Advancing each generation. ALCOA

1st Quarter Earnings Conference

April 8, 2014

Cautionary Statement

Forward-Looking Statements

This presentation contains statements that relate to future events and expectations and as such constitute forward-looking statements. Forward-looking statements include those containing such words as “anticipates,” “estimates,” “expects,” “forecasts,” “intends,” “outlook,” “plans,” “projects,” “should,” “targets,” “will,” or other words of similar meaning. All statements that reflect Alcoa’s expectations, assumptions, or projections about the future other than statements of historical fact are forward-looking statements, including, without limitation, forecasts concerning global demand growth for aluminum, end-market conditions, supply/demand balances, and growth opportunities for aluminum in automotive, aerospace and other applications, trend projections, targeted financial results or operating performance, and statements about Alcoa’s strategies, outlook, and business and financial prospects. Forward-looking statements are subject to a number of known and unknown risks, uncertainties, and other factors and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include: (a) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices and premiums, as applicable, for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) deterioration in global economic and financial market conditions generally; (c) unfavorable changes in the markets served by Alcoa, including automotive and commercial transportation, aerospace, building and construction, packaging, defense, and industrial gas turbine; (d) the impact of changes in foreign currency exchange rates on costs and results, particularly the Australian dollar, Brazilian real, Canadian dollar, euro, and Norwegian kroner; (e) increases in energy costs, including electricity, natural gas, and fuel oil, or the unavailability or interruption of energy supplies; (f) increases in the costs of other raw materials, including calcined petroleum coke, caustic soda, and liquid pitch; (g) Alcoa’s inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations (including moving its alumina refining and aluminum smelting businesses down on the industry cost curves and increasing revenues and improving margins in its Global Rolled Products and Engineered Products and Solutions segments) anticipated from its restructuring programs and productivity improvement, cash sustainability, and other initiatives; (h) Alcoa's inability to realize expected benefits, in each case as planned and by targeted completion dates, from sales of non-core assets, or from newly constructed, expanded, or acquired facilities, including facilities supplying auto sheet capacity or aluminum-lithium capacity, or from international joint ventures, including the joint venture in Saudi Arabia; (i) political, economic, and regulatory risks in the countries in which Alcoa operates or sells products, including unfavorable changes in laws and governmental policies, civil unrest, imposition of sanctions, expropriation of assets, or other events beyond Alcoa’s control; (j) the outcome of contingencies, including legal proceedings, government investigations, and environmental remediation; (k) the business or financial condition of key customers, suppliers, and business partners; (l) adverse changes in tax rates or benefits; (m) adverse changes in discount rates or investment returns on pension assets; (n) the impact of cyber attacks and potential information technology or data security breaches; and (o) the impact of union disputes, strikes or work stoppages; and (p) the other risk factors summarized in Alcoa's Form 10-K for the year ended December 31, 2013 and other reports filed with the Securities and Exchange Commission. Alcoa disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

Non-GAAP Financial Measures

Some of the information included in this presentation is derived from Alcoa’s consolidated financial information but is not presented in Alcoa’s financial statements prepared in accordance with 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 and on our website at www.alcoa.com under the “Invest” section. Any reference during the discussion today to EBITDA means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix and on our website.

Solid results in the first quarter – Transformation accelerates

1Q 2014 Overview

Strong Operational Performance

- **Strong earnings** (excluding special items) **increase** sequentially
  - **Downstream: Record performance -** ATOI up 9% YoY
  - **Midstream: Earnings rebound -** ATOI nearly triples QoQ; record auto revenue
  - **Upstream: Improved performance - 10 consecutive quarters**; highest Alumina 1Q ATOI[1] since 2011
- **Productivity: $250 million across all segments** YoY

Accelerating Portfolio Transformation

- **Commissioned** $300 million Davenport **automotive expansion**
- **Investing** $40 million in **value-add specialty packaging** facility in Brazil
- Expanding **proprietary wheel** facility in Hungary
- **Announced** ~$300 million after-tax **restructuring**

  *Australia, U.S. and Brazil **smelting capacity** totaling **421 kmt; can sheet rolling capacity** of **200 kmt***

1) Excludes gain from sale of Suriname gold mine interest

Advancing each generation. ALCOA

William Oplinger

Executive Vice President and Chief Financial Officer

April 8, 2014

Income Statement Summary

$ Millions, except aluminum prices and per-share amounts	1Q13	4Q13	1Q14	Prior Year Change	Sequential Change
Realized Aluminum Price ($/MT)	**$2,398**	**$2,157**	**$2,205**	**($193)**	**$48**
Revenue	**$5,833**	**$5,585**	**$5,454**	**($379)**	**($131)**
Cost of Goods Sold	**$4,847**	**$4,708**	**$4,495**	**($352)**	**($213)**
COGS % Revenue	83.1%	84.3%	82.4%	(0.7% pts)	(1.9 % pts.)
Selling, General Administrative, Other	**$251**	**$255**	**$236**	**($15)**	**($19)**
SGA % Revenue	4.3%	4.6%	4.3%	0.0 % pts	(0.3 % pts.)
Other (Income) Expense , Net	**($27)**	**($10)**	**$25**	**$52**	**$35**
Restructuring and Other Charges	**$7**	**$2,111**	**$461**	**$454**	**($1,650)**
Effective Tax Rate	**27.4%**	**(15.6%)**	**28.1%**	**0.7 % pts**	**43.7 % pts.**
Net Income (Loss)	**$149**	**($2,339)**	**($178)**	**($327)**	**$2,161**
Net Income (Loss) Per Diluted Share	**$0.13**	**($2.19)**	**($0.16)**	**($0.29)**	**$2.03**
Income per Diluted Share excl Special Items	**$0.11**	**$0.04**	**$0.09**	**($0.02)**	**$0.05**

See appendix for Adjusted Income reconciliation

Special Items

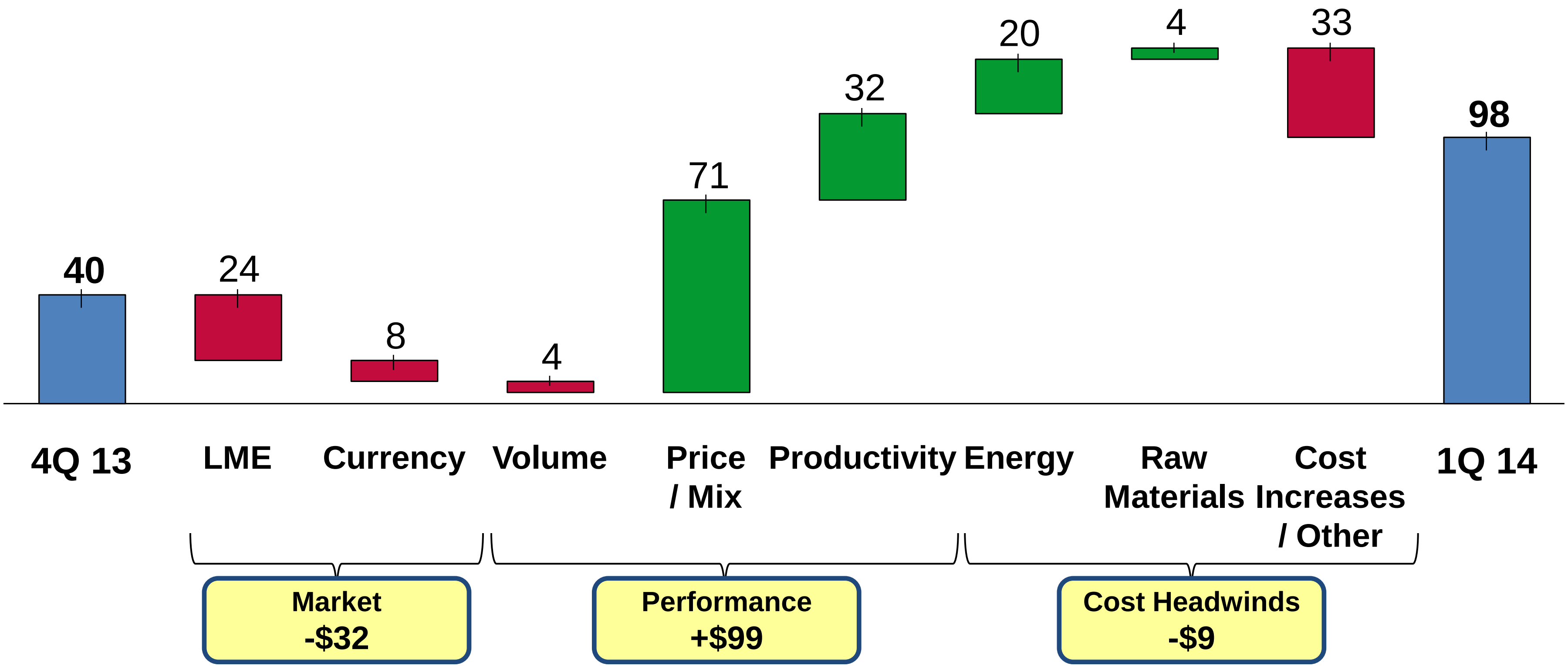
$ Millions, except per-share amounts	4Q13	1Q14	Income Statement Classification	Segment
Net Loss from Continuing Operations	**($2,339)**	**($178)**		
Net Loss Per Diluted Share	**($2.19)**	**($0.16)**		
Restructuring-Related[1]	($302)	($296)	Restructuring/COGS/ Other Expenses (Income), Net	Corporate / Primary Metals/ GRP
Tax Items	($361)	$22	Income Taxes	Corporate
Saudi Arabia Smelter Potline	($9)	($13)	COGS/ Other Expenses (Income), Net	Primary Metals
Massena Fire	$5	$0	COGS	Primary Metals/EPS/Corp
Goodwill Impairment	($1,719)	$0	Goodwill Impairment Charge	Corporate
Mark-to-Market Energy Contracts	$7	$0	Other Expenses (Income), Net	Corporate
Surgold Gain	$0	$11	Other Expenses (Income), Net	Alumina
Special Items	**($2,379)**	**($276)**		
Net Income from Continuing Ops excl Special Items	**$40**	**$98**		
Net Income per Diluted Share excl Special Items	**$0.04**	**$0.09**		

1) Total restructuring-related charges of $296 million expected to be approximately 55 percent cash, 45 percent non-cash

