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ALCOA

1st Quarter Earnings Conference

April 8, 2015

Important Information

Forward-Looking Statements

This communication 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,” “intends,” “may,” “outlook,” “plans,” “projects,” “seeks,” “sees,” “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; targeted financial results or operating performance; statements about Alcoa’s strategies, outlook, and business and financial prospects; and statements regarding the acceleration of Alcoa’s portfolio transformation, including the expected benefits of acquisitions, including the completed acquisition of the Firth Rixson business and TITAL, and the pending acquisition of RTI International Metals, Inc. (RTI). These statements reflect beliefs and assumptions that are based on Alcoa’s perception of historical trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Forward-looking statements are subject to a number of risks, uncertainties, and other factors and are not guarantees of future performance. Important factors that could cause actual results to differ materially from those expressed or implied 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 aerospace, automotive, commercial transportation, 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 or the unavailability or interruption of energy supplies; (f) increases in the costs of other raw materials; (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, technology, and other initiatives; (h) Alcoa’s inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions (including achieving the expected levels of synergies, revenue growth, or EBITDA margin improvement), sales of assets, closures or curtailments of facilities, newly constructed, expanded, or acquired facilities, or 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 or regulatory investigations, and environmental remediation; (k) the impact of cyber attacks and potential information technology or data security breaches; (l) failure to receive the required votes of RTI’s shareholders to approve the merger of RTI with Alcoa; (m) failure to receive, delays in the receipt of, or unacceptable or burdensome conditions imposed in connection with, all required regulatory approvals of the acquisition of RTI, or the failure to satisfy the other closing conditions to the acquisition; (n) the risk that acquisitions (including Firth Rixson, TITAL and RTI) will not be integrated successfully or such integration may be more difficult, time-consuming or costly than expected; (o) the possibility that certain assumptions with respect to RTI or the acquisition could prove to be inaccurate, including the expected timing of closing; (p) the loss of customers, suppliers and other business relationships as a result of acquisitions, competitive developments, or other factors; (q) the potential failure to retain key employees of Alcoa or acquired businesses; (r) the effect of an increased number of Alcoa shares outstanding as a result of the acquisition of RTI; (s) the impact of potential sales of Alcoa common stock issued in the RTI acquisition; (t) failure to successfully implement, to achieve commercialization of, or to realize expected benefits from, new or innovative technologies, equipment, processes, or products, including the Micromill, innovative aluminum wheels, and advanced alloys; and (u) the other risk factors summarized in Alcoa’s Form 10-K for the year ended December 31, 2014, 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. Market projections are subject to the risks discussed above and other risks in the market. Nothing on Alcoa’s website is included or incorporated by reference herein.

Important Information (continued)

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. Any reference to historical EBITDA means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix. Alcoa has not provided a reconciliation of any forward-looking non-GAAP financial measure to the most directly comparable GAAP financial measure, due primarily to variability and difficulty in making accurate forecasts and projections, as not all of the information necessary for a quantitative reconciliation is available to Alcoa without unreasonable effort.

Additional Information and Where to Find It

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. The proposed business combination transaction between Alcoa and RTI will be submitted to the shareholders of RTI for their consideration. Alcoa has filed with the Securities and Exchange Commission (SEC) a Registration Statement on Form S-4 (Registration No. 333-203275) containing a preliminary proxy statement of RTI that also constitutes a prospectus of Alcoa. These materials are not yet final and will be amended. RTI will provide the proxy statement/prospectus to its shareholders after the registration statement has become effective. Alcoa and RTI also plan to file other documents with the SEC regarding the proposed transaction. This document is not a substitute for any prospectus, proxy statement or any other document which Alcoa or RTI may file with the SEC in connection with the proposed transaction. INVESTORS AND SECURITY HOLDERS OF RTI ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. You may obtain copies of all documents filed with the SEC regarding this transaction, free of charge, at the SEC's website (www.sec.gov). You may also obtain these documents, free of charge, from Alcoa's website (www.alcoa.com). You may also obtain these documents, free of charge, from RTI's website (www.rtiintl.com).

Participants in the Solicitation

Alcoa, RTI, and certain of their respective directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from RTI shareholders in connection with the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of RTI shareholders in connection with the proposed transaction is set forth in the proxy statement/prospectus. You can find information about Alcoa's executive officers and directors in its definitive proxy statement filed with the SEC on March 19, 2015, its Annual Report on Form 10-K filed with the SEC on February 19, 2015 and in the above-referenced Registration Statement on Form S-4. You can find information about RTI's executive officers and directors in the proxy statement/prospectus and in RTI's Annual Report on Form 10-K filed with the SEC on February 26, 2015. You can obtain free copies of these documents from Alcoa and RTI as described in the preceding paragraph.

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ALCOA

Klaus Kleinfeld

Chairman and Chief Executive Officer

April 8, 2015

Strong Operational Results + Transformation Fully on Track

1Q 2015 Overview

Delivering Strong Operational Performance

- ***Revenue up 7%*** *Y-O-Y ($5.8B): Driven primarily by* ***organic growth*** *in auto & aero;* ***positive market*** *factors partially* ***offset*** *by capacity reductions and* ***portfolio actions***
- ***Profits substantially up***
  - *Downstream:* ***ATOI*** *of* ***$191*** *million,* ***first quarter record*** *result*
  - *Midstream:* ***ATOI*** *of* ***$34*** *million,* ***challenge*** *in* ***can sheet*** *+* ***record auto*** *shipments*
  - *Upstream: Improved Performance –* ***14 Consecutive*** *Quarters*
    - *Alumina segment:* ***ATOI*** *of* ***$221*** *million, more than* ***double Y-O-Y***
    - *Primary Metals segment:* ***ATOI*** *of* ***$187*** *million,* ***+Δ$200*** *million* ***Y-O-Y***
- **Productivity**: **$238 million** across **all segments**
- **Cash on Hand**: $1.2 billion

Portfolio Transformation Fully On Track

- Integration of **Firth Rixson on track –** *Doubles Aero-Engine Content*
- **Completed TITAL** acquisition – *Titanium/aluminum structural castings in Europe*
- **Announced RTI acquisition** – *Titanium + Complements mid and downstream Value Chain*
  - *Expected to* ***close*** *in* ***2 to 5 months***
- **Sold Belaya Kalitva** *(Russia rolling mill)*
- **Secured 75%** of **long term gas** needs for Western Australia **refineries**
- Announced **12-month** capacity **review**: **2.8 MMT** Refining, **500 kmt** Smelting
  - *São Luís (Alumar)* ***smelting curtailment*** *of remaining* ***74 kmt***
  - *Suriname* ***refining curtailment*** *of* ***443 kmt****;* ***exploring sale*** *to Suriname government*

Note: Close of RTI transaction expected in 2-5 months subject to regulatory approvals and RTI shareholder approval.

Advancing each generation. ALCOA

William Oplinger

Executive Vice President and Chief Financial Officer

April 8, 2015

Income Statement Summary

$ Millions, except aluminum prices and per-share amounts	1Q14	4Q14	1Q15	Prior Year Change	Sequential Change
Realized Aluminum Price ($/MT)	**$2,205**	**$2,578**	**$2,420**	**$215**	**($158)**
Revenue	**$5,454**	**$6,377**	**$5,819**	**$365**	**($558)**
Cost of Goods Sold	**$4,495**	**$4,973**	**$4,443**	**($52)**	**($530)**
COGS % Revenue	82.4%	78.0%	76.4%	(6.0 % pts.)	(1.6 % pts.)
Selling, General Administrative, Other	**$236**	**$271**	**$232**	**($4)**	**($39)**
SGA % Revenue	4.3%	4.2%	4.0%	(0.3 % pts.)	(0.2 % pts.)
Other (Income) Expenses, Net	**$25**	**($6)**	**($12)**	**($37)**	**($6)**
Restructuring and Other Charges	**$461**	**$388**	**$177**	**($284)**	**($211)**
Effective Tax Rate	**28.1%**	**51.3%**	**47.0%**	**18.9% pts.**	**(4.3% pts.)**
EBITDA	**$672**	**$1,073**	**$1,089**	**$417**	**$16**
Net (Loss) Income	**($178)**	**$159**	**$195**	**$373**	**$36**
Net (Loss) Income Per Diluted Share	**($0.16)**	**$0.11**	**$0.14**	**$0.30**	**$0.03**
Income per Diluted Share excl Special Items	**$0.09**	**$0.33**	**$0.28**	**$0.19**	**($0.05)**

See appendix for Adjusted Income reconciliation.

Special Items

$ Millions, except per-share amounts	1Q14	4Q14	1Q15	Income Statement Classification	Segment
Net (Loss) Income	**($178)**	**$159**	**$195**		
Net (Loss) Income Per Diluted Share	**($0.16)**	**$0.11**	**$0.14**		
Restructuring-Related[1]	($296)	($200)	($158)	Restructuring and Other Charges/COGS	Corporate / All
Tax Items	$22	($53)	($4)	Income Taxes	Corporate
Acquisition Costs	-	($22)	($7)	SG&A/Interest Expense	Corporate
Mark-to-Market Energy Contracts	-	$2	$1	Other (Income) Expenses, Net	Corporate
Surgold Gain	$11	-	-	Other Expenses, Net	Alumina
Saudi JV Potline Impact/Massena Fire	($13)	-	-	COGS / Other Income, Net	Primary Metals
Special Items	**($276)**	**($273)**	**($168)**		
Net Income excl Special Items	**$98**	**$432**	**$363**		
Net Income per Diluted Share excl Special Items	**$0.09**	**$0.33**	**$0.28**		

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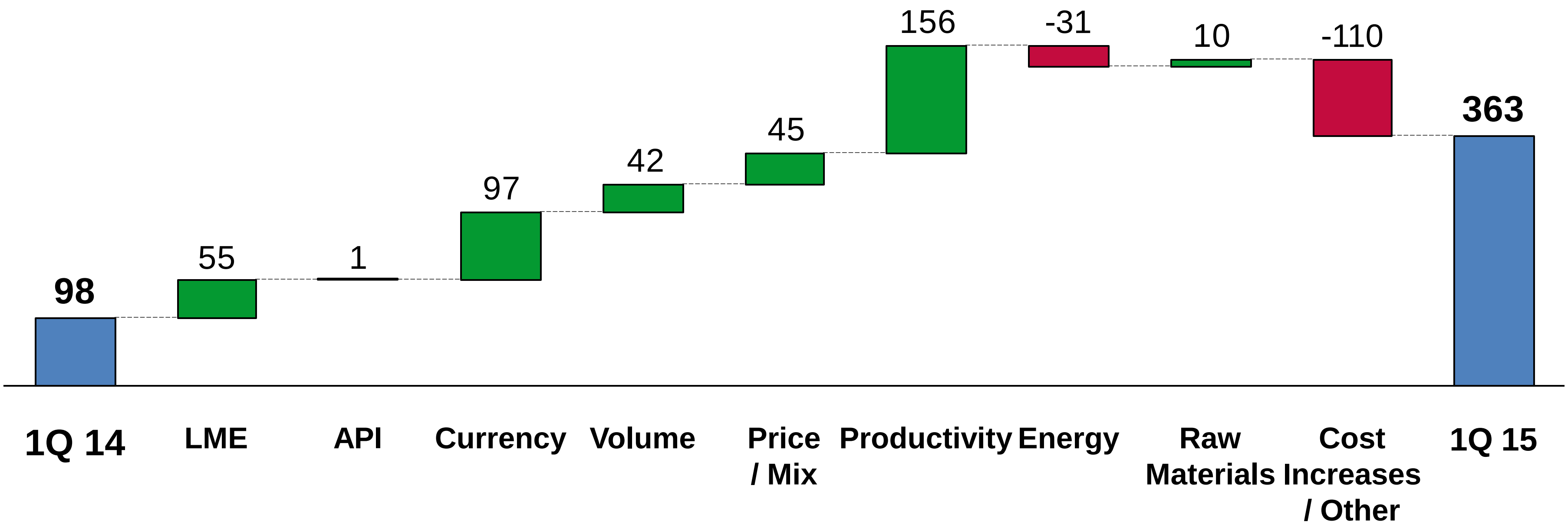
1) Total restructuring-related charges in 1Q15 of $158 million (88 percent non-cash, 12 percent cash)

See appendix for Adjusted Income reconciliation

Operating results more than triple Y-O-Y on Performance and Market factors

Net Income excluding Special Items ($ Millions)



Market
+$153

Performance
+$243

Cost Headwinds
-$131

See appendix for Adjusted Income reconciliation

EPS: Higher volumes, productivity offset currency and cost headwinds

1Q15 Actual and 2Q15 Outlook – Engineered Products and Solutions

1st Quarter Results

	1Q 14	4Q 14*	**1Q 15***
3rd Party Revenue ($ Millions)	1,443	1,566	**1,689**
ATOI ($ Millions)	189	165	**191**
EBITDA Margin	22.2%	18.9%	**20.1%**

* Includes Firth Rixson. EPS Base Business EBITDA Margin: 20.6% for 4Q14, 21.5% for 1Q15

