



ARCONIC

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

Reconciliation of Global Rolled Products (GRP) Adjusted EBITDA

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

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

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

Reconciliation of EPS and TCS Adjusted EBITDA

Engineered Products and Solutions (EPS)

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

Transportation and Construction Solutions (TCS)

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

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

Reconciliation of Value-Add[1] Adjusted EBITDA

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

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

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