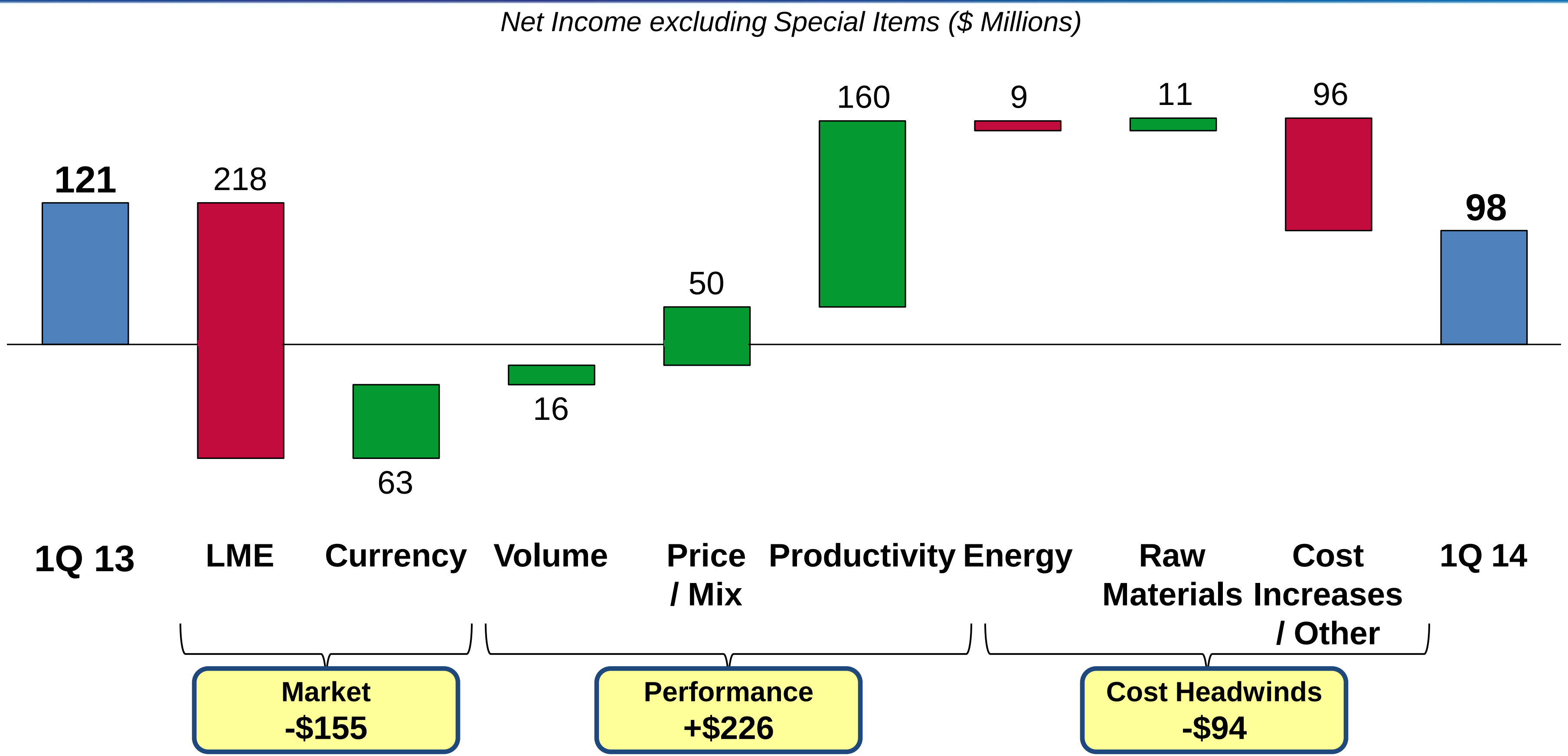
See appendix for Adjusted Income reconciliation

Performance more than offsets cost headwinds and market impacts

Net Income excluding Special Items ($ Millions)



LME drives Y-O-Y earnings decline; net productivity is positive



EPS generates record 1Q ATOI and EBITDA Margin

1Q14 Actual and 2Q14 Outlook – Engineered Products and Solutions

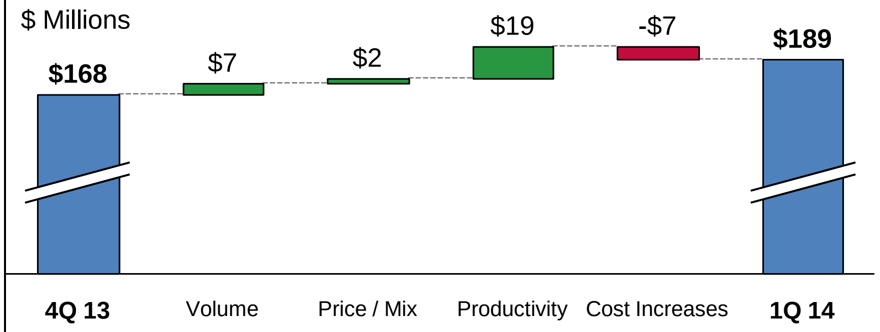
1st Quarter Results

	1Q 13	4Q 13	**1Q 14**
3rd Party Revenue ($ Millions)	1,423	1,405	**1,443**
ATOI ($ Millions)	173	168	**189**
EBITDA Margin	20.9%	20.3%	**22.2%**

1st Quarter Business Highlights

- **Revenue up 3%** sequentially driven by **share gains** across all markets
- **Record 1Q ATOI** and **EBITDA margin**
- **1Q EBITDA margin** at 22.2%, **up 1.3 percentage points** year-over-year
- **Quarterly ATOI up 9%** year-over-year to **$189M** driven by **productivity** and strong **Aerospace** and **Commercial Transportation demand,** offsetting unfavorable **weather impacts** in North America

1st Quarter Performance Bridge



2nd Quarter Outlook

- **Aerospace** market remains **strong**, **but** impacted by **lower U.S. Defense spare parts demand**
- Gradual **recovery in N.A. Non-Residential Construction** continues; **European** market decline is slowing
- **Stronger N.A. Heavy Duty Truck** build rates partially offset by Europe
- **Share Gains** through innovation and **productivity continues** across all sectors
- **ATOI** is expected to **increase 4-6% year-over-year**; first-time **+$200M** ATOI

GRP nearly triples profitability from productivity and higher mill utilization

1Q14 Actual and 2Q14 Outlook – Global Rolled Products

1st Quarter Results

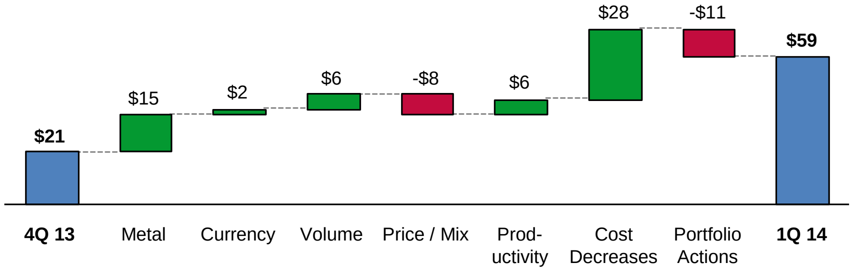
	1Q 13	4Q 13	**1Q 14**
3rd Party Revenue ($ Millions)	1,779	1,645	**1,677**
ATOI ($ Millions)	81	21	**59**
Adjusted EBITDA/MT	385	185	**315**

1st Quarter Business Highlights

- **Record automotive sheet revenue** – continued high shipments
- **Pricing** and **volume pressures** in Packaging
- **Strengthening demand** for **Industrial**; **pricing pressures** continue
- **Productivity gains** through strong focus on cost reduction
- **Favorable fixed cost absorption** from higher mill utilization
- **Costs** associated with **Australia portfolio actions** of $11M

1st Quarter Performance Bridge

$ Millions



2nd Quarter Outlook

- **Auto demand** expected to **stay strong**
- Continued **pressure on packaging prices and volumes**
- **Industrial volumes** expected to **strengthen**; continued **pricing pressures**
- **Unfavorable cost impact from business continuity preparation**
- **ATOI** is expected **to increase ~20%** sequentially, excluding FX and assuming **no change in metal** price

Alumina pricing and productivity drive highest 1Q ATOI since 2011

1Q14 Actual and 2Q14 Outlook – Alumina

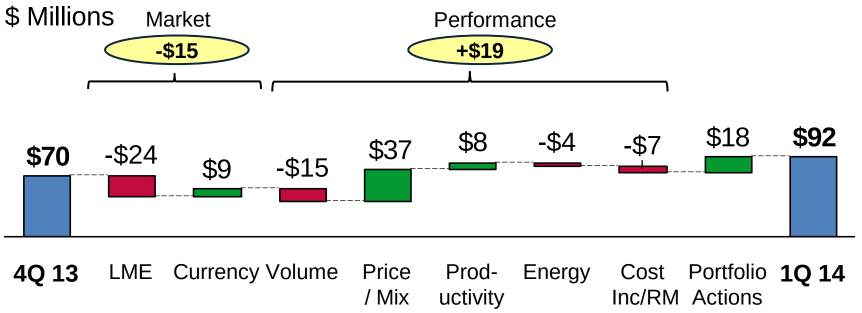
1st Quarter Results

	1Q 13	4Q 13	**1Q 14**
Production (kmt)	3,994	4,249	**4,172**
3rd Party Shipments (kmt)	2,457	2,578	**2,649**
3rd Party Revenue ($ Millions)	826	832	**845**
ATOI ($ Millions)	58	70	**92**

1st Quarter Business Highlights

- **Sixth straight quarter** of increased profits; **highest 1Q ATOI since 2011,** $74M before Surgold sale gain
- **Performance gains offset** market factors
- **Strong** Alumina index **(API) pricing increases ATOI by** $37M
- **Sale of Surgold** generated $18M ATOI

1st Quarter Performance Bridge



2nd Quarter Outlook

- **65%** of 3rd party shipments on **spot or API** for 2014; **API** pricing follows **30-day lag** and **LME pricing** follows **60-day lag**
- **Production decline** due to reduction at Pocos refinery in Brazil
- **Gain** from Surgold sale **does not repeat**
- **Saudi JV refinery** pre-operational **costs increase $5M**
- **Productivity** gains will **offset energy** and **cost increases**, **excluding** Saudi JV

Primary Metals aggressively executing portfolio actions

1Q14 Actual and 2Q14 Outlook – Primary Metals

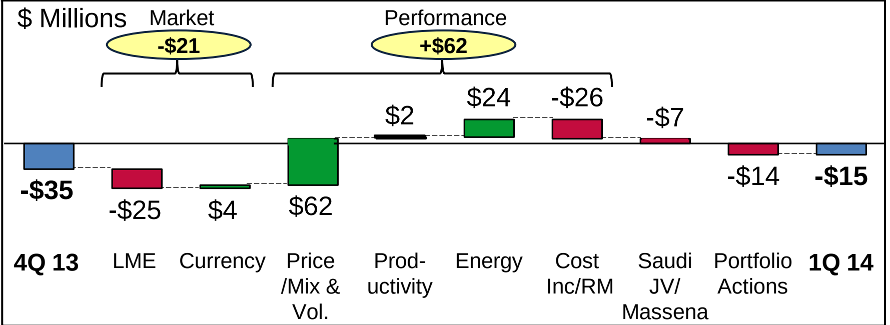
1st Quarter Results

	1Q 13	4Q 13	**1Q 14**
Production (kmt)	891	866	**839**
3rd Party Shipments (kmt)	705	717	**617**
3rd Party Revenue ($ Millions)	1,758	1,618	**1,424**
3rd Party Price ($/MT)	2,398	2,157	**2,205**
ATOI ($ Millions)	39	(35)	**(15)**

1st Quarter Business Highlights

- **Two fewer days** in the quarter reduce volume by $8M sequentially
- **Regional premiums,** mix and product pricing **drive performance** $70M **higher than 4Q**
- **Energy improvements** of $24M from **lower Spanish power prices,** partially **offset by higher costs** in other regions
- **Combined portfolio actions** and **Saudi JV** smelter **restart** total $21M