1st Quarter Performance Bridge

1st Quarter Business Highlights

- **Revenue up 17%** year-over-year, **EBITDA margin** of **20.1%**
- **Revenue growth** driven by **Firth Rixson** and **share gains** in **Aerospace**, **Heavy Duty Truck** and **N.A. Non-Residential Construction**
- **Unfavorable currency** impact due to **stronger U.S. Dollar**
- Year-over-year **improvement** driven by **productivity,** strong **Aerospace**, **Commercial Transportation** revenues

2nd Quarter Outlook

- **Aerospace** market remains **strong**
- Continued **recovery in N.A. Non-Residential Construction**; **European weakness continues**, outlook varies across regions
- **Strong N.A. Heavy Duty Truck** build rates, partially offset by Europe
- **Share gains** through innovation and **productivity continue** across all sectors
- **ATOI** is expected to **increase 3% to 8% year-over-year,** including **$13m** of **currency** pressure

GRP: Productivity and record Auto offset by cost increases and pricing

1Q15 Actual and 2Q15 Outlook – Global Rolled Products

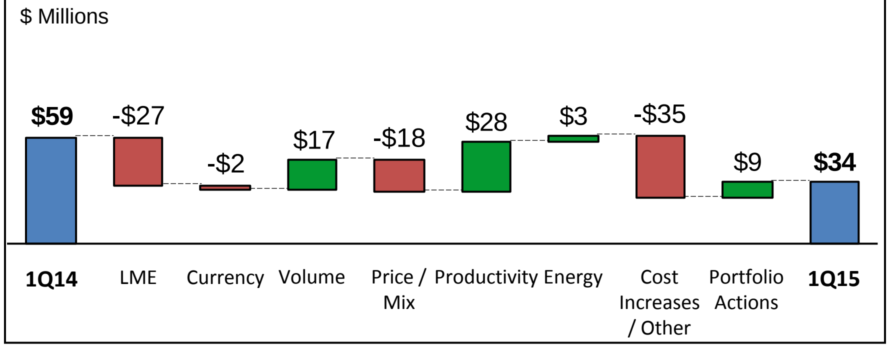
1st Quarter Results

	1Q 14	4Q 14	**1Q 15**
3rd Party Revenue ($ Millions)	1,677	1,888	**1,621**
ATOI ($ Millions)	59	71	**34**
EBITDA/MT ($)	315	317	**280**

1st Quarter Business Highlights

- **Strong productivity** and **record Auto shipments**
- Unfavorable **metal price lag** impact
- **Russia impacted by** higher **metal premiums**
- Continued **pricing pressures** in **Packaging**
- Cost increases due to **Micromill™** R&D and **Saudi** JV **ramp-up**
- 1Q14 costs associated with **portfolio actions did not repeat**

1st Quarter Performance Bridge



2nd Quarter Outlook

- **Auto demand** expected to **remain strong,** combined **with seasonal** volume increases in **Packaging**
- **Russia** impacts and negative **packaging price pressures** continue **($19M)**
- **Costs** associated with **ramp-up of Saudi Arabia rolling mill** and **Micromill™** R&D (**$13m)**
- At **current prices, metal lag** will be a **negative impact** of **$15m**
- **ATOI** is expected to **decrease 30%** year-over-year, assuming **current metal** price and **currency rates**

See appendix for EBITDA reconciliation
GRP = Global Rolled Products

Alumina: Stronger US dollar and lower energy costs

1Q15 Actual and 2Q15 Outlook – Alumina

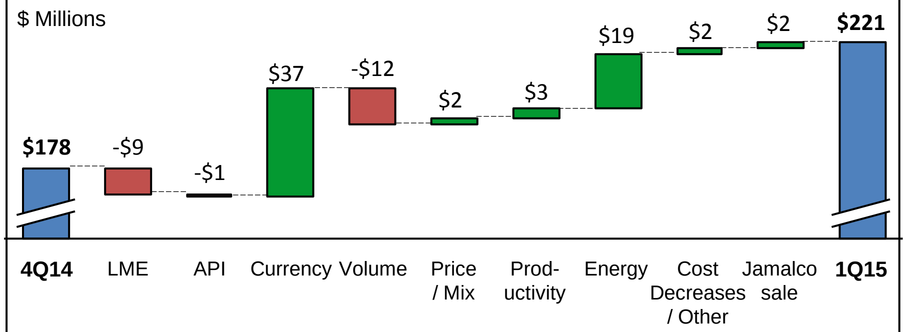
1st Quarter Results

	1Q 14	4Q 14	**1Q 15**
Production (kmt)	4,172	4,161	**3,933**
3rd Party Shipments (kmt)	2,649	2,928	**2,538**
3rd Party Revenue ($ Millions)	845	1,017	**887**
3rd Party Price ($/MT)	314	343	**344**
ATOI ($ Millions)	92	178	**221**

1st Quarter Business Highlights

- **Production down** due to Jamaica refinery sale and fewer days
- **Favorable currency** movements in production regions
- **Energy benefit** from lower oil and gas prices, and San Ciprian refinery conversion to natural gas
- **Lower LME-based** contract prices

1st Quarter Performance Bridge



2nd Quarter Outlook

- **~75%** of 3rd party shipments on API or spot pricing for 2015
- **API** pricing follows **30-day lag**; **LME** pricing follows **60-day lag**
- **Production down** 74 kmt due to **Suriname curtailment,** offset by one additional production day
- **Saudi Arabia** refinery **start-up costs** will continue
- **Maintenance costs** will increase **$9M** for scheduled outages
- **Productivity, volume, and lower energy prices** will offset **cost increases**

Primary Metals: Lower LME prices and energy headwinds

1Q15 Actual and 2Q15 Outlook – Primary Metals

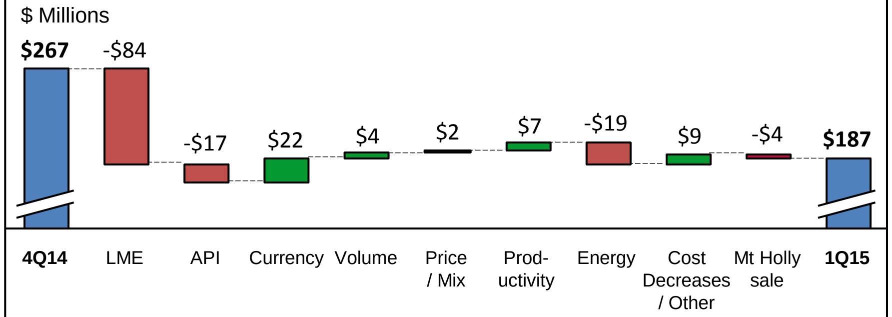
1st Quarter Results

	1Q 14	4Q 14	**1Q 15**
Production (kmt)	839	731	**711**
3rd Party Shipments (kmt)	617	637	**589**
3rd Party Revenue ($ Millions)	1,424	1,852	**1,572**
3rd Party Price ($/MT)	2,205	2,578	**2,420**
ATOI ($ Millions)	(15)	267	**187**

1st Quarter Business Highlights

- **Unfavorable LME pricing** driver to sequential **decline**
- **Favorable currency** movements in production regions
- **Lower** energy **sales prices** in **Brazil**; **lower** energy **cost** in **Spain**
- **Production down** due to **Mt. Holly** sale
- **Cost decreases** due to **closed locations** and lower **overhead**

1st Quarter Performance Bridge



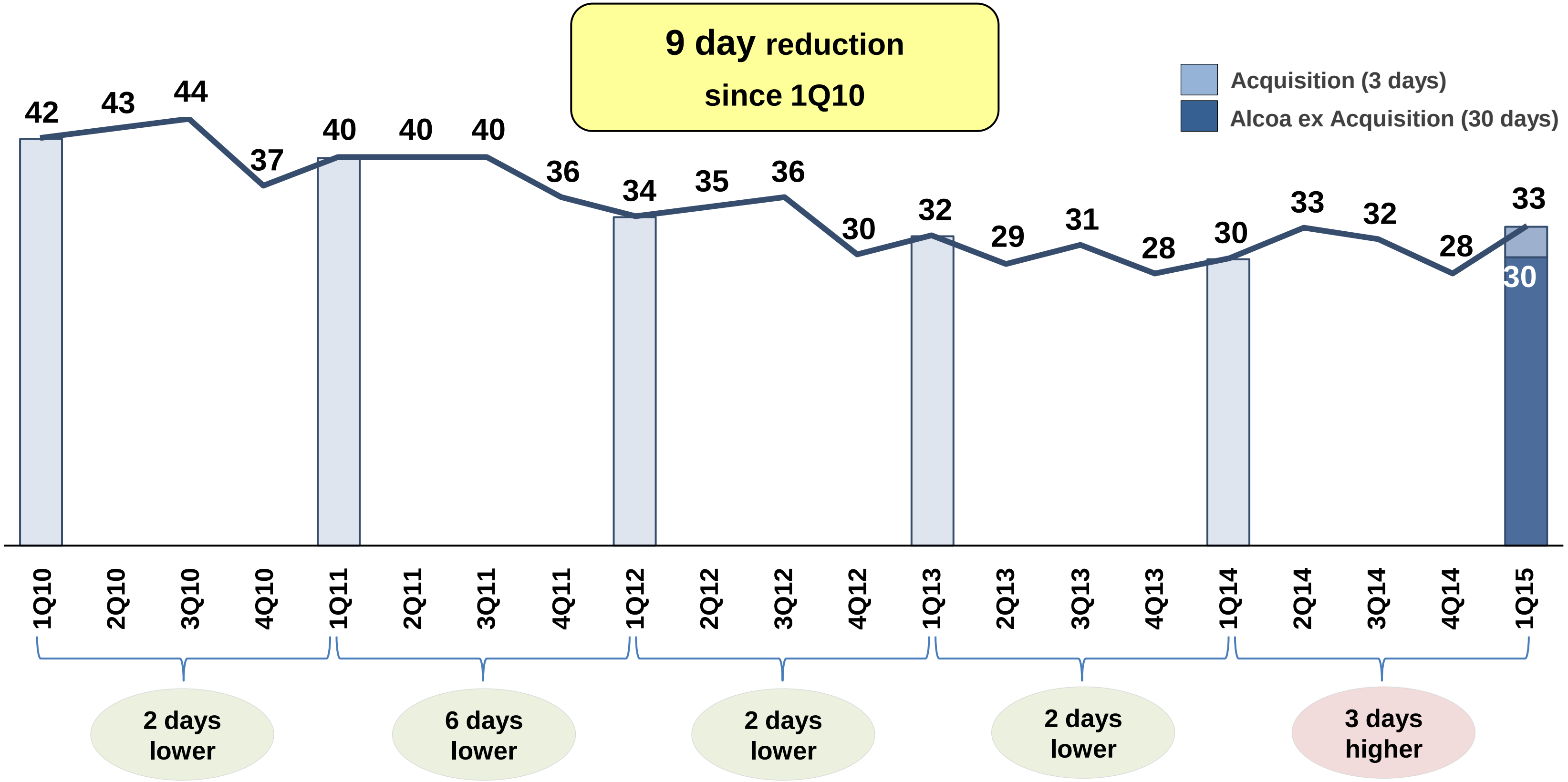
2nd Quarter Outlook

- **Pricing** follows a 15-day lag to LME
- **Production down** 18kmt due to **Sao Luis curtailment,** partially offset by one additional production day
- **Regional premium decline** impact of **$65m***
- Net **Energy** impact slightly positive**; lower costs** and additional **Brazil sales** offset lower **energy sales** in **other regions**
- **Productivity and favorable energy** will offset impacts of **lower volume** and **other cost increases**

