

**TAX BASIS INFORMATION FOR HOWMET AEROSPACE SHARES
AFTER THE SEPARATION OF ARCONIC CORPORATION**

On April 1, 2020, Howmet Aerospace Inc. (“Howmet,” f/k/a Arconic Inc.) completed the separation of Arconic Corporation (“Arconic Corporation,” f/k/a Arconic Rolled Products Corporation) from Howmet. The record date was the close of business on March 19, 2020. As a result of the separation, Arconic Corporation became an independent, publicly-traded company.

All holders of Howmet common stock are urged to consult their own tax advisors for a complete description of the tax consequences of the separation to them. Tax matters can be complicated, and the tax consequences of the separation to any holder may depend on such holder’s individual facts and circumstances.

A. *Allocation of Basis*

In this separation, holders of Howmet common stock received one share of Arconic Corporation common stock for every four shares of common stock of Howmet held as of the record date for the separation. Fractional shares of Arconic Corporation common stock were not distributed; instead, fractional shares that Howmet shareholders would otherwise have been entitled to receive were to be aggregated and sold in the public market by a distribution agent, with the net cash proceeds of these sales distributed pro rata (based on the fractional share such shareholder would otherwise have been entitled to receive) to those shareholders who would otherwise have been entitled to receive fractional shares.

Each Howmet shareholder will need to allocate the tax basis in Howmet common stock that they held immediately before the separation between their shares of Howmet common stock and the shares of Arconic Corporation common stock received in the separation (including any fractional shares of Arconic Corporation common stock for which cash is received from the distribution agent).

For U.S. federal income tax purposes, the aggregate tax basis of the Howmet common stock and the Arconic Corporation common stock received in the separation (including any fractional shares of Arconic Corporation common stock for which cash is received) held by a shareholder as of immediately after the separation will equal the aggregate basis of the Howmet common stock held by such shareholder immediately before the separation. The allocation of tax basis between Howmet common stock and Arconic Corporation common stock is based on the relative fair market value of each on the date of the separation. There are many potential ways to determine the fair market value of Howmet and Arconic Corporation common stock, and we recommend that you consult your tax advisor in making this determination. One method is to use the Volume-Weighted Average Price (“VWAP”) of the Arconic Corporation and Howmet common stock on April 2, 2020, the day following the separation. If this method is used, the pre-distribution tax basis in Howmet common stock would be allocated 88.6% to Howmet common stock and 11.4% to Arconic Corporation common stock, calculated as shown in the following example:

	Average Price ¹	Exchange Ratio	Price Divided by Exchange Ratio	Allocation Ratio
<i>Howmet</i>	\$13.40	1	\$13.40	$\$13.40/\$15.13 = 88.6\%$
<i>Arconic Corporation</i>	\$6.93	4	\$1.73	$\$1.73/\$15.13 = 11.4\%$
<i>Total</i>			\$15.13	

If a Howmet shareholder held different blocks of Howmet common stock (generally shares of Howmet common stock acquired on different dates or at different prices), such Howmet shareholder should consult with his, her or its own tax advisor regarding the determination of the basis and holding period of shares of Arconic Corporation common stock received in the separation in respect of particular blocks of Howmet common stock.

B. Significant Distributees

Any holder of Howmet common stock that is a “significant distributee” within the meaning of applicable U.S. Treasury Regulations is required to attach a statement describing the details of the separation to his, her or its U.S. federal income tax return for the taxable period that includes the date of the separation. Each “United States shareholder” (within the meaning of section 951(b) of the Code) with respect to each significant distributee that is a “controlled foreign corporation” (within the meaning of section 957 of the Code) must also include this statement on or with such shareholder’s return. Any person who may be a significant distributee or a United States shareholder in a controlled foreign corporation should consult his, her or its tax advisor with respect to the required statement.

C. Consult Your Tax Advisor

The information in this document is for general information purposes only and does not constitute tax advice. Holders of Howmet common stock that received shares of Arconic Corporation common stock in the separation should consult their own tax advisors as to the consequences of the separation to them under U.S. federal state, local, and foreign tax laws in light of their particular circumstances.

For further information, please see [Howmet’s IRS Form 8937](#).

¹ All values rounded to the nearest hundredth.