1st Quarter Performance Bridge

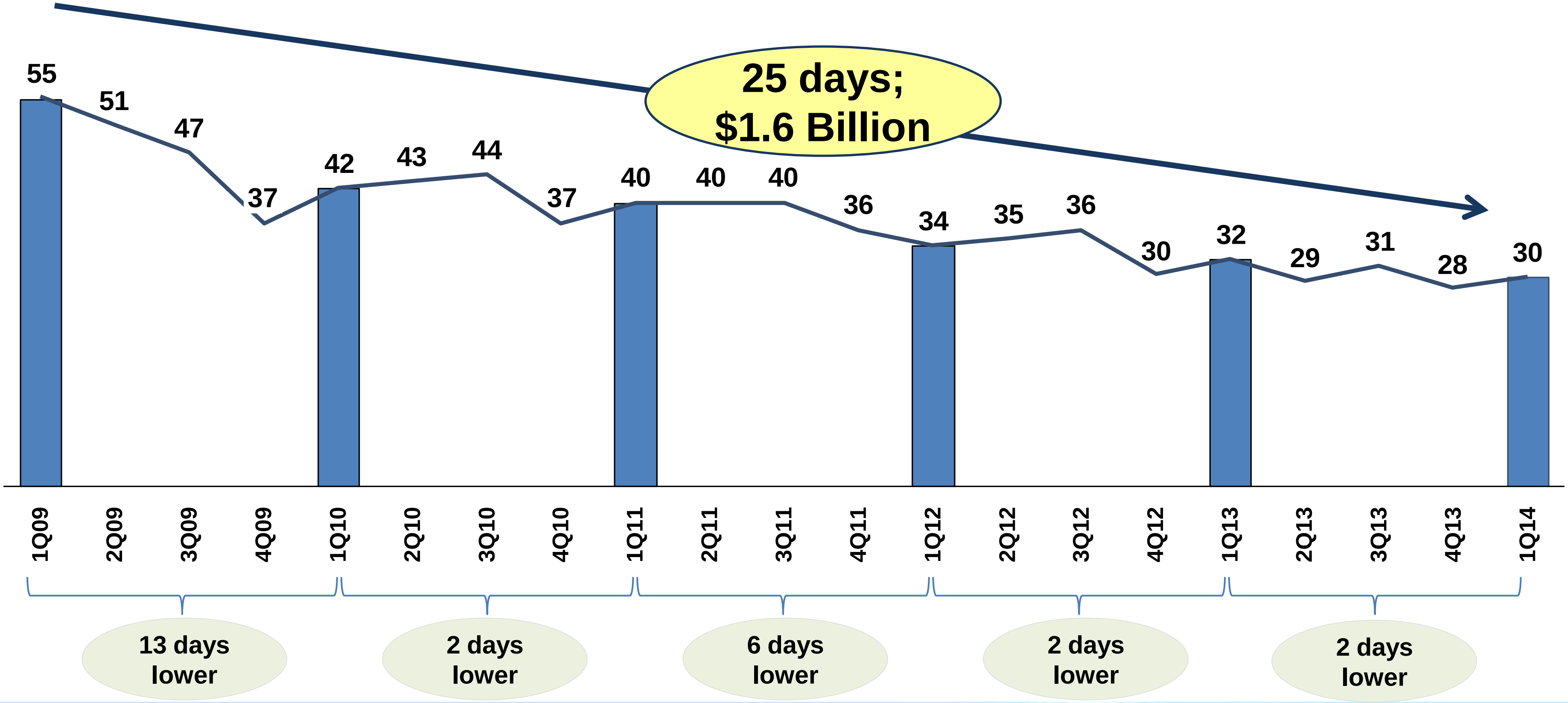


2nd Quarter Outlook

- **Pricing** to follow **15-day lag** to LME
- **Volumes** impacted by **Massena East and Brazilian curtailments**
- Saudi JV smelter **restart completed**
- **Productivity** gains will **offset energy** and **cost increases**

Two day year-over-year improvement in average DWC

Average Days Working Capital since First Quarter 2009



See appendix for days working capital reconciliation

1st Quarter Cash Flow Overview

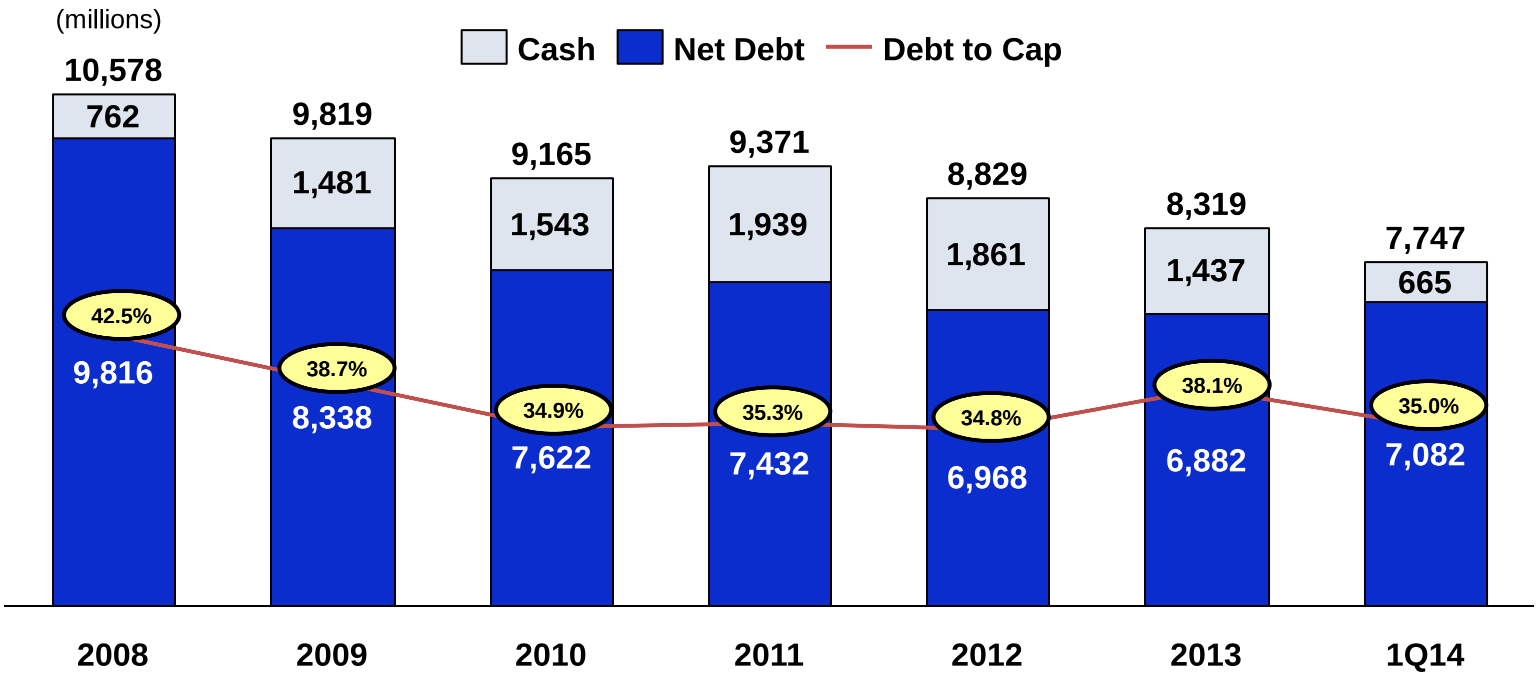
1Q13, 4Q13 & 1Q14 Cash Flow

($ Millions)	1Q13	4Q13	1Q14
Net Income before Noncontrolling Interests	$170	($2,310)	($197)
DD&A	$361	$350	$340
Change in Working Capital	($323)	$522	($687)
Pension Contributions	($83)	($108)	($91)
Other Adjustments	($195)	$2,466	$84
Cash from Operations	**($70)**	**$920**	**($551)**
Dividends to Shareholders	($33)	($33)	($33)
Change in Debt	$90	($14)	($14)
Distributions to Noncontrolling Interests	($25)	($29)	($35)
Contributions from Noncontrolling Interests	$15	$0	$20
Other Financing Activities	$0	$11	$72
Cash from Financing Activities	**$47**	**($65)**	**$10**
Capital Expenditures	($235)	($422)	($209)
Other Investing Activities	($50)	($3)	($31)
Cash from Investing Activities	**($285)**	**($425)**	**($240)**

See appendix for Free Cash Flow reconciliation

Lowest debt since 3Q 2007; Debt-to-Cap down to target range

Debt, Net Debt, and Debt-to-Capital %



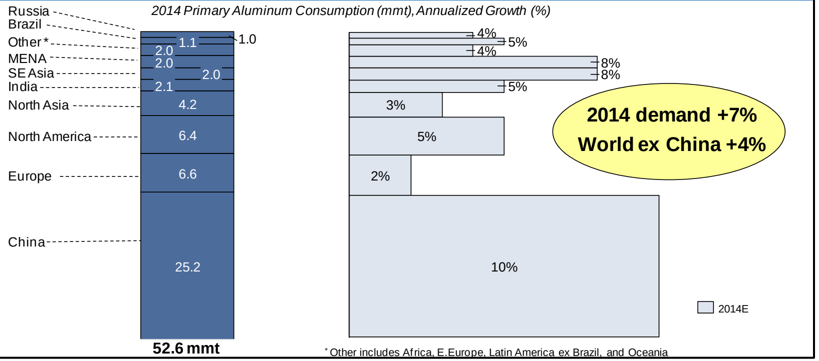
Aggressive targets drive growth and operational performance in 2014

2014 Annual Financial Targets

Deliver Operational Performance	**Drive Productivity Gains of $850M** ✓ Process productivity ✓ Procurement savings ✓ Overhead cost reductions
Invest in the Future; Actively Manage the Base	**Build Value-Add with Growth Capital of $500M** **Invest in Saudi JV of $125M** **Manage Sustaining Capital of $750M**
Strengthen the Balance Sheet	**Generate Positive Free Cash Flow** **Attain 30%-35% Debt-to-Capital**

Robust demand continues; regional premiums at record levels

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

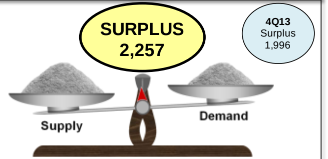


* Other includes Africa, E.Europe, Latin America ex Brazil, and Oceania

Aluminum **Deficit Emerging**

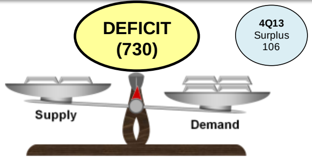
Supply/Demand Analysis

2014E Alumina Supply/Demand Balance



'000 mt	China	Rest of World
2014 Production	42,200	54,134
2014 Production to be added	6,800	3,300
2014 Capacity to be curtailed	-	(950)
Imports/(exports)	3,400	(3,400)
Total supply	52,400	53,084
Demand	(51,700)	(51,527)
Net Balance	**700**	**1,557**