*** Based on published prices as of April 1, 2015**

Organic DWC maintained year-over-year, acquisition adds 3 days

Average Days Working Capital since First Quarter 2010



See appendix for days working capital reconciliation

1st Quarter Cash Flow Overview

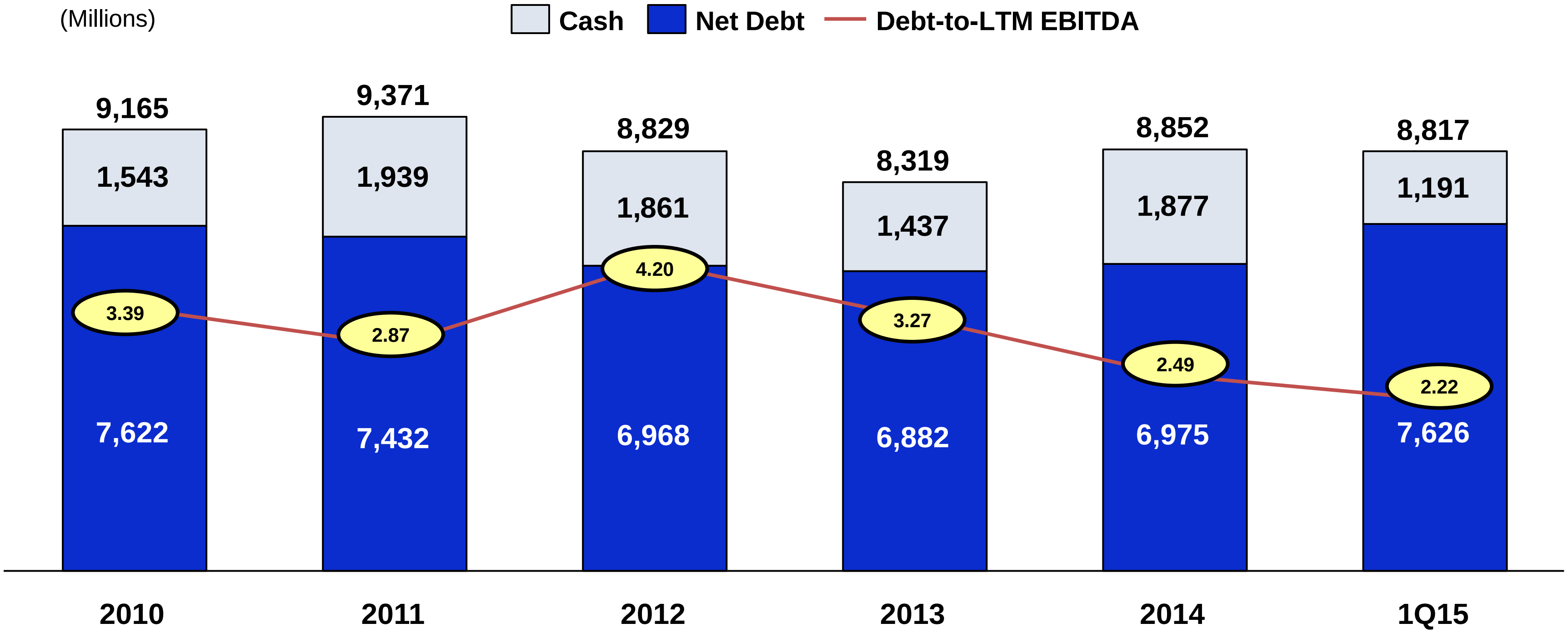
1Q14, 4Q14 & 1Q15 Cash Flow

($ Millions)	1Q14	4Q14	1Q15
Net (Loss) Income before Noncontrolling Interests	($197)	$114	$255
DD&A	$340	$336	$321
Change in Working Capital	($687)	$656	($595)
Pension Expense in Excess of Contributions	$18	$47	$37
Other Adjustments	($25)	$305	($193)
Cash from Operations	**($551)**	**$1,458**	**($175)**
Dividends to Shareholders	($33)	($56)	($54)
Change in Debt	($14)	($110)	$24
Net (Distributions)/Contributions from Noncontrolling Interests	($15)	($36)	($29)
Other Financing Activities	$72	$21	$33
Cash from Financing Activities	**$10**	**($181)**	**($26)**
Capital Expenditures	($209)	($469)	($247)
Acquisitions/Divestitures/Asset Sales	-	($2,138)	($212)
Other Investing Activities	($31)	($46)	($6)
Cash from Investing Activities	**($240)**	**($2,653)**	**($465)**
Free Cash Flow	**($760)**	**$989**	**($422)**
Cash on Hand	**$665**	**$1,877**	**$1,191**

See appendix for Free Cash Flow reconciliation

Maintained Strong Balance Sheet

Debt, Net Debt, and Debt-to-LTM EBITDA



LTM = last twelve months; See appendix for Net Debt reconciliation

Aggressive targets drive growth and operational performance in 2015

2015 Annual Financial Targets

Deliver Operational Performance

- **Drive Productivity Gains of $900M**
  - ✓ Process productivity
  - ✓ Procurement savings
  - ✓ Overhead cost reductions

Invest in the Future; Actively Manage the Base

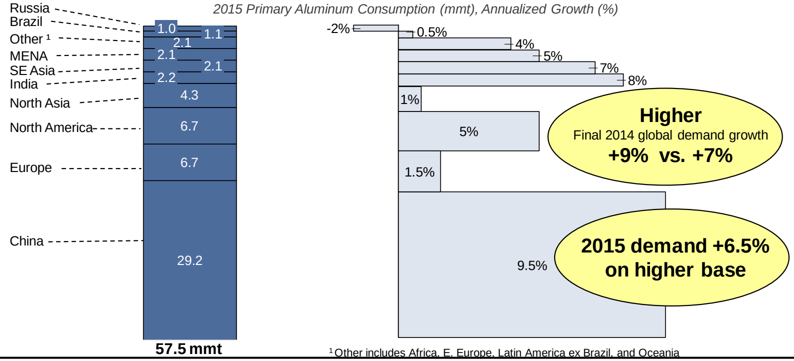
- **Manage Return-Seeking Capital of $750M**
- **Control Sustaining Capital of $725M**

Strengthen the Balance Sheet

- **Generate $500M+ of Free Cash Flow**
- **Attain 2.25 to 2.75 Debt-to-EBITDA**

Market fundamentals remain strong

6.5% 2015 Demand Growth on Higher Base



Higher
Final 2014 global demand growth
+9% vs. +7%

2015 demand +6.5% on higher base

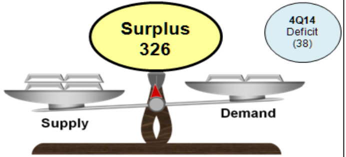
¹ Other includes Africa, E. Europe, Latin America ex Brazil, and Oceania

Alumina surplus tightens, Al in balance

2015E Alumina Supply/Demand Balance

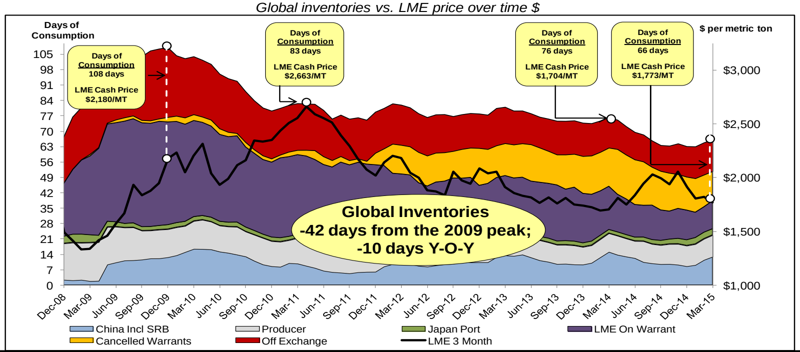
'000 mt	China	Rest of World
2015 Production	47,522	54,921
2015 Production to be added	5,030	3,006
2015 Capacity curtailed or restarted	1,331	(462)
Imports/(exports)	3,000	(3,000)
Total supply	56,883	54,465
Demand	(56,883)	(51,766)
Net Balance	**0**	**2,699**

2015E Aluminum Supply/Demand Balance



'000 mt	China	Rest of World
2015 Production	27,998	25,955
2015 Production to be added	4,400	868
2015 Capacity curtailed or *restarted	(1,415)	0
Total Supply	30,983	26,823
Demand	(29,171)	(28,309)
Net Balance	**1,812**	**(1,486)**

Global inventories at 66 days; -10 days Y-O-Y



Days of Consumption 108 days
LME Cash Price $2,180/MT

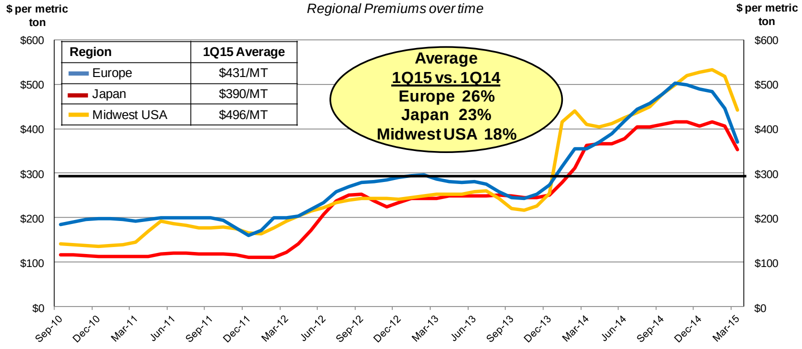
Days of Consumption 83 days
LME Cash Price $2,663/MT

Days of Consumption 76 days
LME Cash Price $1,704/MT

Days of Consumption 66 days
LME Cash Price $1,773/MT

Global Inventories
-42 days from the 2009 peak;
-10 days Y-O-Y

Premiums lower, but above 2014 levels



Region	1Q15 Average
Europe	$431/MT
Japan	$390/MT
Midwest USA	$496/MT

Average
1Q15 vs. 1Q14
Europe 26%
Japan 23%
Midwest USA 18%

See appendix for full scale charts

Advancing each generation. ALCOA

Advancing each generation. ALCOA

Klaus Kleinfeld

Chairman and Chief Executive Officer

April 8, 2015

Another Strong year for Aerospace; Steady growth in Automotive

Alcoa End Markets: Current Assessment of 2015 vs. 2014

End Market | **2015 Growth** | **Global and Regional Commentary**

Aerospace

↑

9% to 10%
Global sales growth

- **Large Commercial Aircraft** segment **Growth** of **9.6%**
- **Strong Commercial Jet Order Book: 9 Years of Production** at 2014 delivery rates
- **Strong Commercial Jet Engine Order Book**: **~23,700** Engines on firm order
- **Solid Airline Fundamentals**[1]: +7.0% Passenger and +4.3% Cargo Demand, Airline Profits Up ($25B in 2015)
- **Regional Jet** segment growth: +**10.8%** (**~50% above 2012** in units)

Automotive

↑

2% to 4%
Global production growth

NA
1% to 4% ↑

- **Sales Strong:** U.S. sales **+5.6% YTD** Mar (3.9M vehicles), **driven by Light Trucks**
- **Production Flat: -0.2% YTD** Feb; new model production ramping up
- **Inventory Down: 58 days Mar**, in-line with industry target (60-65 days)
- **Incentives: Flat YoY** $2,726/unit; Passenger car incentives up, Trucks down

EU
-1% to +3% ↔

- **Production Flat: +0.2% YoY** Feb and **+0.9% YTD**; W. Eur improves, offset by Russia
- **Registrations +7.0% YTD** Feb; **Exports +3.6%** vs. prior year (2015 forecast)

China
5% to 8% ↑

- **Production +6.2% YTD** Feb vs. prior year; **Sales +4.3% YTD**
- **Moderated 2015 growth** driven by **increasing middle class** and **Clean Air Act**

Source: Alcoa analysis

[1] International Air Transport Association 2015 Expectations

Heavy Duty Truck – Strong U.S., Weak China; Packaging Stable

Alcoa End Markets: Current Assessment of 2015 vs. 2014

End Market	2015 Growth	Global and Regional Commentary	
Heavy Duty Truck and Trailer 	↓ **-2% to -4%** Global production decline	**NA** 6% to 8% ↑	• **Orders Up: +0.4% YTD** Mar, on top of **record 4Q14 orders** • **Rising Order Book:** Feb 189.6k trucks, **+66% YoY**; **Highest** order book **since July 2006** • **Solid Fundamentals:** +3.4% Freight ton miles (YTD Feb); +4.3% Freight prices (4Q14 YoY) • **Strong Production:** Feb 49.8k trucks, +**16.0% YTD** Feb
		EU -5% to -7% ↓	• **2015 Production forecasts unchanged: W. Eur -5%, E. Eur -10%** • **Improving signs in W. Eur:** Orders +4.3% YTD Feb, Registrations +8.2% YTD Feb
		China -9% to -11% ↓	• **Production down: -31.2% YTD** Feb • Pull-ahead effect in 1Q14 due to regulatory changes
Packaging 	↑ **2% to 3%** Global sales growth	**NA** -1% to -2% ↓	• **Demand decline:** Weakness (-2% to -3% 2015E) in **Carbonated Soft Drinks** (CSD) • **Moderate growth** in **Beer Segment** (+1% to +2% 2015E) to partially offset CSD
		EU 1% to 2% ↑	• **Growth** led by Steel to **Aluminum conversion** in **Western Europe**, partially offset by declines in **Eastern Europe**
		China 8% to 12% ↑	• **Growth** driven by continued **penetration of Aluminum** in **Beer** segment

Source: Alcoa analysis

Solid Commercial B&C Growth; Global Airfoil Market Improves

Alcoa End Markets: Current Assessment of 2015 vs. 2014

End Market	2015 Growth	Global and Regional Commentary
Building and Construction 	⬆ **5% to 7%** Global sales growth	**NA** 4% to 5% ⬆ ***Positive Early Indicators:*** • **Non-Residential Contracts Awarded**: +**13.3%** in March (mean of 12-month rolling average) • **Architectural Billing Index**: **Positive** at **50.4** in February • **Case-Shiller Home Price Index**: **+4.5%** Jan **YoY**; Growth moderated since 1Q14 (10%+) **EU** -2% to -3% ⬇ • Decline as **weakness continues**, outlook varies across markets **China** 7% to 9% ⬆ • Growth as fundamentals continue to stabilize
Industrial Gas Turbines 	⬆ **1% to 3%** Global airfoil market growth	• **2014 new capacity orders down 16% vs. prior year** • **2014 OECD electricity** demand **down 0.9% vs. prior year** (-2.0%, excl. U.S.) • **Spares demand: Negative** impact from **shift in energy mix/usage** in key regions • **Improvement in 2015**: Market moving towards **higher value product** as customers develop **new, high technology** turbines and **upgrades** to existing turbines