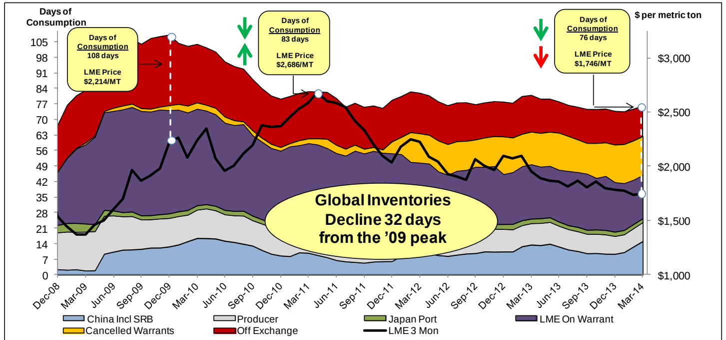
2014E Aluminum Supply/Demand Balance



'000 mt	China	Rest of World
2014 Production	23,800	25,155
2014 Production to be added	3,150	1,300
2014 Capacity to be curtailed	(1,100)	(240)
Total supply	25,850	26,215
Demand	(25,450)	(27,345)
Net Balance	**400**	**(1,130)**

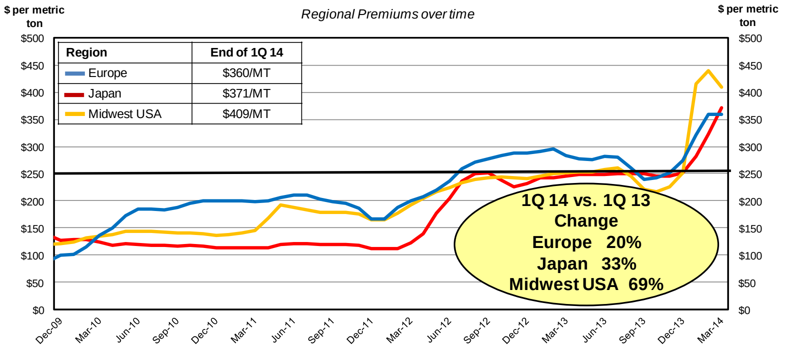
Inventory is **Stable**

Global Inventories vs. LME Price Over Time $



High Regional **Premiums**

Regional Premiums over time



See appendix for full scale charts

Advancing each generation. ALCOA

Klaus Kleinfeld

Chairman and Chief Executive Officer

April 8, 2014

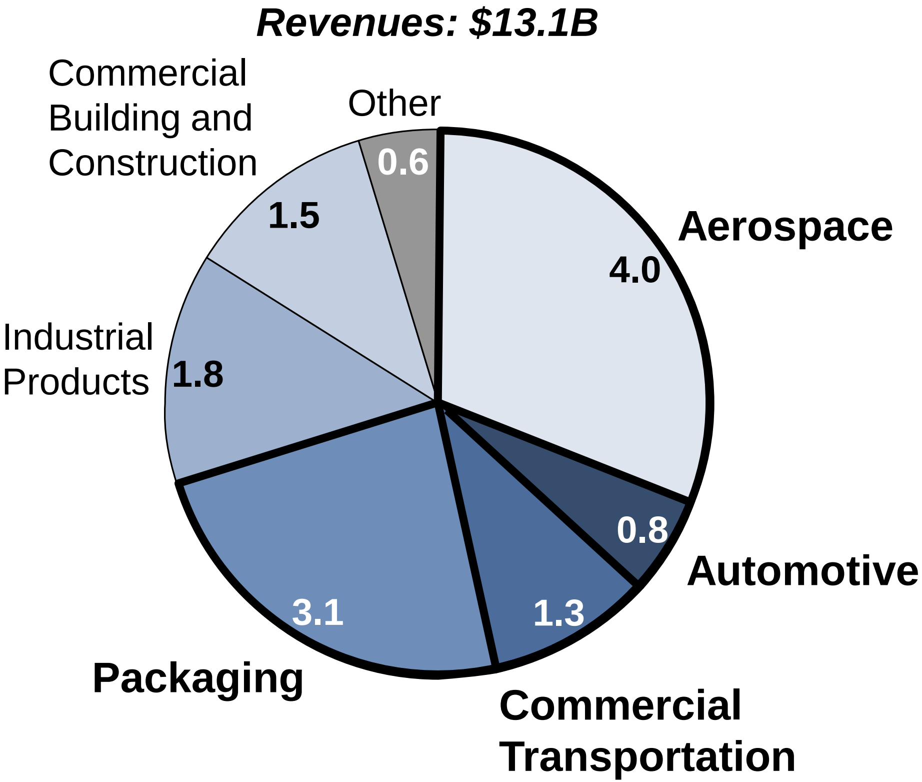
2014 Market Conditions remain solid

Alcoa End Markets: Current Assessment of 2014 vs. 2013

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

More to Alcoa than meets the eye, exciting Value-Add Portfolio

2013 Alcoa value-add revenue by market ($B)



Aerospace

- **7.5%** End Market **CAGR** (2013-2016)
- **~8 year** production **backlog** for large commercial aircraft

Automotive

- **>50% CAGR** for N.A. **auto sheet** (2013-2016)
- **N. A**merica aluminum **auto sheet** demand by **2025 over 1 million metric tons**

Commercial Transportation

- **3-4%** Heavy Duty Truck Market **CAGR** (2013-2016)
- **40%** of **Wheels** market[1] expected to be **Aluminum** by 2014

Packaging

- **2-3%** Global Beverage Can Market **CAGR** (2013-2016)
- **Aluminum penetration** vs. steel **continues** in China, Asia, Europe & Africa (currently 86% globally)

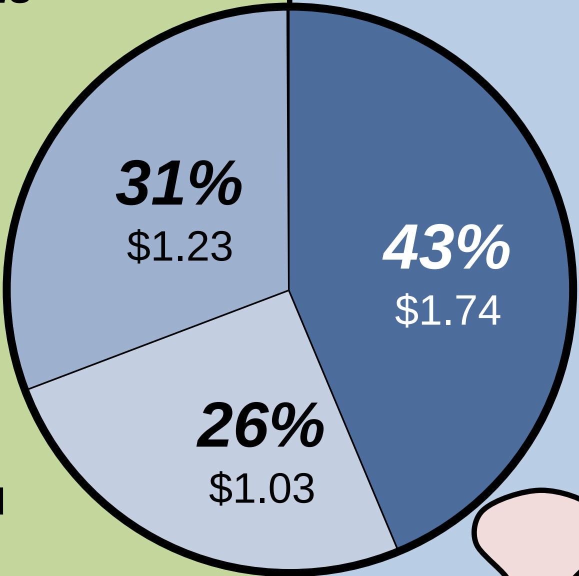
Source: Alcoa analysis

1) Based on dollar value. Global commercial vehicle wheel market includes trucks, trailers and buses

$4B Aerospace Portfolio; Multi-material Innovation Leader

Innovative Fastening Systems

- Global **leader** in aerospace **fastening** systems
- Both **airframe** and **engine** applications
- ~40% **titanium**, ~25% **steel** and ~35% **nickel alloys**



Advanced Aerospace Structures

- Aluminum **sheet, plate and extrusions**
- **Aluminum** and **titanium forgings**
- **Structural castings;** ~50% **titanium**, ~30% **aluminum**, and ~20% **nickel alloys**

High Performance Engine Investment Castings

- Global **leader** in **jet engine airfoils**
- 100% **nickel super alloys**

Re-Inventing the Wheel: Lighter & Brighter

Most innovative solutions for improved truck fuel efficiency and lowered maintenance cost

Customer needs

- ***Improved fuel efficiency***
- ***Lower GHG emissions***
- ***Reduced operating cost***
- ***Increased payload***

Alcoa's Innovation Leadership is on a roll

Heavy duty without the "Heavy": **Ultra ONE™**

- New **17% Stronger** Proprietary **MagnaForce™ Alloy**
- **World's Lightest** wheel at **40 pounds**
- **47% Lighter** than **Steel, 18% Lighter** than avg. **Aluminum**
- Helps **Save** up to **1,400 pounds** per rig[1]
- Replacing **18** Steel wheels with **Aluminum** offsets **Annual Carbon Footprint** of average **Family of Four**

67% of 2013 Alcoa Wheel Sales driven by **Proprietary Technology**

Never loses its Shine: **Dura-Bright® EVO™**

- **10x** Improved **Corrosion Resistance**
- **No** Mechanical or Chemical **Cleaning**
- **Looks New** Longer
- **Investing** to **double capacity** in **Europe**

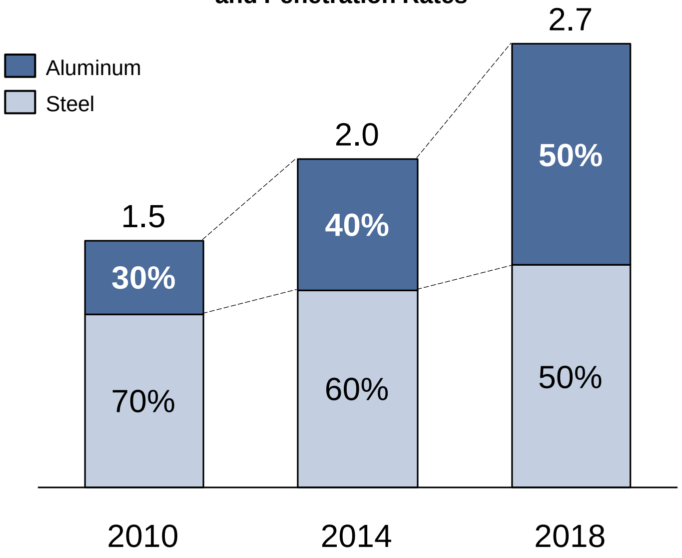
1) Based on conversion from Standard Steel to Wide-Base Aluminum

Growth for the long haul, winning out of the gate with Ultra ONE™

Global commercial vehicle wheel market and customer conversion to Ultra ONE™

Al gaining ground in a growing market

Global Commercial Vehicle Wheel Market ($B) and Penetration Rates[1]



Undisputed market leader, deep customer reach

- **Over 150 fleets** specifying **67,000 Ultra ONE™** wheels since introduction
- **TMC Transportation** converting to **Ultra ONE™** wheels starting **in 2014**

Source: Alcoa analysis
1) Based on dollar value; Commercial Vehicle Market = Truck, Trailer & Bus

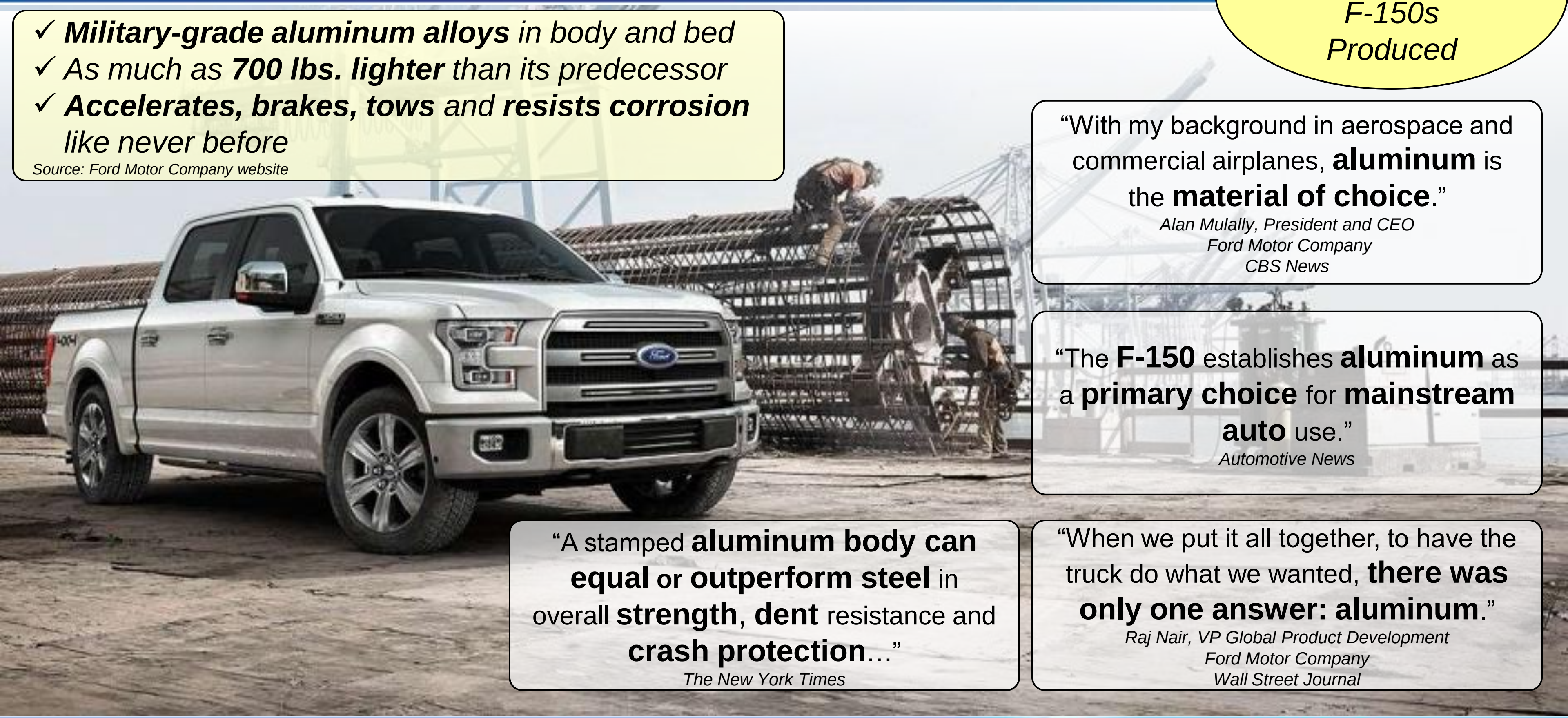
Auto going aluminum: From Audi A100 in 1985…

1994 to Today:
~700,000
Aluminum Space Frame Audi's

Source: Audi

…to 2015: going Mass-Market with the Ford F-150

2013:
~700,000
F-150s
Produced



- ✓ ***Military-grade aluminum alloys*** *in body and bed*
- ✓ *As much as* ***700 lbs. lighter*** *than its predecessor*
- ✓ ***Accelerates, brakes, tows*** *and* ***resists corrosion*** *like never before*

Source: Ford Motor Company website

"With my background in aerospace and commercial airplanes, **aluminum** is the **material of choice**."
Alan Mulally, President and CEO
Ford Motor Company
CBS News

"The **F-150** establishes **aluminum** as a **primary choice** for **mainstream auto** use."
Automotive News

"A stamped **aluminum body can equal** or **outperform steel** in overall **strength**, **dent** resistance and **crash protection**…"
The New York Times

"When we put it all together, to have the truck do what we wanted, **there was only one answer: aluminum**."
Raj Nair, VP Global Product Development
Ford Motor Company
Wall Street Journal

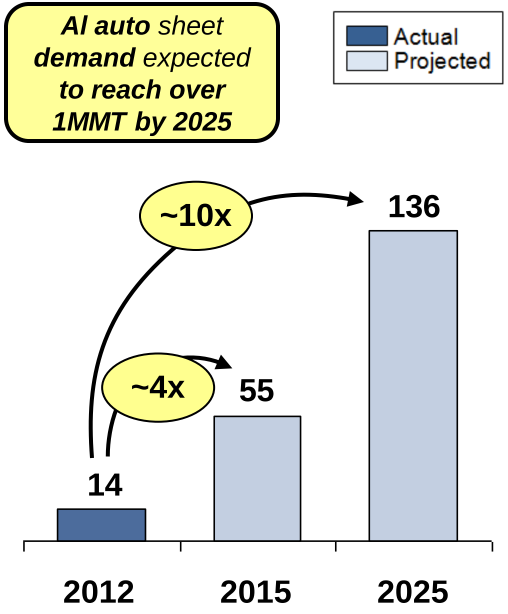
Capitalizing on our Leading Position as Auto goes Lightweight

Projected aluminum content per vehicle, Alcoa automotive growth projects and Alcoa auto sheet revenue

Increasing Aluminum Intensity

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

Al auto** sheet **demand** expected **to reach over 1MMT by 2025



Source: Ducker Worldwide

Positioned to Capture Growth

Completed **On time** and **On budget**

Davenport, IA

- **~$300M** investment completed in **4Q 2013**
- Undergoing **customer qualifications**

Alcoa, TN

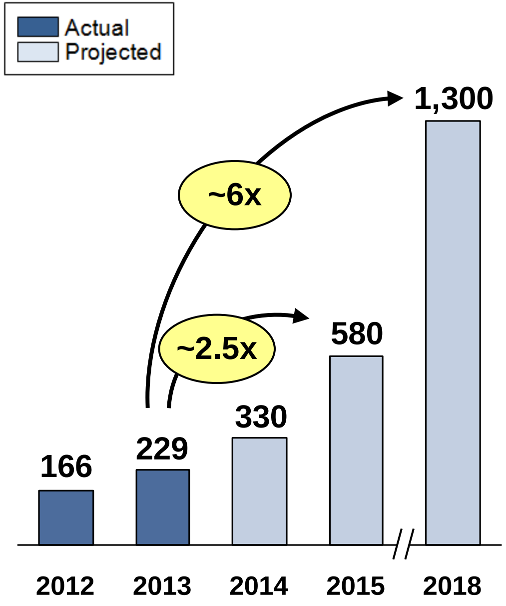
- **~$300M** investment; completion in **mid-2015**
- Enables **flexible production**

Saudi Arabia JV – KSA

- **~$400M** total investment*; First **auto coil** by December **2014**

6X Revenue Increase by 2018

Projected Alcoa Auto Sheet Revenues ($M)



* Total investment relates to rolling mill capability expansion to include auto sheet, building and construction sheet and foil stock. Alcoa's investment portion is ~$95M

Re-Packaging Midstream Portfolio: Shifting mix to Grow Value-Add

Bud Light re-closable aluminum bottle, investment in aseptic foil packaging and closure of Australia RM facilities

Alcoa puts a cool twist on a cold one…

Material Expertise

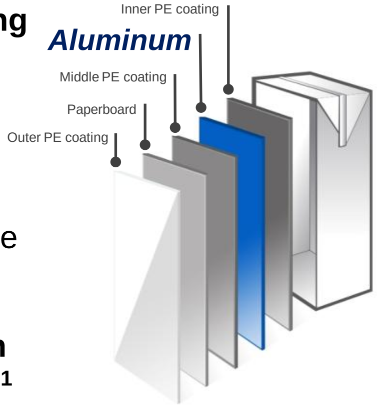
- **Patented** bottle technology
- Uses **Alcoa aluminum sheet**
- Licensed by **Anheuser-Busch**
- **Differentiated** Product:
  - ***Re-Closable***
  - ***84% lighter*** *than glass bottle*
  - *Infinitely* ***Recyclable***
- **U.S. Al bottle growth** expected to **more than double** by **2015**

Metal-forming know-how

- Suite of **proprietary Alcoa technology** offers premium aluminum packaging options for brands

…And adds more differentiation to the mix…

- **$40** million **Specialty Packaging** investment in **Brazil**
- All **additional Capacity** has been **Fully Committed**
- Most **Highly Differentiated** type of container in **Packaging**
- **7%** annual **growth** rate in **Latin America** over the **next 3 years**[1]



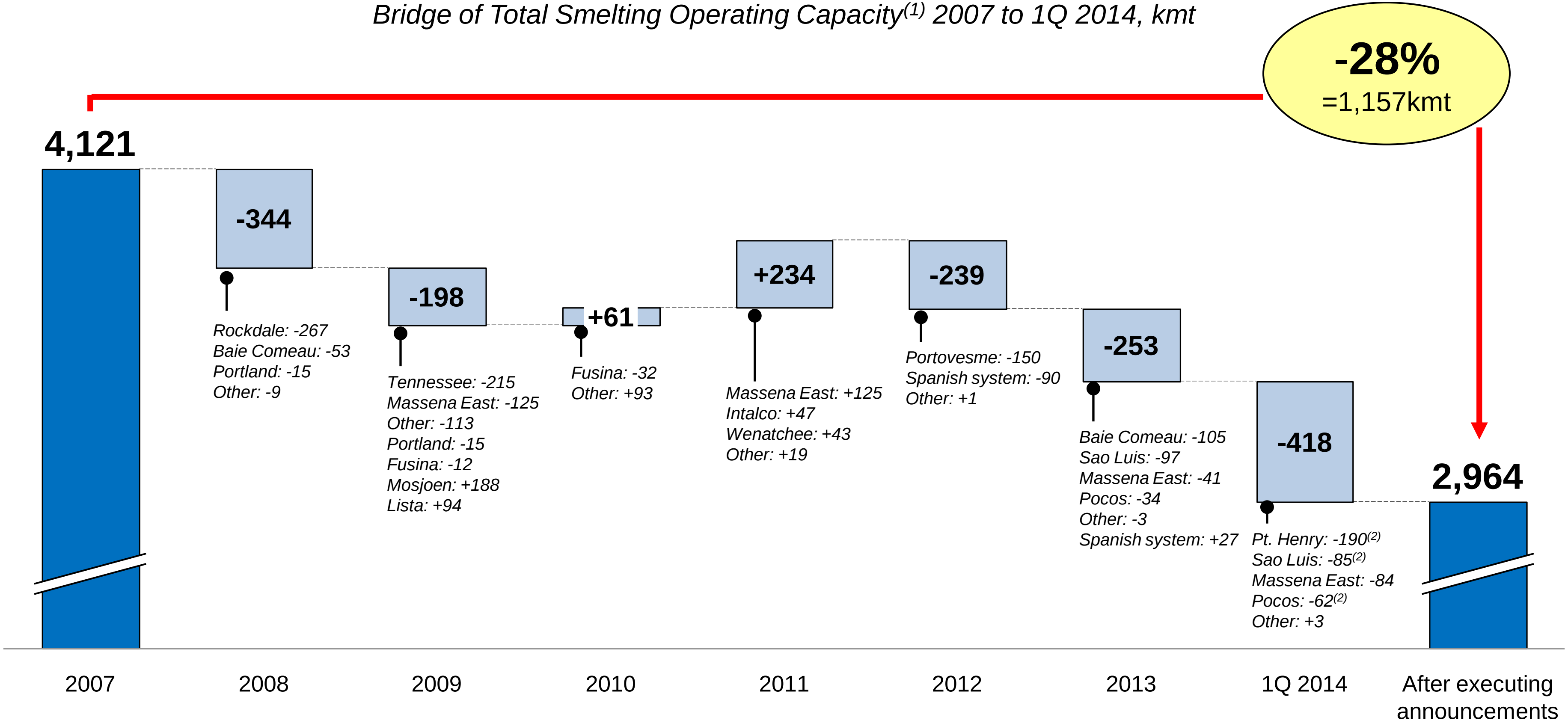
…While reducing commodity capacity

- **Closure** of **two** Australia can sheet **Rolling Mills**
- **200 kmt closed** by year-end 2014