Source: Alcoa analysis
B&C = Building and construction

Transforming Alcoa – Creating Compelling Sustainable Value

Building a Lightweight Multi-Material Innovation Powerhouse

- **Increasing share** in **exciting** growth **markets**
  (e.g., aerospace, automotive, heavy duty truck and trailer, building and construction)
- **Full pipeline** of innovative products and solutions
- Using all **growth levers**
- **Shifting** mix to **higher value-add**
- **Expanding multi-material,** technology and process **expertise**

+

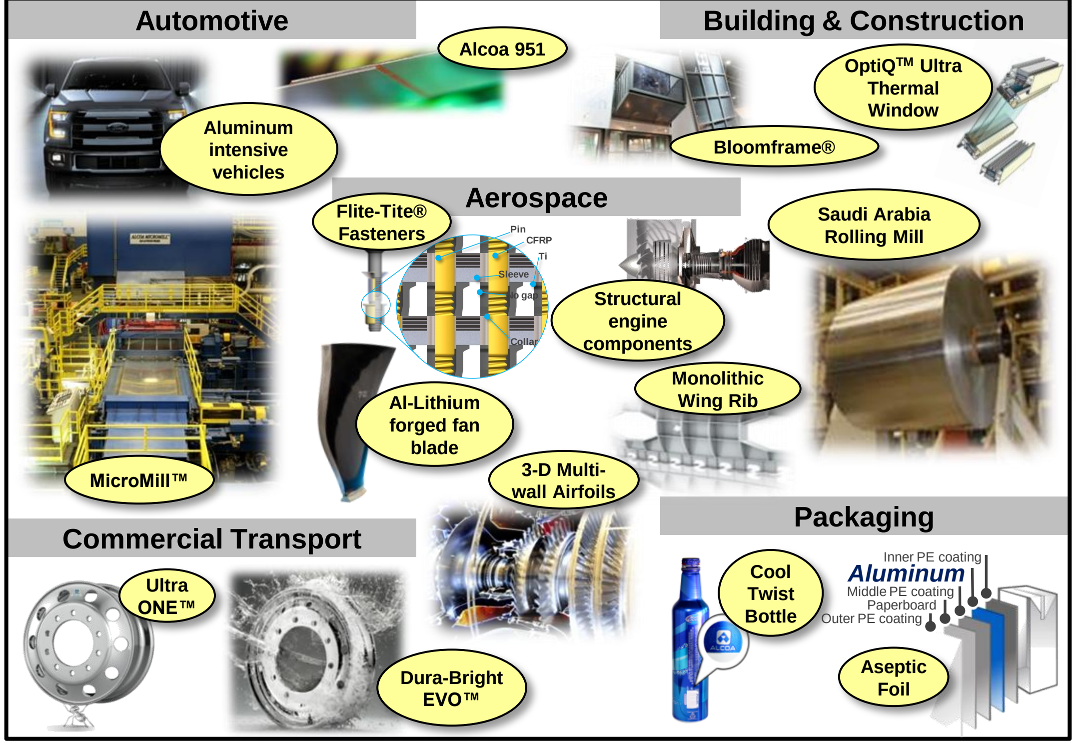
Creating a Globally Competitive Commodity Business

- **Increasing competitiveness, mitigating** downside **risk**
- **Optimizing** the **casthouse value-add** portfolio
- **Shifting pricing** to reflect market fundamentals
- Continuing to drive **productivity improvements**

Organic and Inorganic Growth Expands Higher Value-Add Portfolio

Summary of Key Innovations, Growth Projects, and Inorganic Investments

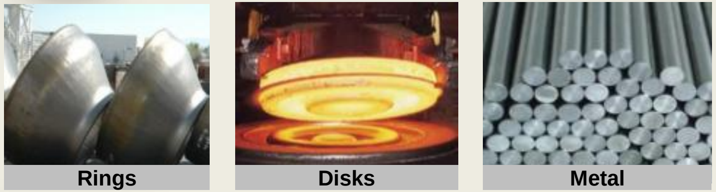
Organic Growth through Innovation



Inorganic Growth in Robust Aerospace Market

(Closed 4Q14)

Leading product portfolio across all major jet **engine** components



RTI International Metals, Inc.

(Close expected in 2 to 5 months)

Portfolio of **Titanium** offerings, **complements** mid and downstream **value chain**

TITAL

(Closed 1Q15)

Titanium and aluminum jet engine and airframe **structural castings**

Structural Castings

Firth Rixson Enhances Leadership Position in Jet Engine Components

Firth Rixson Strategic and Financial Benefits and Alcoa's Expanded Jet Engine Suite

Portfolio Enhancing: Expands Jet Engine Suite

2016E
$1.6B revenue
$350M EBITDA

Financial Benefits

- ✓ **$40M net synergies** in year 2; **$100M**[1] **net** in year 5
- ✓ **Visibility** of **$1B**[2] revenue **growth: 70% secured**

Building Capabilities

- ✓ **Global leader** in **seamless rolled Rings**
- ✓ **Largest** seamless **Rings** 200" in diameter
- ✓ **Full range** of aero **Engine Disks** (12" to 53" diameter)

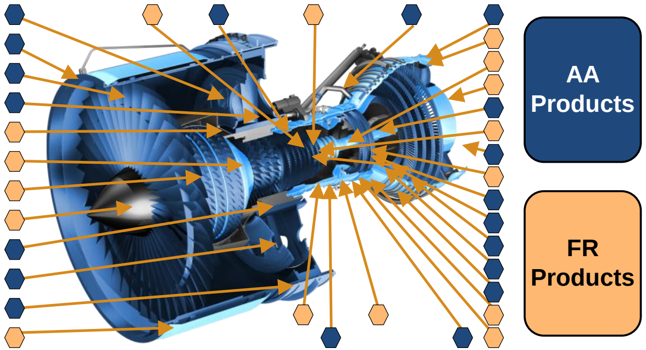
Multi-Material Edge

- ✓ **Multi-Material** mix: 60% **Ni**, 25% **Ti**, 15% **Steel/Al**
- ✓ **Integrated Nickel Supply** of cast stick, bar and billet

Leading-Edge Technology

- ✓ **Specialized Isothermal forgings** from **Powder Metal** alloys
  - Enables +Δ70°F ➔ +Δ40% engine efficiency
  - **Critical** rotating **Disks** from **Superalloys** and **Titanium** alloys
  - **One** of the **largest, most advanced** closed-die **forge presses**

Doubles Engine Content



Can Produce >90% of Structural and Rotating Components

(e.g. turbine blades & vanes, structural castings, rings, disks, shafts and front fan blades)

<u>Multi-Material</u>

- ***Ni and Ti-Al in hot section***
- ***Ti, Al and Steel in cold section***

---

1) On track to reach 2019 gross synergy target of $105M offset by $5M integration costs (66% productivity, 26% procurement, 8% overhead). 2) Growth from $1B in 2013 to $2B in 2019; 70% secured by long term agreement. AA = Alcoa; FR = Firth Rixson

Alcoa Advantage Track Record Drives Post-Merger Integration

✓ **190%** deployed versus 2016E synergy target[3]

Examples of Operational, Financial, and Productivity Execution and Expertise to Capture Firth Rixson Synergies

Alcoa Strategic Priorities

PROFITABLE GROWTH
in every business

Business Programs that define:
- *3-year aspirations*
- *Priority levers*
- *Accountability*

ALCOA ADVANTAGE
Creating value for all businesses

- *Talent*
- *Purchasing*
- *Customer Intimacy*
- *Operating System*
- *Technology*

DISCIPLINED EXECUTION
Across all activities

Degrees of Implementation methodology for rigorous management from idea to cash

Successful Execution Track Record

✓*Operational Excellence*
- Standardized operating systems drive $7.9B of **Productivity**[1]
- **Sustainable DWC reduction**: 28 days 4Q14; **-9 days since 4Q09**
- Generated **$3B** FCF[2]; **5 consecutive years** of achieving **positive FCF**

✓*Capital Allocation for Growth*
- Auto: Aluminum intensive vehicles
- Aero: World's first Al-Li fan blade
- CT: World's lightest wheel

✓*Commercializing Innovation*
- 3D Core Platform technology
- Alcoa 951 bonding technology
- MagnaForce™ alloy

On Track to Deliver $40M Synergies in 2016[3]

✓*Operational Productivity $22M*
150% deployed
- e.g., Optimization of revert utilization across titanium, nickel, and aluminum value chains
- Productivity initiatives deployed through Alcoa daily management system

✓*Procurement Savings $14M*
250% deployed
- e.g., Leverage existing contracts
- Consolidate global supply base

✓*Overhead Reductions $8M*
200% deployed
- e.g., Integrate shared services Center of Excellence
  - *Finance*
  - *IT*
  - *Credit*
  - *Human Resources*

Update on Isothermal Press
- Received isothermal forge, heat treat and testing methods approval from customer and cleared for qualification
- Successfully forged 6 qualification batches for first customer – first revenue 2H 2015

---

1) 2009-2014 Productivity figures, pretax and pre-minority interest. 2009/2010 represent net productivity. 2011-2014 represent gross productivity.
2) Reflects 2009 – 2014. 3) Gross synergies of $44M offset by $4M integration costs.
DWC = Days Working Capital FCF = Free Cash Flow CT = Commercial Transportation.

Alcoa + RTI Combination Expands Titanium Customer Solutions

2019E
$1.2B revenue
25% EBITDA margin

Strategic and Financial Benefits of RTI and Mid and Downstream Titanium Value Chain

Enhances Offerings: Expands Ti, Value-Add Solutions

Financial Benefits

- ✓ **$30M net synergies** in year 2**; $100M** net in year 4
- ✓ **+10% point[1] growth** in EBITDA **margins**
- ✓ **~65% of $1.2B[2]** revenue **supported** by **contracts**

Building Capabilities

- ✓ **Plasma** and **Electron Beam** melting
- ✓ Titanium **billetizing and mill products**
- ✓ **Machining** and **subassembly**

Multi-Material Edge

- ✓ **Intellectual** property in **multi-material 3-D printing** (Ti, Ni, Steel and Al)
- ✓ **Closed loop scrap** processing

Leading-Edge Technology

- ✓ **Ti-Al** ingot for technically **advanced Ti-Al** low pressure turbine **blades**
- ✓ Production of **near net shape components** from Titanium and Metal Matrix Composites powders through **cold and hot isostatic pressing**

Complements Mid and Downstream Value Chain

			ALCOA	RTI International Metals, Inc.	ALCOA + RTI International Metals, Inc.
Midstream	 INGOT	***Melting*** (Ingot, Cast Slab)	◔	◑	◕
	 PLATE	***Billetizing, Rolling*** (Mill Products)	○	◕	◕
Downstream	 FORGING	***Conversion*** (Closed-Die Forging, Extruding, Investment Casting)	●	◔	●
	 MACHINING	***Machining, Subassembly***	◔	◕	●

Capabilities[3] ○ None ◔ Limited ◑ Moderate ◕ Significant ● Full

1) Growth from 14.5% in 2014 to 25.0% projected in 2019; 2) Projected revenue in 2019 3) Representative of mid and downstream capabilities; not intended to reflect a market position.

Alcoa Advantages to Drive Synergies and Further Growth Opportunities

Net Synergies
$100M[1]
30%** in **year 2
100%** in **year 4

Examples of RTI Synergy Levers, Growth Technologies, and Expanding End Markets

Meaningful RTI Synergies Identified

Process Productivity ***$44M***	▪ Maximize internal metal supply ▪ Decrease outsourced machining ▪ Increase utilization of capacity *(e.g., melting, billetizing, rolling, machining)* ▪ Optimize revert metal loop
Procurement Savings ***$20M***	▪ Leverage Alcoa's $18B global spend (*e.g., commodities, production, maintenance supplies)* ▪ Standardize payment terms
Overhead Cost Reductions ***$20M***	Integrate Shared Services Center of Excellence ▪ *Finance* ▪ *Information Technology* ▪ *Credit* ▪ *Human Resources*
Growth ***$25M***	▪ Expand selection of machined parts *(e.g., plate, forgings, extrusions)* ▪ Migrate from Ti ingot directed buy programs ▪ Offer Ti-Al for high-growth engine components

Growth from Foundational Technologies

Machining

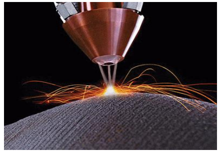
- High-speed **long-bed**, **multi-spindle** machining
- Flight critical **subassemblies/kits**

Ti-Aluminide (Ti-Al)

- **Direct access** to RTI **Ti-Al** ingot for AA's **investment casting** and **forging** technology

Additive Mfg.