Source: Alcoa analysis
1) According to the Brazilian Aluminum Association PE = Polyethylene

Upstream Restructuring advances Transformation

Bridge of Total Smelting Operating Capacity[1] 2007 to 1Q 2014, kmt



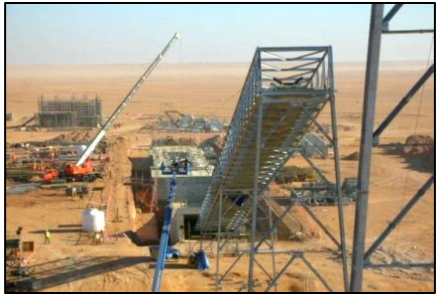
(1) Operating capacity = Alcoa total base capacity less idled capacity
(2) Announced but not executed

Saudi Arabia JV Progressing as Planned - World's Lowest Cost

Saudi Arabia JV construction update

Phase 1		Phase 2	
Smelter	Rolling Mill	Refinery	Mine
▪ **190 kmt** production in 2013 ▪ **550 kmt** production in 2014 ▪ At **full capacity** in 2014 ▪ **Lowest cost** smelter ▪ **2% point reduction** on the smelting cost curve	▪ **First** hot **coil** in **4Q 2013** ▪ **First auto** coil in **4Q 2014**	▪ First **alumina 4Q 2014** ▪ **Lowest cost** refinery ▪ **2% point reduction** on the refining cost curve	▪ On track to provide **bauxite in 2014**
100% complete	**97%** complete	**86%** complete	**63%** complete



Alcoa's Transformation Accelerates

Accelerating launch of Innovative Products; Applying the Alcoa Advantage

Building out Alcoa's Value-Add Businesses; Capturing growing Demand

Lowering Upstream Cost Base

Advancing each generation.

ALCOA

Additional Information

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Annual Sensitivity Summary

LME Aluminum Annual Net Income Sensitivity

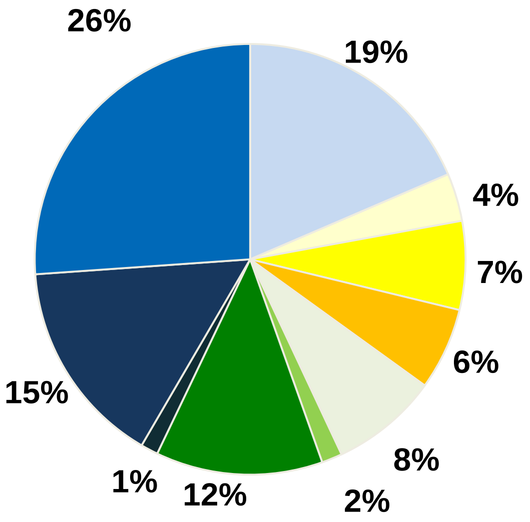
+/- $100/MT = +/- $240 million

Currency Annual Net Income Sensitivity

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

Revenue Change by Market

1Q'14 Third-Party Revenue



	Sequential Change	Year-Over-Year Change
Aerospace	2%	1%
Automotive	3%	5%
B&C	(1%)	2%
Comm. Transport	7%	9%
Industrial Products	11%	(6%)
IGT	(14%)	(23%)
Packaging	(0%)	(9%)
Distribution/Other	(29%)	(5%)
Alumina	2%	2%
Primary Metals	(12%)	(19%)

Special Items

$ Millions, except per-share amounts	Pre-tax, Before NCI		After-tax, After NCI			
	4Q13	1Q14	4Q13	1Q14	Income Statement Classification	Segment
Net Loss from Continuing Operations	**($1,998)**	**($274)**	**($2,339)**	**($178)**		
Net Loss Per Diluted Share	**($1.87)**	**($0.25)**	**($2.19)**	**($0.16)**		
Restructuring-Related	($380)	($499)	($302)	($296)	Restructuring/COGS/ Other Expenses (Income), Net	Corporate / Primary Metals/ GRP
Tax Items	$0	$0	($361)	$22	Income Taxes	Corporate
Saudi Arabia Smelter Potline	($10)	($13)	($9)	($13)	COGS/ Other Expenses (Income), Net	Primary Metals
Massena Fire	$9	$0	$5	$0	COGS	Primary Metals/EPS/Corp
Goodwill Impairment	($1,731)	$0	($1,719)	$0	Goodwill Impairment Charge	Corporate
Mark-to-Market Energy Contracts	$14	$0	$7	$0	Other Expenses (Income), Net	Corporate
Surgold Gain	$0	$28	$0	$11	Other Expenses (Income), Net	Alumina
Special Items	**($2,098)**	**($484)**	**($2,379)**	**($276)**		
Net Income from Continuing Ops excl Special Items	**$100**	**$210**	**$40**	**$98**		
Net Income per Diluted Share excl Special Items	**$0.09**	**$0.19**	**$0.04**	**$0.09**		

See appendix for Adjusted Income reconciliation.

Composition of Regional Premium Pricing Convention

2014E Shipments	Regional Premiums	Estimated Pricing Convention
55%	Midwest – Platts	15-day lag
30%	Rotterdam DDP – Metal Bulletin	45-day lag
10%	CIF Japan – Platts	Month prior to Quarter start
5%	Negotiated	Annual

Alcoa smelting closures and curtailments when announced actions are complete

Alcoa smelting capacity closures, since Dec 2007

Location	Year	kmt
Baie Comeau	2008	53
Eastalco	2010	195
Badin	2010	60
Warrick	2010	40
Tennessee	2011	215
Rockdale	2011	76
Baie Comeau	2013	105
Fusina	2013	44
Massena East	2013	41
Massena East	2014	84
Point Henry(2)	2014	190
Total		**1,103**

Alcoa smelting capacity curtailments

Location	kmt
Rockdale	191
Sao Luis(1)	182
Portovesme	150
Pocos(1)	96
Intalco	49
Wenatchee	41
Aviles	35
Portland	30
La Coruna	25
Total	**799**

(1) Pocos (62 kmt) and Sao Luis (85 kmt) have been announced, but not fully executed
(2) Announced, but not executed

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

(in millions)

	1Q13	2Q13	3Q13	4Q13	2013	1Q14
Total segment ATOI	$ 351	$ 304	$ 338	$ 224	$ 1,217	$ 325
Unallocated amounts (net of tax):						
Impact of LIFO	(2)	5	9	40	52	(7)
Interest expense	(75)	(76)	(70)	(73)	(294)	(78)
Noncontrolling interests	(21)	29	(20)	(29)	(41)	19
Corporate expense	(67)	(71)	(74)	(72)	(284)	(67)
Impairment of goodwill	–	–	–	(1,731)	(1,731)	–
Restructuring and other charges	(5)	(211)	(108)	(283)	(607)	(321)
Other	(32)	(99)	(51)	(415)	(597)	(49)
Consolidated net income (loss) attributable to Alcoa	$ 149	$ (119)	$ 24	$ (2,339)	$ (2,285)	$ (178)

Reconciliation of Adjusted Income

(in millions, except per-share amounts)	Income (Loss)			Diluted EPS		
	Quarter ended			Quarter ended		
	March 31, 2013	December 31, 2013	March 31, 2014	March 31, 2013	December 31, 2013	March 31, 2014
Net income (loss) attributable to Alcoa	$ 149	$ (2,339)	$ (178)	$ 0.13	$ (2.19)	$ (0.16)
Restructuring and other charges	5	302	274			
Discrete tax items*	(19)	364	(6)			
Other special items**	(14)	1,713	8			
Net income attributable to Alcoa – as adjusted	$ 121	$ 40	$ 98	0.11	0.04	0.09

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

* Discrete tax items include the following:
- for the quarter ended March 31, 2014, a net benefit for a number of small items ($6);
- for the quarter ended December 31, 2013, a charge for valuation allowances related to certain Spain and U.S. deferred tax assets ($372) and a net benefit for other miscellaneous items ($8); and
- for the quarter ended March 31, 2013, a benefit related to the reinstatement under the American Taxpayer Relief Act of 2012 of two tax provisions that were applied in 2013 to Alcoa's U.S. income tax return for calendar year 2012 ($19).

** Other special items include the following:
- for the quarter ended March 31, 2014, a tax benefit representing the difference between Alcoa's consolidated estimated annual effective tax rate and the statutory rates applied to restructuring and other charges ($72), an unfavorable tax impact related to the interim period treatment of operational losses in certain foreign jurisdictions for which no tax benefit was recognized ($56), the write-off of inventory related to the permanent closure of a smelter and two rolling mills in Australia and a smelter in the United States ($20), an unfavorable impact related to the restart of one potline at the joint venture in Saudi Arabia that was previously shut down due to a period of pot instability ($13), a gain on the sale of a mining interest in Suriname ($11), and a loss on the writedown of an asset to fair value ($2);
- for the quarter ended December 31, 2013, an impairment of goodwill ($1,719), an unfavorable impact related to a temporary shutdown of one of the two smelter potlines at the joint venture in Saudi Arabia due to a period of pot instability ($9), a net favorable change in certain mark-to-market energy derivative contracts ($7), an insurance recovery related to the March 2012 cast house fire at the Massena, NY location ($5), and a favorable tax impact related to the interim period treatment of operational losses in certain foreign jurisdictions for which no tax benefit was recognized during the nine months ended September 30, 2013 ($3); and
- for the quarter ended March 31, 2013, a net favorable change in certain mark-to-market energy derivative contracts ($9) and a net insurance recovery related to the March 2012 cast house fire at the Massena, NY location ($5).