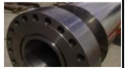
- **Operational and commercial** expertise in **additive manufactured** part production



Upside from Additional End Market Potential

Oil & Gas

- Attractive **titanium** and steel products for **production wells**
- **Complementary** to Alcoa's aluminum **drilling products**



Medical

- **Manufacturer in minimally invasive** surgical tools
- **State-of-the-art robotic precision** machining

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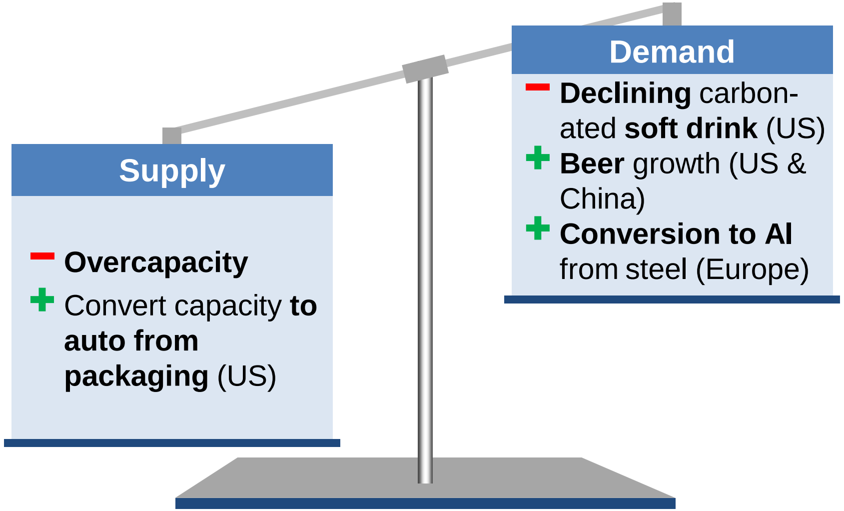
1) Figure reflects net synergies after $9M merger integration costs.

Transitioning GRP Portfolio From Lower Margin Markets…

Can Sheet Supply/Demand Dynamics and Actions to Shift Portfolio

On track for $344/MT EBITDA or Higher by 2016

Oversupply, Weaker Demand Weighs on Can Sheet



Supply

- − **Overcapacity**
- \+ Convert capacity **to auto from packaging** (US)

Demand

- − **Declining** carbonated **soft drink** (US)
- \+ **Beer** growth (US & China)
- \+ **Conversion to Al** from steel (Europe)

Result:

Compressed Margins and Lower Volumes

Upgrading Portfolio to Drive Higher Profitability

Shift Lower to Higher Margin

Market Sector	***% of GRP Revenues***		***Portfolio Actions***
	14A	***16E***	
Aero/Defense 	15%	14%	Invest in $190M Very Thick Plate stretcher
	31%	**41%**	
Transportation 	16%	27%	Invest combined ~$600M in auto sheet plant expansions
Industrial 	27%	21%	Sold 3 rolling mills in Spain and France Sold rolling mill in Russia
	69%	**59%**	
Packaging 	42%	38%	2 mills closed in Australia Expand aseptic foil mill in Brazil

Shift to Higher Margin, Differentiated Products to Drive GRP Y-o-Y Profit Lift in 2016 vs. 2015

GRP = Global Rolled Products

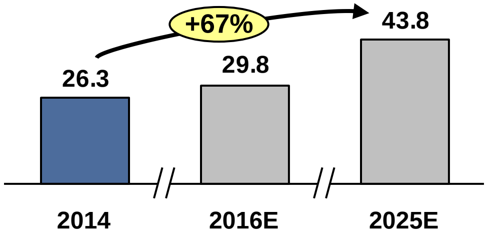
…To Higher Growth and Higher Margin End Markets

Aluminum Auto Demand Drivers, Alcoa Auto Sheet Investments and Revenue Growth

Lightweighting Trend Accelerates Al Sheet Demand

OEMs Need Fuel Economy…

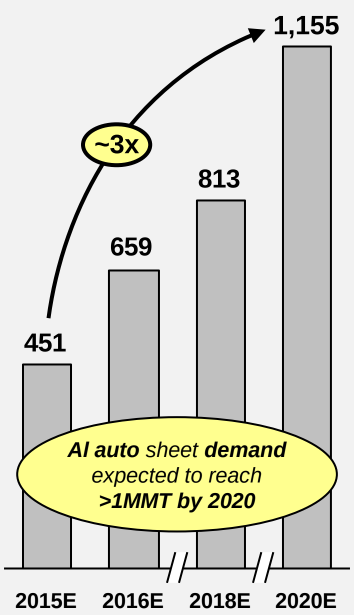
U.S. Light Truck CAFE Targets (MPG)



…And Consumers Benefit

- ✓ Lighter, **less fuel** consumption
- ✓ Additional **payload** / **towing capacity** (e.g., 700 lbs)
- ✓ **Faster** acceleration; improved **braking distance**
- ✓ **Δ9 MPG $916**/yr **savings**[1]

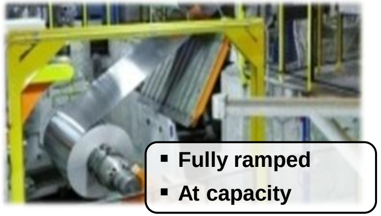
North America Aluminum Auto Sheet Demand (kMT)



***Al auto** sheet **demand** expected to reach >1MMT by 2020*

Auto Sheet Investments a Key Driver of Growth

Davenport Fully Operational

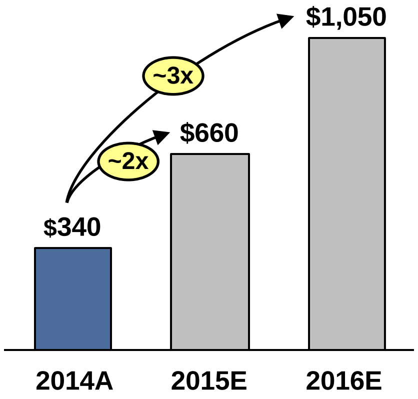


- **Fully ramped**
- **At capacity**

Tennessee on Schedule

- **Completion** and **qualification** on target for **2H 2015**
- **~$260M** DOE **loan**

Projected Alcoa Auto Sheet Revenues ($M)



Result:

- ***Automotive Revenues: 10% of GRP in 2014 to 20% in 2016E***
- ***Auto Sheet Shipments: +65% CAGR (2013-16E)***
- ***Higher Margins and Volumes***

Source: Automotive from Ducker Worldwide 2014

[1] Annual Savings = ((15,000 Hwy Miles/Yr ÷ 17 Hwy MPG) – (15,000 Hwy Miles/Yr ÷ 26 Hwy MPG)) x $3/gal; $2/gal cost = $611 savings.

Looking Forward: Alcoa Invents for Next-Generation Automotive

Micromill's Innovation in Automotive Alloys, Value Proposition and Development Progress

Breakthrough Al Alloy + Casting Technology

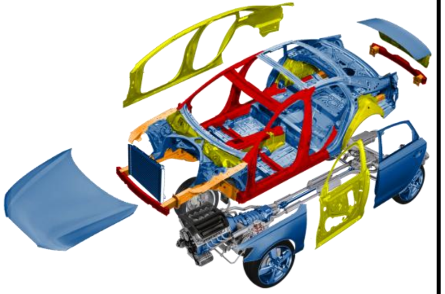
- **2x** more **formable**, while **30% lighter** than HSS
- **Reduces** OEM **system cost** from streamlined alloy portfolio
- Attack share of **$3.5B of steel** auto **applications**
- **20 day** rolling process **to 20 minutes**
- **50% lower energy** use
- **1/4 the footprint** of conventional mill

Stronger, Better, Faster: Win for the Customer and Alcoa

🟧 **Advanced impact**: equivalent to steel crash resistance at **30-40% lighter** vs. HSS

🟨 **Higher formability**: allows multiple parts to **single piece** consolidation; **reduces** assembly **costs 4-8%** vs. ingot based Al

🟥 **Higher strength**: can replace HSS parts; **eliminates** dissimilar metal **joining issues; reduces** weight **25-35%** vs. HSS



🟦 Current alloys(1)
🟨 High formability(1)
🟧 Advanced impact(2)
🟥 High strength(2)

Moving Forward

- ✓ Completed successful customer trials
- ✓ Qualification in progress at first customer
- ✓ Executed agreements to qualify with 5 additional OEMs
- First commercial coil

Exploring Full Scale Capacity Expansion Options

■ Completed
□ In Process

1) In late stage of development; 2) In early stage of development.
HSS = High Strength Steel

Commodity Strategy is Working: Lowering Costs and Enhancing Revenue

Key Commodity Business Metrics: 2010 and 2014 Actual and 2016 Targets

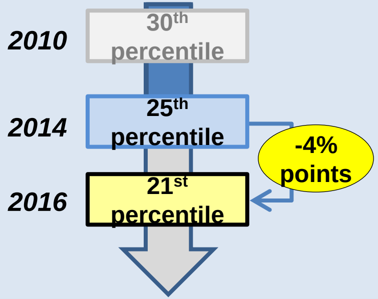
Lower Cost…

… Enhance Revenue

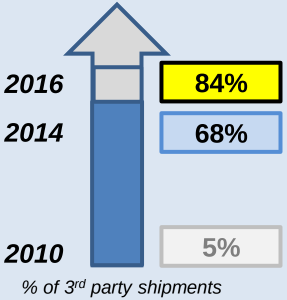
2014
$55
EBITDA/MT

Alumina

Global Alumina Cost Curve



API/spot %

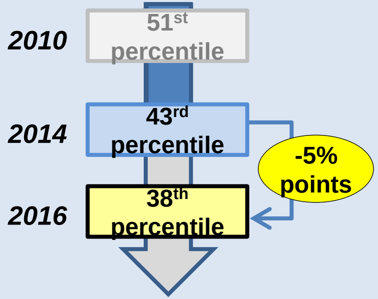


% of 3rd party shipments

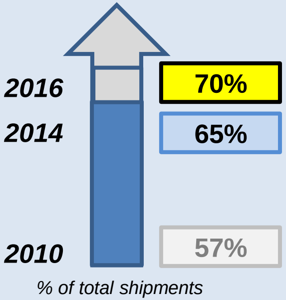
2014
$422
EBITDA/MT

Primary Metals

Global Aluminum Cost Curve



Value-add %



% of total shipments

Sources: CRU and Alcoa analysis
API = Alumina Price Index

Executing Robust Process to Maximize Global Competitiveness

Strategic Review Process and Capacity Actions Executed Against 2015 Strategic Review

33% reduction in smelting operating capacity since 2007[1]

12 Months

March 6, 2015

2.8 mmt refining

500 kmt smelting

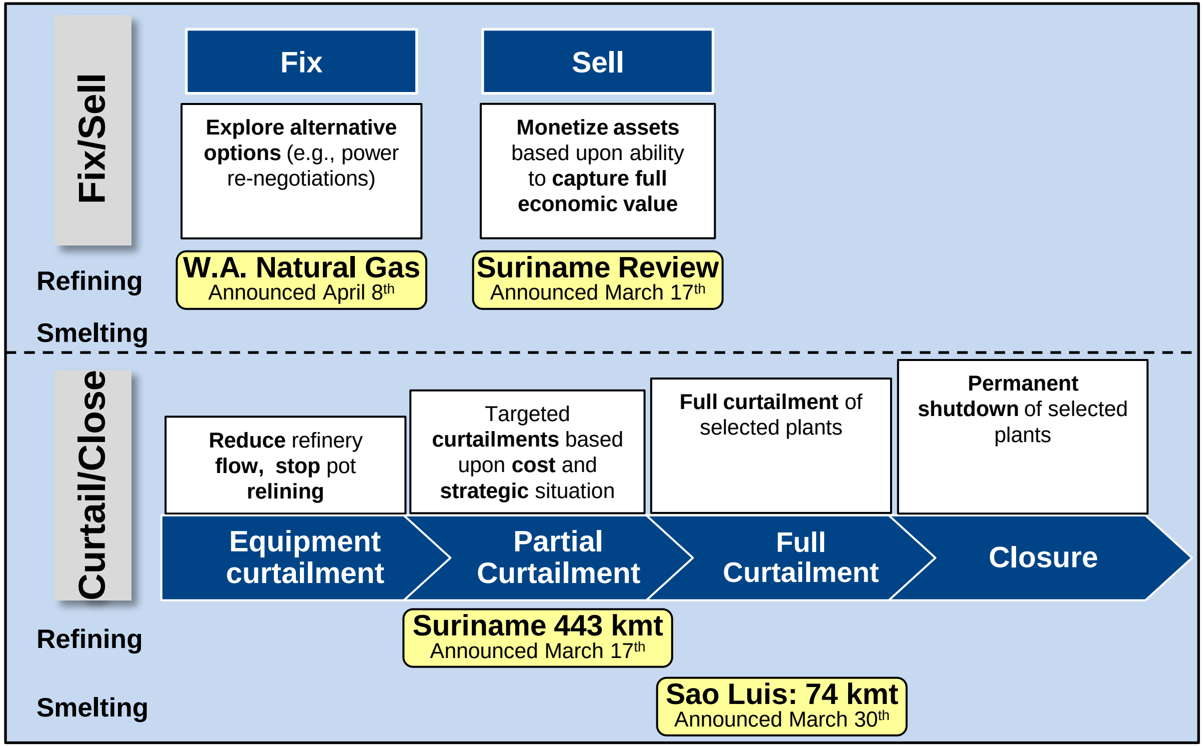
under strategic review

Guiding Principles

Maximize cash position for ramp-down and ramp-up considering:

- **Operational flexibility**
- **Power flexibility**
- **Repowering impact**
- **Community impact**

To Take Quick, Decisive Action



Fix/Sell

Fix

Explore alternative options (e.g., power re-negotiations)

Sell

Monetize assets based upon ability to **capture full economic value**

Refining

W.A. Natural Gas
Announced April 8th

Suriname Review
Announced March 17th

Smelting

Curtail/Close

Reduce refinery **flow, stop** pot **relining**

Targeted **curtailments** based upon **cost** and **strategic** situation

Full curtailment of selected plants

Permanent shutdown of selected plants

Equipment curtailment → **Partial Curtailment** → **Full Curtailment** → **Closure**

Refining

Suriname 443 kmt
Announced March 17th

Smelting

Sao Luis: 74 kmt
Announced March 30th

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[1] Includes 74 kmt of Sao Luis smelting capacity to be executed by April 15th

W.A. = Western Australia

Global Businesses Focused on Upstream Value Creation

Global Primary Products Global Business Units

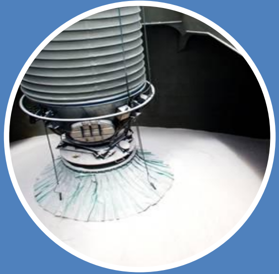
Alumina

Primary Metals

MINING

Explore opportunities in external markets

REFINING



Improve competitiveness; transform pricing

ENERGY

Leverage assets; Secure long-term solutions

SMELTING

Lower cost; enhance operational excellence

CASTING

Grow value-add product mix

- ✓ Increases performance transparency
- ✓ Focuses Centers of Excellence, enhances best practice sharing
- ✓ Improves commercial and operational alignment
- ✓ Optimizes capital allocation

Creating Sustainable Value for Shareholders

Continue to Deliver Strong Operational Results

Profitable Growth from Organic & Inorganic – Fully on Track

Disciplined Execution Improves Upstream Competitiveness

Additional Information

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Annual Sensitivity Summary

LME Aluminum Annual Net Income Sensitivity

+/- $100/MT = +/- $190 million

API/Spot Alumina Annual Net Income Sensitivity

+/- $10/MT = +/- $20 million

Currency Annual Net Income Sensitivity

Australian $	+/- $11 million	per 0.01 change in USD / AUD
Brazilian $	+/- $ 1 million	per 0.01 change in BRL / USD
Euro €	+/- $ 2 million	per 0.01 change in USD / EUR
Canadian $	+/- $ 4 million	per 0.01 change in CAD / USD
Norwegian Kroner	+/- $ 4 million	per 0.10 change in NOK / USD

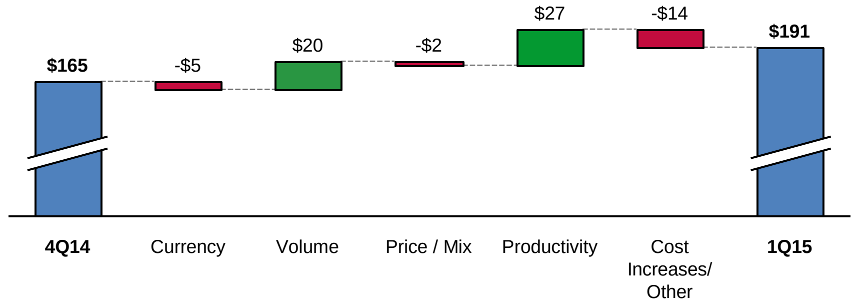
Composition of Regional Premium Pricing Convention

2015E Shipments	Regional Premiums	Estimated Pricing Convention
50%	Midwest – Platts	15-day lag
35%	Rotterdam DDP – Metal Bulletin	45-day lag
10%	CIF Japan – Platts	Month prior to Quarter start
5%	Negotiated	Annual

Alcoa Segment Bridges

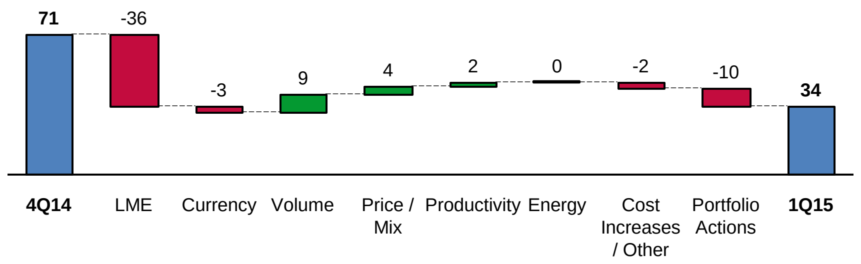
EPS Sequential Quarter Bridge

$ Millions



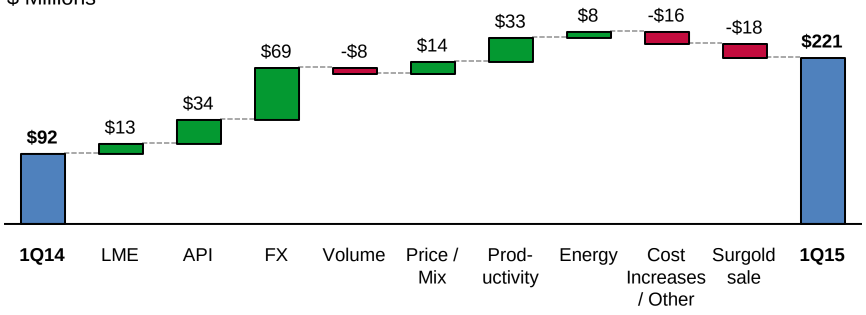
GRP Sequential Quarter Bridge

$ Millions



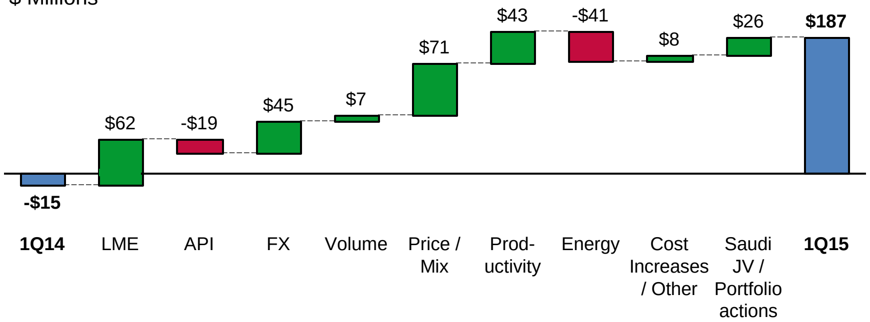
Alumina Year-over-Year Bridge

$ Millions



Primary Metals Year-over-Year Bridge

$ Millions



EPS = Engineered Products and Solutions
GRP = Global Rolled Products

Special Items

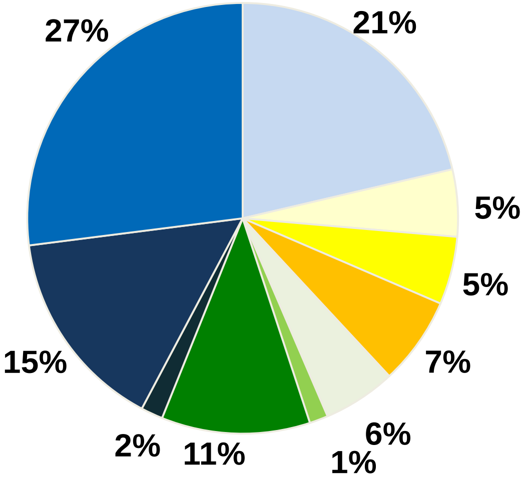
$ Millions, except per-share amounts	Pre-tax, Before NCI		After-tax, After NCI			
	4Q14	1Q15	4Q14	1Q15	Income Statement Classification	Segment
Income from Continuing Operations	**$234**	**$481**	**$159**	**$195**		
Income Per Diluted Share	**-**	**-**	**$0.11**	**$0.14**		
Restructuring-Related	($388)	($177)	($200)	($158)	Restructuring and Other Charges/COGS	Corporate / All
Tax Items	-	-	($53)	($4)	Income Taxes	Corporate
Acquisition Costs	($25)	($9)	($22)	($7)	SG&A/Interest Expense	Corporate
Mark-to-Market Energy Contracts	$2	$2	$2	$1	Other Expenses, Net	Corporate
Special Items	**($411)**	**($184)**	**($273)**	**($168)**		
Income from Continuing Ops excl Special Items	**$645**	**$665**	**$432**	**$363**		
Income per Diluted Share excl Special Items	**-**	**-**	**$0.33**	**$0.28**		

See appendix for Adjusted Income reconciliation.

NCI: Non-controlling interest

Revenue Change by Market

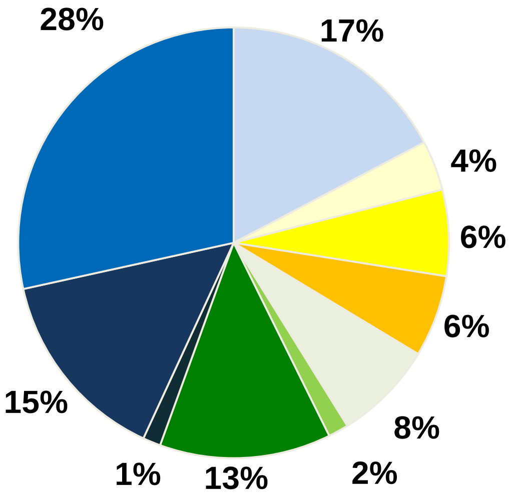
1Q15 Third-Party Revenue



	Sequential Change	Year-Over-Year Change
🟦 Aerospace	14%	24%
🟨 Automotive	7%	46%
🟨 B&C	(23%)	(18%)
🟧 Comm. Transport	3%	13%
⬜ Industrial Products	(25%)	(28%)
🟩 IGT	(13%)	(5%)
🟩 Packaging	(15%)	(5%)
⬛ Distribution/Other	(9%)	43%
⬛ Alumina	(13%)	5%
🟦 Primary Metals	(15%)	10%

Revenue Change by Market

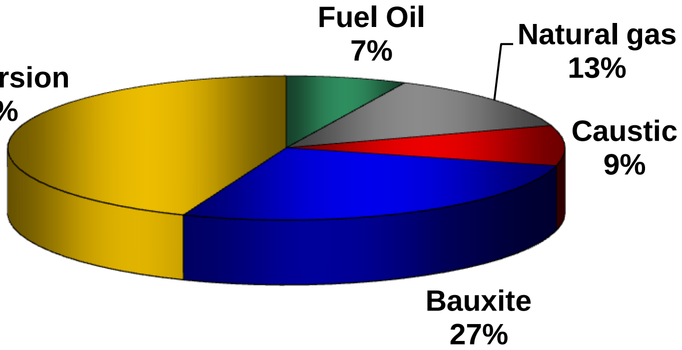
FY 2014 Third-Party Revenue



	Year-Over-Year Change
Aerospace	3%
Automotive	17%
B&C	3%
Comm. Transport	15%
Industrial Products	(3%)
IGT	(11%)
Packaging	1%
Distribution/Other	24%
Alumina	6%
Primary Metals	3%

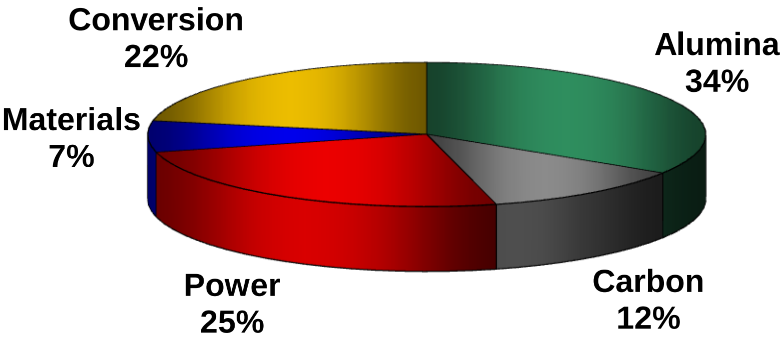
Composition of Upstream Production Costs

Refining Cost Structure



Input Cost	Inventory flow	Pricing convention	Annual ATOI Sensitivity
Fuel oil	1 – 2 months	Prior month	$2m per $1/bbl
Natural gas	N/A	Spot[1]	$13m per $1/GJ[1]
Caustic soda	3 - 6 months	Spot & semi-annual	$8m per $10/DMT

Smelting Cost Structure



Input Cost	Inventory flow	Pricing convention	Annual ATOI Sensitivity
Coke	1 - 2 months	Spot, quarterly & semi-annual	$7m per $10/MT
Pitch	1 - 2 months	Spot, quarterly & semi-annual	$2m per $10/MT

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

Alcoa Upstream capacity closed, sold and idled

Smelting Capacity

Closed/sold since December 2007

Facility	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	2014	190
Portovesme	2014	150
Mt. Holly (sale of 50.33% interest)	2014	115
Total		**1,368**