Reconciliation of Alcoa Adjusted EBITDA

($ in millions)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	1Q13	4Q13	1Q14
Net income (loss) attributable to Alcoa	$ 938	$ 1,310	$ 1,233	$ 2,248	$ 2,564	$ (74)	$ (1,151)	$ 254	$ 611	$ 191	$ (2,285)	$ 149	$ (2,339)	$ (178)
Add:														
Net income (loss) attributable to noncontrolling interests	212	233	259	436	365	221	61	138	194	(29)	41	21	29	(19)
Cumulative effect of accounting changes	47	–	2	–	–	–	–	–	–	–	–	–	–	–
Loss (income) from discontinued operations	–	27	50	(22)	250	303	166	8	3	–	–	–	–	–
Provision (benefit) for income taxes	367	546	464	853	1,623	342	(574)	148	255	162	428	64	312	(77)
Other (income) expenses, net	(278)	(266)	(478)	(236)	(1,920)	(59)	(161)	5	(87)	(341)	(25)	(27)	(10)	25
Interest expense	314	271	339	384	401	407	470	494	524	490	453	115	112	120
Restructuring and other charges	(28)	(29)	266	507	268	939	237	207	281	172	782	7	380	461
Impairment of goodwill	–	–	–	–	–	–	–	–	–	–	1,731	–	1,731	–
Provision for depreciation, depletion, and amortization	1,110	1,142	1,227	1,252	1,244	1,234	1,311	1,450	1,479	1,460	1,421	361	350	340
Adjusted EBITDA	$ 2,682	$ 3,234	$ 3,362	$ 5,422	$ 4,795	$ 3,313	$ 359	$ 2,704	$ 3,260	$ 2,105	$ 2,546	$ 690	$ 565	$ 672
Sales	$18,879	$21,370	$24,149	$28,950	$29,280	$26,901	$18,439	$21,013	$24,951	$23,700	$23,032	$ 5,833	$ 5,585	$ 5,454
Adjusted EBITDA Margin	14.2%	15.1%	13.9%	18.7%	16.4%	12.3%	1.9%	12.9%	13.1%	8.9%	11.1%	11.8%	10.1%	12.3%

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

Reconciliation of Alumina Adjusted EBITDA

($ in millions, except per metric ton amounts)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	1Q13	4Q13	1Q14
After-tax operating income (ATOI)	$ 415	$ 632	$ 682	$ 1,050	$ 956	$ 727	$ 112	$ 301	$ 607	$ 90	$ 259	$ 58	$ 70	$ 92
Add:														
Depreciation, depletion, and amortization	147	153	172	192	267	268	292	406	444	455	426	109	102	97
Equity (income) loss	–	(1)	–	2	(1)	(7)	(8)	(10)	(25)	(5)	4	(1)	2	5
Income taxes	161	240	246	428	340	277	(22)	60	179	(27)	66	14	21	40
Other	(55)	(46)	(8)	(6)	2	(26)	(92)	(5)	(44)	(8)	(6)	(3)	(1)	(28)
Adjusted EBITDA	$ 668	$ 978	$ 1,092	$ 1,666	$ 1,564	$ 1,239	$ 282	$ 752	$ 1,161	$ 505	$ 749	$ 177	$ 194	$ 206
Production (thousand metric tons) (kmt)	13,841	14,343	14,598	15,128	15,084	15,256	14,265	15,922	16,486	16,342	16,618	3,994	4,249	4,172
Adjusted EBITDA / Production ($ per metric ton)	$ 48	$ 68	$ 75	$ 110	$ 104	$ 81	$ 20	$ 47	$ 70	$ 31	$ 45	$ 44	$ 46	$ 49

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

Reconciliation of Primary Metals Adjusted EBITDA

($ in millions, except per metric ton amounts)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	1Q13	4Q13	1Q14
After-tax operating income (ATOI)	$ 657	$ 808	$ 822	$ 1,760	$ 1,445	$ 931	$ (612)	$ 488	$ 481	$ 309	$ (20)	$ 39	$ (35)	$ (15)
Add:														
Depreciation, depletion, and amortization	310	326	368	395	410	503	560	571	556	532	526	135	128	124
Equity (income) loss	(55)	(58)	12	(82)	(57)	(2)	26	(1)	7	27	51	9	22	28
Income taxes	256	314	307	726	542	172	(365)	96	92	106	(74)	1	(34)	(11)
Other	12	20	(96)	(13)	(27)	(32)	(176)	(7)	2	(422)	(8)	(1)	(6)	–
Adjusted EBITDA	$ 1,180	$ 1,410	$ 1,413	$ 2,786	$ 2,313	$ 1,572	$ (567)	$ 1,147	$ 1,138	$ 552	$ 475	$ 183	$ 75	$ 126
Production (thousand metric tons) (kmt)	3,508	3,376	3,554	3,552	3,693	4,007	3,564	3,586	3,775	3,742	3,550	891	866	839
Adjusted EBITDA / Production ($ per metric ton)	$ 336	$ 418	$ 398	$ 784	$ 626	$ 392	$ (159)	$ 320	$ 301	$ 148	$ 134	$ 205	$ 87	$ 150

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

Reconciliation of Global Rolled Products Adjusted EBITDA

($ in millions, except per metric ton amounts)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	1Q13	4Q13	1Q14
After-tax operating income (ATOI)	$ 232	$ 223	$ 232	$ 290	$ 300	$ 317	$ 151	$ (41)	$ (106)	$ 241	$ 260	$ 346	$ 252	$ 81	$ 21	$ 59
Add:																
Depreciation, depletion, and amortization	167	184	190	200	220	223	227	216	227	238	237	229	226	57	58	58
Equity loss	2	4	1	1	–	2	–	–	–	–	3	6	13	4	4	5
Income taxes	112	90	77	97	135	113	77	14	12	103	98	159	108	39	5	34
Other	(5)	(8)	(5)	1	1	20	1	6	(2)	1	1	(2)	–	(1)	1	(2)
Adjusted EBITDA*	$ 508	$ 493	$ 495	$ 589	$ 656	$ 675	$ 456	$ 195	$ 131	$ 583	$ 599	$ 738	$ 599	$ 180	$ 89	$ 154
Total shipments (thousand metric tons) (kmt)	1,863	1,814	1,893	2,136	2,250	2,376	2,482	2,361	1,888	1,755	1,866	1,943	1,989	468	481	489
Adjusted EBITDA / Total shipments ($ per metric ton)*	$ 273	$ 272	$ 261	$ 276	$ 292	$ 284	$ 184	$ 83	$ 69	$ 332	$ 321	$ 380	$ 301	$ 385	$ 185	$ 315

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

* In 1Q14, the Adjusted EBITDA of Global Rolled Products includes a $13 charge for the write-off of inventory related to the permanent closure of two rolling mills in Australia. Excluding this charge, Adjusted EBITDA was $167 and the resulting EBITDA per metric ton was $342 for 1Q14.

Reconciliation of Engineered Products and Solutions Adjusted EBITDA

($ in millions)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	1Q13	4Q13	1Q14
After-tax operating income (ATOI)	$ 126	$ 161	$ 276	$ 382	$ 423	$ 522	$ 311	$ 419	$ 537	$ 612	$ 726	$ 173	$ 168	$ 189
Add:														
Depreciation, depletion, and amortization	166	168	160	152	163	165	177	154	158	158	159	40	40	40
Equity loss (income)	–	–	–	6	–	–	(2)	(2)	(1)	–	–	–	–	–
Income taxes	57	70	120	164	184	215	138	198	258	297	348	84	79	91
Other	11	106	(11)	(2)	(7)	2	1	–	(1)	(9)	(2)	–	(2)	–
Adjusted EBITDA	$ 360	$ 505	$ 545	$ 702	$ 763	$ 904	$ 625	$ 769	$ 951	$ 1,058	$ 1,231	$ 297	$ 285	$ 320
Third-party sales	$ 3,905	$ 4,283	$ 4,773	$ 5,428	$ 5,834	$ 6,199	$ 4,689	$ 4,584	$ 5,345	$ 5,525	$ 5,733	$ 1,423	$ 1,405	$ 1,443
Adjusted EBITDA Margin	9.2%	11.8%	11.4%	12.9%	13.1%	14.6%	13.3%	16.8%	17.8%	19.1%	21.5%	20.9%	20.3%	22.2%

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

Reconciliation of Free Cash Flow

(in millions)	Quarter ended										
	September 30, 2011	**December 31, 2011**	**March 31, 2012**	**June 30, 2012**	**September 30, 2012**	**December 31, 2012**	**March 31, 2013**	**June 30, 2013**	**September 30, 2013**	**December 31, 2013**	**March 31, 2014**
Cash from operations	$ 489	$ 1,142	$ (236)	$ 537	$ 263	$ 933	$ (70)	$ 514	$ 214	$ 920	$ (551)
Capital expenditures	(325)	(486)	(270)	(291)	(302)	(398)	(235)	(286)	(250)	(422)	(209)
Free cash flow	$ 164	$ 656	$ (506)	$ 246	$ (39)	$ 535	$ (305)	$ 228	$ (36)	$ 498	$ (760)

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

Reconciliation of Free Cash Flow, con't

(in millions)	Quarter ended										
	December 31, 2008	March 31, 2009	June 30, 2009	September 30, 2009	December 31, 2009	March 31, 2010	June 30, 2010	September 30, 2010	December 31, 2010	March 31, 2011	June 30, 2011
Cash from operations	$ 608	$ (271)	$ 328	$ 184	$ 1,124	$ 199	$ 300	$ 392	$ 1,370	$ (236)	$ 798
Capital expenditures	(1,017)	(471)	(418)	(370)	(363)	(221)	(213)	(216)	(365)	(204)	(272)
Free cash flow	$ (409)	$ (742)	$ (90)	$ (186)	$ 761	$ (22)	$ 87	$ 176	$ 1,005	$ (440)	$ 526

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

Days Working Capital

($ in millions)	Quarter ended								
	March 31, 2012	June 30, 2012	September 30, 2012	December 31, 2012	March 31, 2013	June 30, 2013	September 30, 2013	December 31, 2013	March 31, 2014
Receivables from customers, less allowances	$ 1,709	$ 1,650	$ 1,600	$ 1,573	$ 1,704	$ 1,483	$ 1,427	$ 1,383	$ 1,391
Add: Deferred purchase price receivable*	85	144	104	53	50	223	347	339	238
Receivables from customers, less allowances, as adjusted	1,794	1,794	1,704	1,626	1,754	1,706	1,774	1,722	1,629
Add: Inventories	3,079	3,097	3,051	2,894	2,961	2,949	2,932	2,783	2,974
Less: Accounts payable, trade	2,660	2,594	2,496	2,587	2,656	2,820	2,746	2,816	2,813
Working Capital**	$ 2,213	$ 2,297	$ 2,259	$ 1,933	$ 2,059	$ 1,835	$ 1,960	$ 1,689	$ 1,790
Sales	$ 6,006	$ 5,963	$ 5,833	$ 5,898	$ 5,833	$ 5,849	$ 5,765	$ 5,585	$ 5,454
Days Working Capital	34	35	36	30	32	29	31	28	30

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

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

** Beginning January 1, 2014, management changed the manner in which Working Capital is measured by moving from an end of quarter Working Capital to an average quarter Working Capital. This change will now reflect the capital tied up during a given quarter. As such, the components of Working Capital for each period presented represent the average of the ending balances in each of the three months during the respective quarter.