Idled

Facility	kmt
Rockdale	191
Sao Luis[1]	268
Pocos	96
Intalco	49
Wenatchee	41
Aviles	32
Portland	30
La Coruna	24
Total	**731**

Refining Capacity

Closed/sold since December 2007

Facility	Year	kmt
Jamalco (sale of 55% interest)	2014	779
Total		**779**

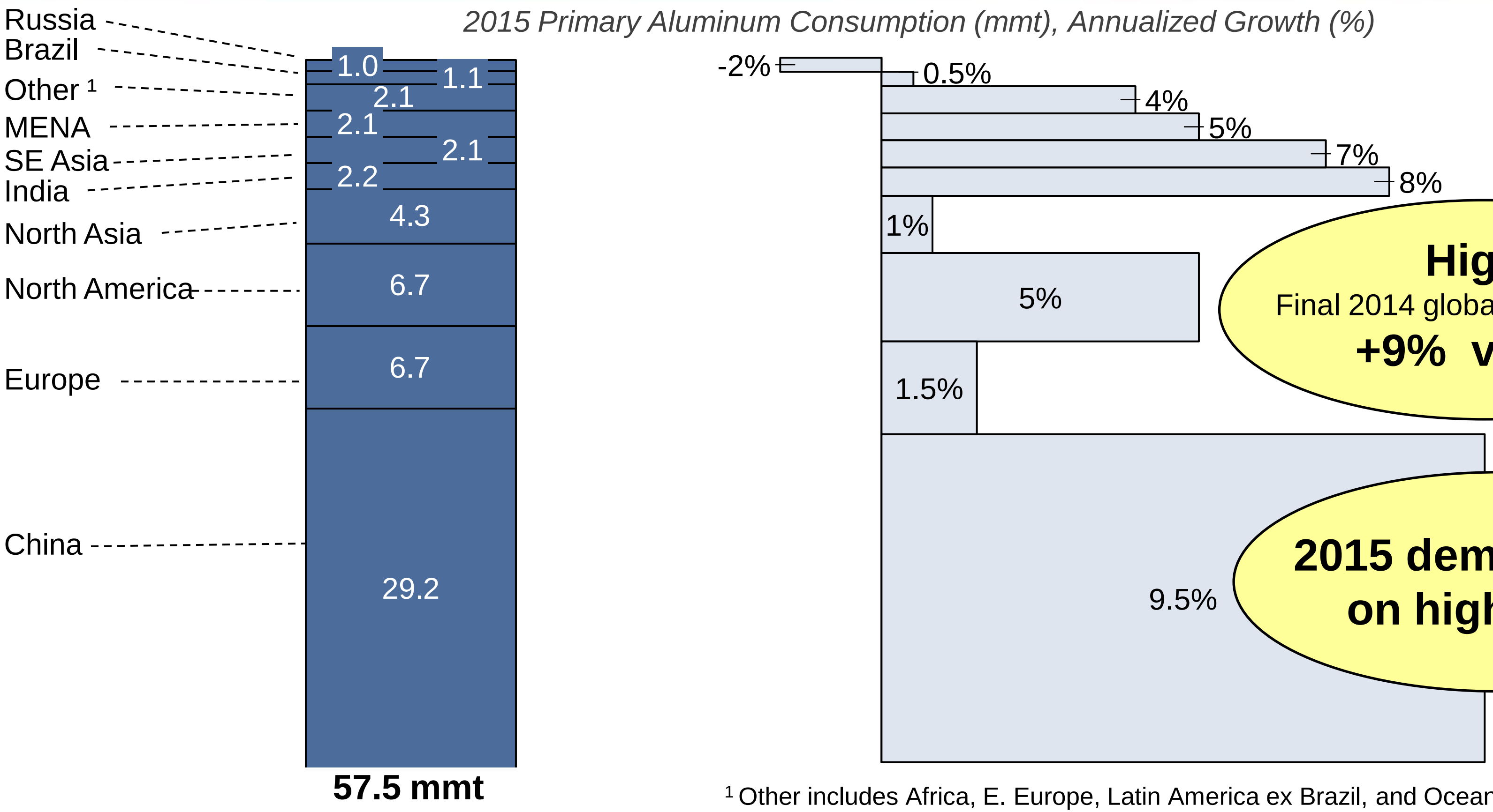
Idled

Facility	kmt
Suriname[2]	1,319
Point Comfort	295
Total	**1,614**

1) Includes 74 kmt curtailment announced on March 30, 2015; Execute by April 15, 2015. 2) Includes 443 kmt curtailment announced on March 17, 2015; Execute by April 30, 2015. Does not include a potential sale transaction with the Government of Suriname.

6.5% 2015 demand growth on higher base

2015 Primary Aluminum Consumption (mmt), Annualized Growth (%)



Higher
Final 2014 global demand growth
+9% vs. +7%

2015 demand +6.5% on higher base

[1] Other includes Africa, E. Europe, Latin America ex Brazil, and Oceania

Source: Alcoa estimates, CRU, Harbor, Wood Mackenzie

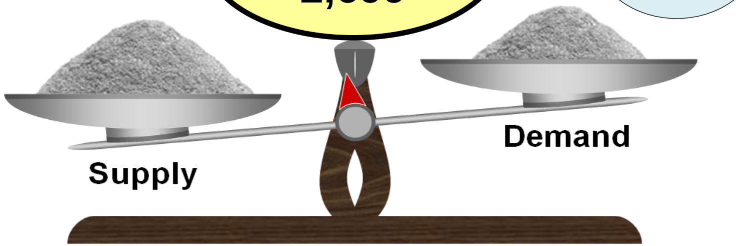
Alumina surplus tightens, Aluminum in balance

Supply/Demand Analysis

2015E Alumina Supply/Demand Balance

Surplus 2,699

4Q14 Surplus 2,932

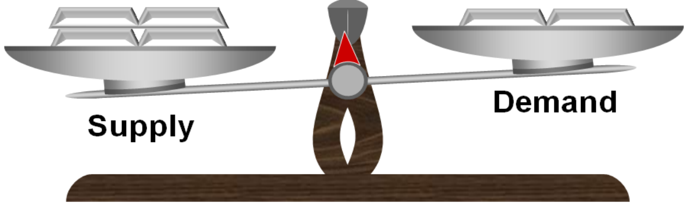


’000 mt	China	Rest of World
2015 Production	47,522	54,921
2015 Production to be added	5,030	3,006
2015 Capacity curtailed or restarted	1,331	(462)
Imports/(exports)	3,000	(3,000)
Total supply	56,883	54,465
Demand	(56,883)	(51,766)
Net Balance	**0**	**2,699**

2015E Aluminum Supply/Demand Balance

Surplus 326

4Q14 Deficit (38)

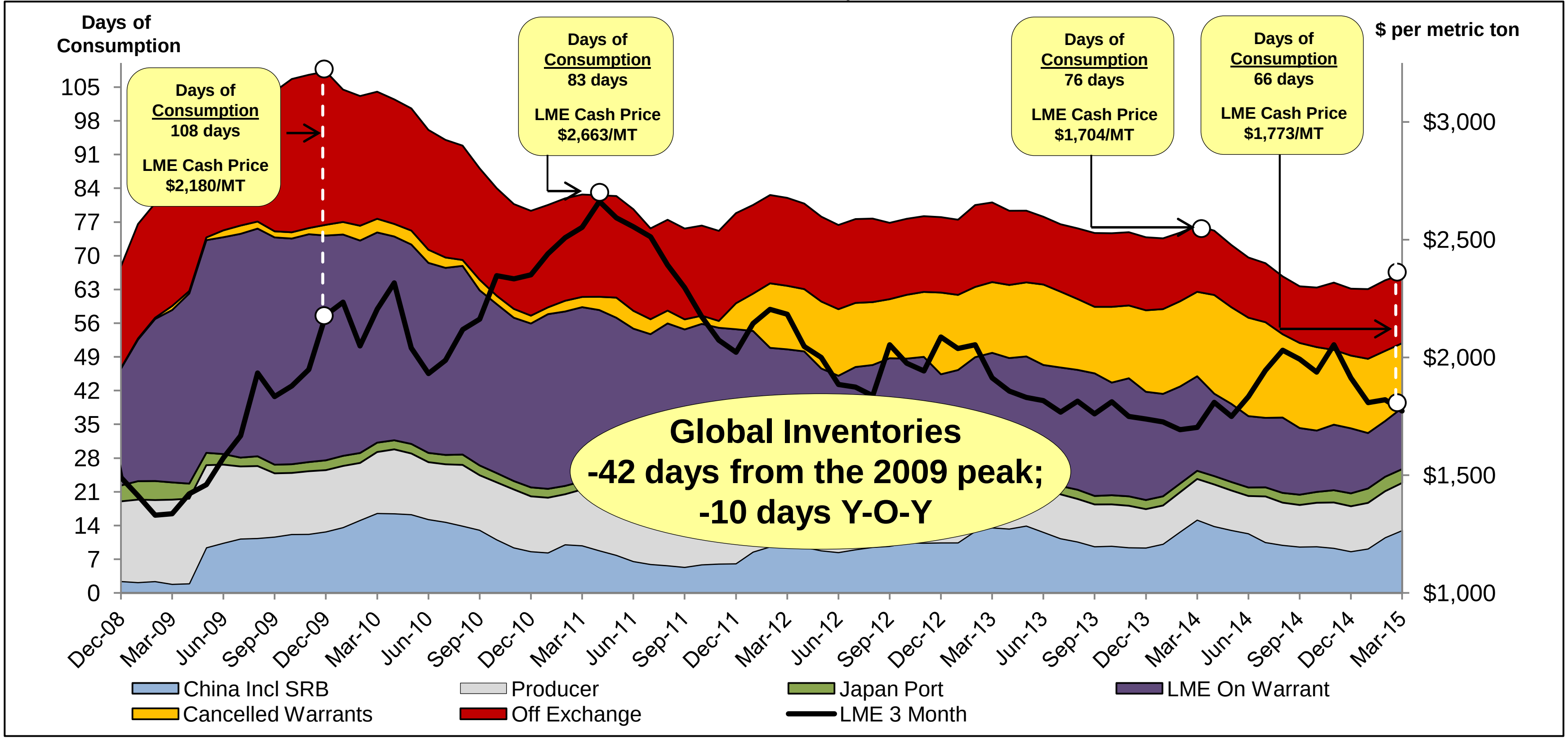


’000 mt	China	Rest of World
2015 Production	27,998	25,955
2015 Production to be added	4,400	868
2015 Capacity curtailed or *restarted	(1,415)	0
Total Supply	30,983	26,823
Demand	(29,171)	(28,309)
Net Balance	**1,812**	**(1,486)**

Source: Alcoa analysis, Alladiny, CNIA, CRU, China Customs, Harbor, Wood Mackenzie