Reconciliation of Net Debt

(in millions)	December 31, 2008	2009	2010	2011	2012	2013	March 31, 2014
Short-term borrowings	$ 478	$ 176	$ 92	$ 62	$ 53	$ 57	$ 53
Commercial paper	1,535	–	–	224	–	–	–
Long-term debt due within one year	56	669	231	445	465	655	85
Long-term debt, less amount due within one year	8,509	8,974	8,842	8,640	8,311	7,607	7,609
Total debt	10,578	9,819	9,165	9,371	8,829	8,319	7,747
Less: Cash and cash equivalents	762	1,481	1,543	1,939	1,861	1,437	665
Net debt	$ 9,816	$ 8,338	$ 7,622	$ 7,432	$ 6,968	$ 6,882	$ 7,082

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

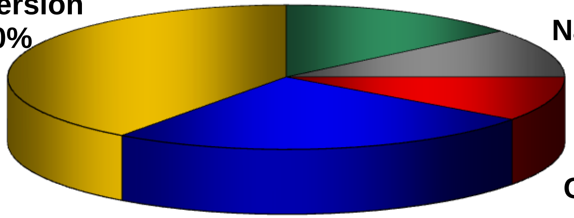
Reconciliation of Net Debt-to-Capital

($ in millions)	December 31, 2013			March 31, 2014		
	Debt-to-Capital	Cash and Cash Equivalents	Net Debt-to-Capital	Debt-to-Capital	Cash and Cash Equivalents	Net Debt-to-Capital
Total Debt						
Short-term borrowings	$ 57			$ 53		
Long-term debt due within one year	655			85		
Long-term debt, less amount due within one year	7,607			7,609		
Numerator	$ 8,319	$ 1,437	$ 6,882	$ 7,747	$ 665	$ 7,082
Total Capital						
Total debt	$ 8,319			$ 7,747		
Total equity	13,512			14,374		
Denominator	$ 21,831	$ 1,437	$ 20,394	$ 22,121	$ 665	$ 21,456
Ratio	38.1%		33.7%	35.0%		33.0%

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

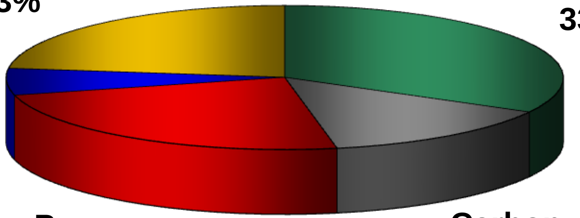
Composition of Upstream Production Costs

Refining Cost Structure



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

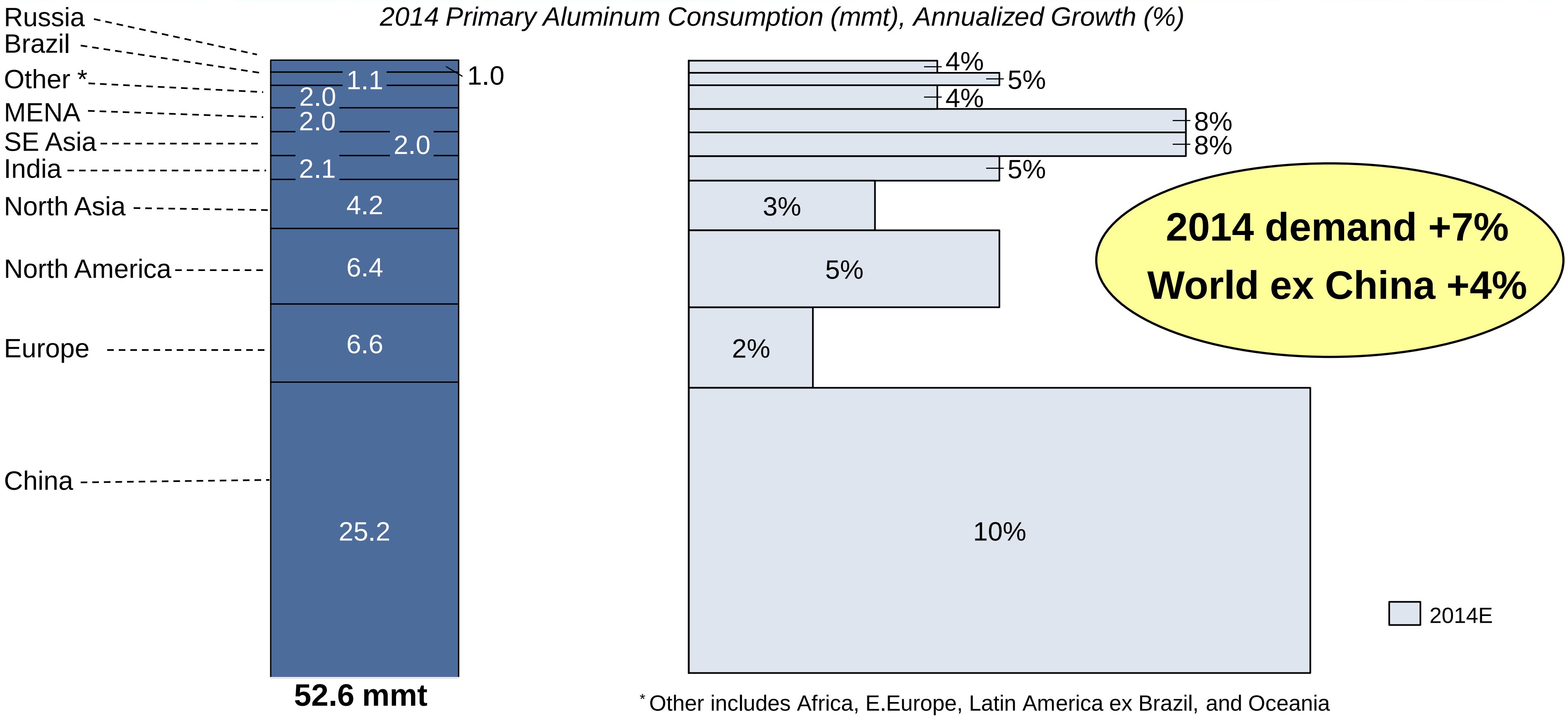
Smelting Cost Structure



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

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

2014 global aluminum demand growth continues



* Other includes Africa, E.Europe, Latin America ex Brazil, and Oceania

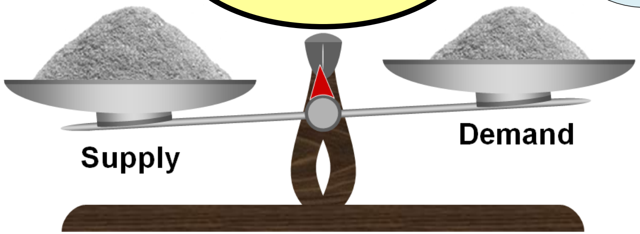
Alumina surplus persists, global metal deficit emerging

Supply/Demand Analysis

2014E Alumina Supply/Demand Balance

SURPLUS
2,257

4Q13
Surplus
1,996

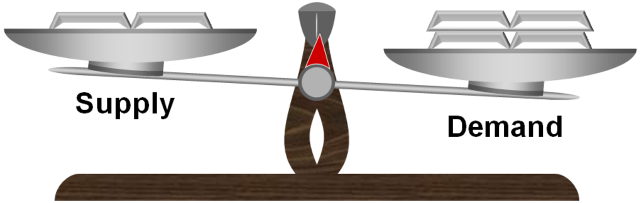


’000 mt	China	Rest of World
2014 Production	42,200	54,134
2014 Production to be added	6,800	3,300
2014 Capacity to be curtailed	-	(950)
Imports/(exports)	3,400	(3,400)
Total supply	52,400	53,084
Demand	(51,700)	(51,527)
Net Balance	**700**	**1,557**

2014E Aluminum Supply/Demand Balance

DEFICIT
(730)

4Q13
Surplus
106

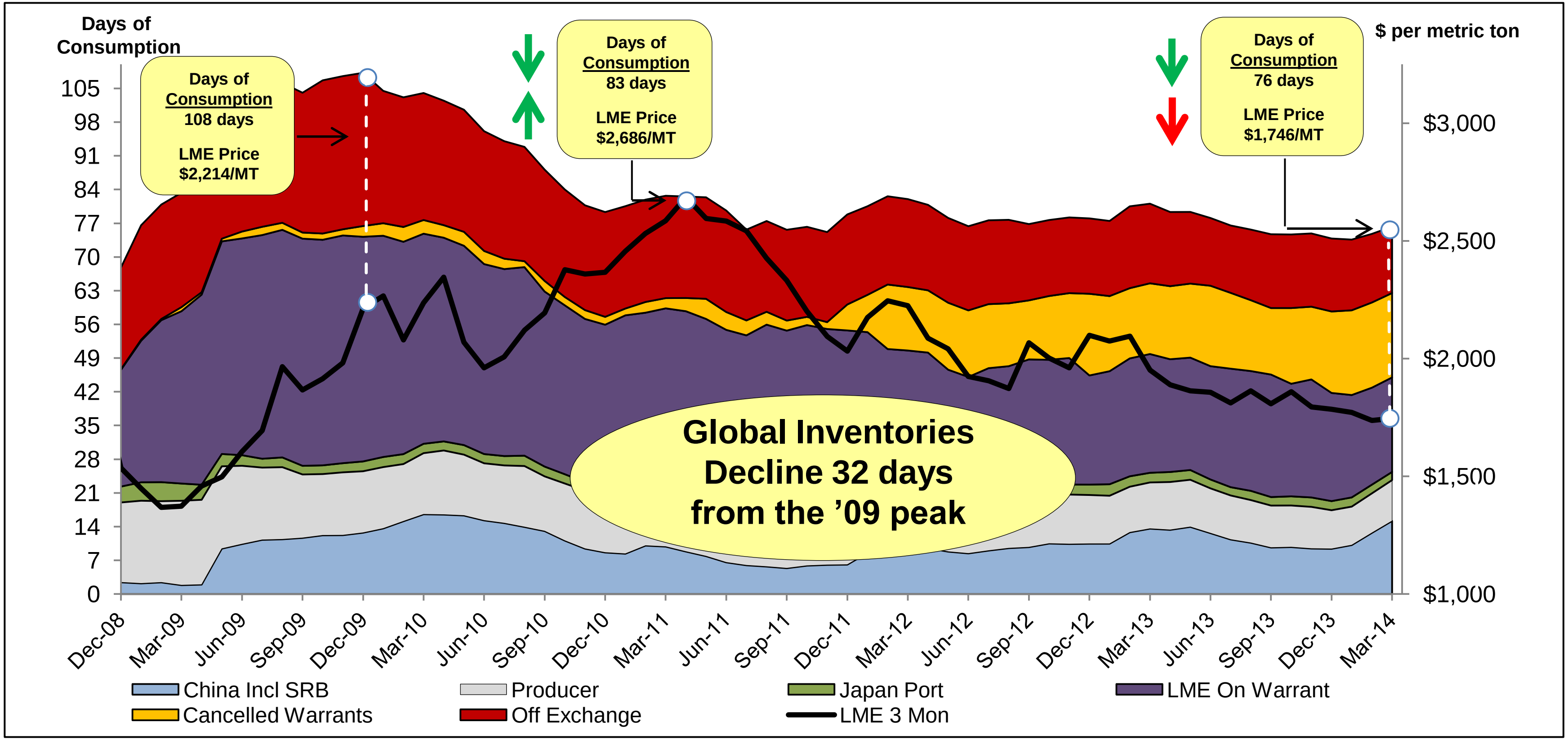


’000 mt	China	Rest of World
2014 Production	23,800	25,155
2014 Production to be added	3,150	1,300
2014 Capacity to be curtailed	(1,100)	(240)
Total supply	25,850	26,215
Demand	(25,450)	(27,345)
Net Balance	**400**	**(1,130)**

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

Global inventories increase as China stocks rise, ROW declining

Global Inventories vs. LME Price Over Time $



Regional premiums move higher