Global inventories have fallen to 66 days; down 10 days year-over year

Global inventories vs. LME price over time $



Days of Consumption
108 days

LME Cash Price
$2,180/MT

Days of Consumption
83 days

LME Cash Price
$2,663/MT

Days of Consumption
76 days

LME Cash Price
$1,704/MT

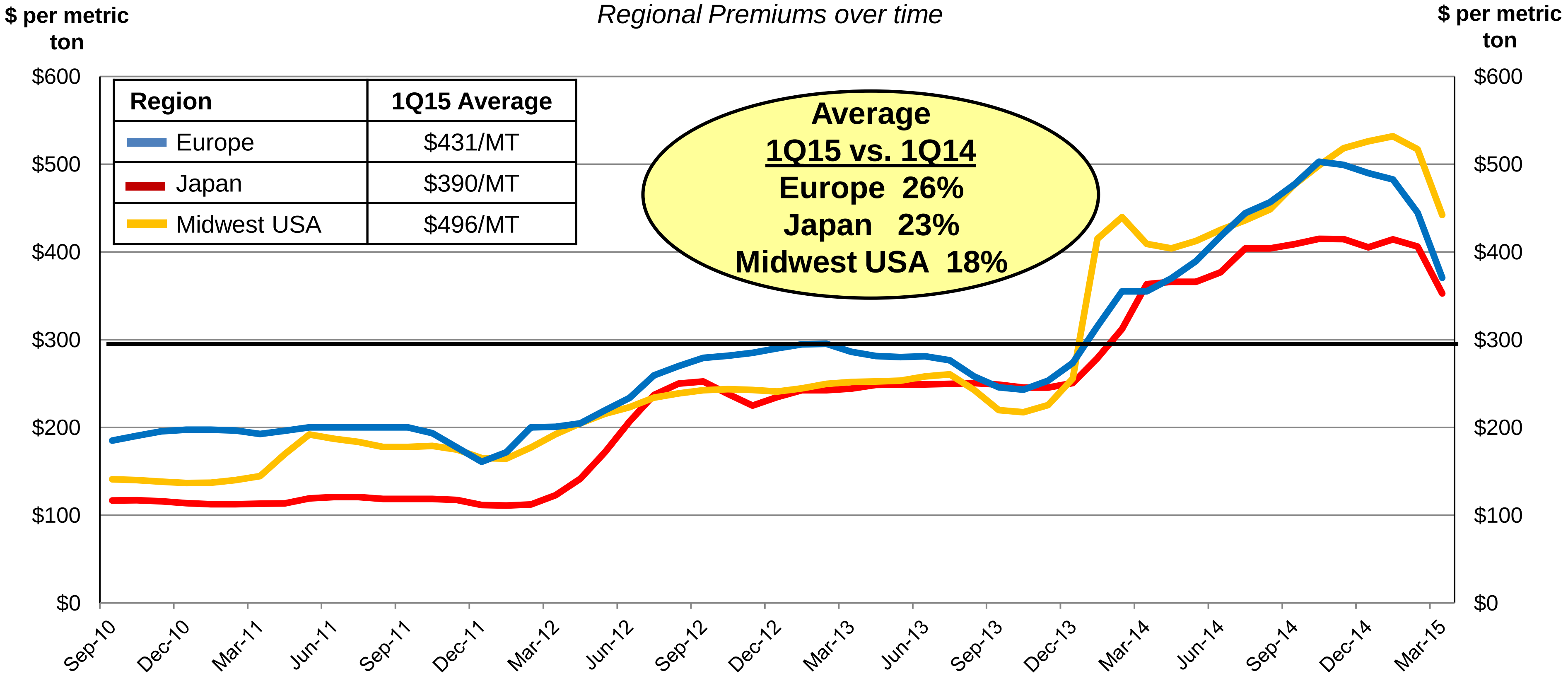
Days of Consumption
66 days

LME Cash Price
$1,773/MT

Global Inventories
-42 days from the 2009 peak;
-10 days Y-O-Y

Source: Alcoa estimates, IAI, LME, Marubeni, Shanghai Metal Exchange

Premiums down from record highs; remain above 2014 levels


Regional Premiums over time

Region	**1Q15 Average**
🟦 Europe	$431/MT
🟥 Japan	$390/MT
🟨 Midwest USA	$496/MT

Average
<u>1Q15 vs. 1Q14</u>
Europe 26%
Japan 23%
Midwest USA 18%

Source: Graph shows monthly average of daily prices - Platts Metals Week
1Q15 and 1Q14 bubble/table data shows quarterly average of daily prices

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

(in millions)	1Q14	2Q14	3Q14	4Q14	2014	1Q15
Total segment ATOI	$325	$418	$619	$681	$2,043	$633
Unallocated amounts (net of tax):						
Impact of LIFO	(7)	(8)	(18)	(21)	(54)	7
Interest expense	(78)	(69)	(81)	(80)	(308)	(80)
Noncontrolling interests	19	9	18	45	91	(60)
Corporate expense	(67)	(70)	(74)	(83)	(294)	(64)
Restructuring and other charges	(321)	(77)	(189)	(307)	(894)	(161)
Other	(49)	(65)	(126)	(76)	(316)	(80)
Consolidated net (loss) income attributable to Alcoa	$(178)	$138	$149	$159	$268	$195

Reconciliation of Adjusted Income

(in millions, except per-share amounts)	(Loss) Income			Diluted EPS(3)		
	Quarter ended			Quarter ended		
	March 31, 2014	December 31, 2014	March 31, 2015	March 31, 2014	December 31, 2014	March 31, 2015
Net (loss) income attributable to Alcoa	$(178)	$159	$195	$(0.16)	$0.11	$0.14
Restructuring and other charges	274	200	158			
Discrete tax items(1)	(6)	16	-			
Other special items(2)	8	57	10			
Net income attributable to Alcoa – as adjusted	$98	$432	$363	0.09	0.33	0.28

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.

(1) Discrete tax items include the following:

- for the quarter ended December 31, 2014, a charge for the remeasurement of certain deferred tax assets of a subsidiary in Spain due to a tax rate change ($16), a benefit for an adjustment to the remeasurement of certain deferred tax assets of a subsidiary in Brazil due to a tax rate change ($3), and a net charge for a number of small items ($3); and
- for the quarter ended March 31, 2014, a net benefit for a number of small items.

(2) Other special items include the following:

- for the quarter ended March 31, 2015, an unfavorable tax impact related to the interim period treatment of operational losses in certain foreign jurisdictions for which no tax benefit was recognized ($35), a favorable tax impact resulting from the difference between Alcoa's consolidated estimated annual effective tax rate and the statutory rates applicable to special items ($31), costs associated with current and future acquisitions of aerospace businesses ($7), and a net favorable change in certain mark-to-market energy derivative contracts ($1);
- for the quarter ended December 31, 2014, an unfavorable tax impact resulting from the difference between Alcoa's consolidated estimated annual effective tax rate and the statutory rates applicable to special items ($81), a favorable tax impact related to the interim period treatment of operational losses in certain foreign jurisdictions for which no tax benefit was recognized ($44), costs associated with current and future acquisitions of aerospace businesses ($22), and a net favorable change in certain mark-to-market energy derivative contracts ($2); and
- for the quarter ended March 31, 2014, a favorable tax impact resulting from the difference between Alcoa's consolidated estimated annual effective tax rate and the statutory rates applicable to special items ($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), a write-down 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 write-down of an asset to fair value ($2).

(3) The average number of shares applicable to diluted EPS for Net (loss) income attributable to Alcoa excludes certain share equivalents as their effect was anti-dilutive (see footnote 3 to the Statement of Consolidated Operations). However, certain of these share equivalents become dilutive in the EPS calculation applicable to Net income attributable to Alcoa – as adjusted due to a larger, positive numerator. Specifically, these share equivalents were associated with outstanding employee stock options and awards for the quarter ended March 31, 2014 and mandatory convertible preferred stock for the quarters ended December 31, 2014 and March 31, 2015. As a result, the average number of shares applicable to diluted EPS for Net income attributable to Alcoa – as adjusted was 1,115,941,470; 1,294,701,805; and 1,315,558,890 for the quarters ended March 31, 2014, December 31, 2014, and March 31, 2015, respectively. Additionally, the subtraction of preferred stock dividends declared from the numerator (see footnote 1 to the Statement of Consolidated Operations) needs to be reversed for the quarters ended December 31, 2014 and March 31, 2015 since the related mandatory convertible preferred stock was dilutive in the EPS calculation for Net income attributable to Alcoa – as adjusted.

Reconciliation of Alcoa Adjusted EBITDA

($ in millions)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1Q14	4Q14	1Q15
Net income (loss) attributable to Alcoa	$1,310	$1,233	$2,248	$2,564	$(74)	$(1,151)	$254	$611	$191	$(2,285)	$268	$(178)	$159	$195
Add:														
Net income (loss) attributable to noncontrolling interests	233	259	436	365	221	61	138	194	(29)	41	(91)	(19)	(45)	60
Cumulative effect of accounting changes	–	2	–	–	–	–	–	–	–	–	–	–	–	–
Loss (income) from discontinued operations	27	50	(22)	250	303	166	8	3	–	–	–	–	–	–
Provision (benefit) for income taxes	546	464	853	1,623	342	(574)	148	255	162	428	320	(77)	120	226
Other (income) expenses, net	(266)	(478)	(236)	(1,920)	(59)	(161)	5	(87)	(341)	(25)	47	25	(6)	(12)
Interest expense	271	339	384	401	407	470	494	524	490	453	473	120	122	122
Restructuring and other charges	(29)	266	507	268	939	237	207	281	172	782	1,168	461	388	177
Impairment of goodwill	–	–	–	–	–	–	–	–	–	1,731	–	–	–	–
Provision for depreciation, depletion, and amortization	1,142	1,227	1,252	1,244	1,234	1,311	1,450	1,479	1,460	1,421	1,371	340	335	321
Adjusted EBITDA	$3,234	$3,362	$5,422	$4,795	$3,313	$359	$2,704	$3,260	$2,105	$2,546	$3,556	$672	$1,073	$1,089
Sales	$21,370	$24,149	$28,950	$29,280	$26,901	$18,439	$21,013	$24,951	$23,700	$23,032	$23,906	$5,454	$6,377	$5,819
Adjusted EBITDA Margin	15.1%	13.9%	18.7%	16.4%	12.3%	1.9%	12.9%	13.1%	8.9%	11.1%	14.9%	12.3%	16.8%	18.7%

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)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1Q14	4Q14	1Q15
After-tax operating income (ATOI)	$632	$682	$1,050	$956	$727	$112	$301	$607	$90	$259	$370	$92	$178	$221
Add:														
Depreciation, depletion, and amortization	153	172	192	267	268	292	406	444	455	426	387	97	90	80
Equity (income) loss	(1)	–	2	(1)	(7)	(8)	(10)	(25)	(5)	4	29	5	10	7
Income taxes	240	246	428	340	277	(22)	60	179	(27)	66	153	40	75	92
Other	(46)	(8)	(6)	2	(26)	(92)	(5)	(44)	(8)	(6)	(28)	(28)	2	–
Adjusted EBITDA	$978	$1,092	$1,666	$1,564	$1,239	$282	$752	$1,161	$505	$749	$911	$206	$355	$400
Production (thousand metric tons) (kmt)	14,343	14,598	15,128	15,084	15,256	14,265	15,922	16,486	16,342	16,618	16,606	4,172	4,161	3,933
Adjusted EBITDA / Production ($ per metric ton)	$68	$75	$110	$104	$81	$20	$47	$70	$31	$45	$55	$49	$85	$102

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 Primary Metals Adjusted EBITDA

($ in millions, except per metric ton amounts)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	1Q14	4Q14	1Q15
After-tax operating income (ATOI)	$808	$822	$1,760	$1,445	$931	$(612)	$488	$481	$309	$(20)	$594	$(15)	$267	$187
Add:														
Depreciation, depletion, and amortization	326	368	395	410	503	560	571	556	532	526	494	124	117	109
Equity (income) loss	(58)	12	(82)	(57)	(2)	26	(1)	7	27	51	34	28	(11)	3
Income taxes	314	307	726	542	172	(365)	96	92	106	(74)	203	(11)	89	57
Other	20	(96)	(13)	(27)	(32)	(176)	(7)	2	(422)	(8)	(6)	–	(2)	(1)
Adjusted EBITDA	$1,410	$1,413	$2,786	$2,313	$1,572	$(567)	$1,147	$1,138	$552	$475	$1,319	$126	$460	$355
Production (thousand metric tons) (kmt)	3,376	3,554	3,552	3,693	4,007	3,564	3,586	3,775	3,742	3,550	3,125	839	731	711
Adjusted EBITDA / Production ($ per metric ton)	$418	$398	$784	$626	$392	$(159)	$320	$301	$148	$134	$422	$150	$629	$499

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 Global Rolled Products Adjusted EBITDA

($ in millions, except per metric ton amounts)	2004	2005	2006	2007	2008	2009	2010*	2011*	2012*	2013	2014	1Q14	4Q14	1Q15
After-tax operating income (ATOI)	$290	$300	$317	$151	$(41)	$(106)	$241	$260	$346	$252	$312	$59	$71	$34
Add:														
Depreciation, depletion, and amortization	200	220	223	227	216	227	238	237	229	226	235	58	57	56
Equity loss	1	–	2	–	–	–	–	3	6	13	27	5	8	9
Income taxes	97	135	113	77	14	12	103	98	159	108	124	34	25	26
Other	1	1	20	1	6	(2)	1	1	(2)	–	(1)	(2)	–	–
Adjusted EBITDA	$589	$656	$675	$456	$195	$131	$583	$599	$738	$599	$697	$154	$161	$125
Total shipments (thousand metric tons) (kmt)	2,136	2,250	2,376	2,482	2,361	1,888	1,755	1,866	1,943	1,989	2,056	489	508	447
Adjusted EBITDA / Total shipments ($ per metric ton)	$276	$292	$284	$184	$83	$69	$332	$321	$380	$301	$339	$315	$317	$280

* The average Adjusted EBITDA per metric ton of these three years equals $344 and represents the average historical high for the Global Rolled Products segment. Alcoa has a 2016 target to meet or exceed this average historical high.

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 Engineered Products and Solutions Adjusted EBITDA

($ in millions)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013(1)	2014(2)	1Q14	4Q14(2)	1Q15(3)
After-tax operating income (ATOI)	$161	$276	$382	$423	$522	$311	$419	$537	$612	$726	$767	$189	$165	$191
Add:														
Depreciation, depletion, and amortization	168	160	152	163	165	177	154	158	158	159	173	40	52	60
Equity loss (income)	–	–	6	–	–	(2)	(2)	(1)	–	–	–	–	–	–
Income taxes	70	120	164	184	215	138	198	258	297	348	374	91	81	89
Other	106	(11)	(2)	(7)	2	1	–	(1)	(9)	(2)	–	–	(2)	–
Adjusted EBITDA	$505	$545	$702	$763	$904	$625	$769	$951	$1,058	$1,231	$1,314	$320	$296	$340
Third-party sales	$4,283	$4,773	$5,428	$5,834	$6,199	$4,689	$4,584	$5,345	$5,525	$5,733	$6,006	$1,443	$1,566	$1,689
Adjusted EBITDA Margin	11.8%	11.4%	12.9%	13.1%	14.6%	13.3%	16.8%	17.8%	19.1%	21.5%	21.9%	22.2%	18.9%	20.1%

(1) The Adjusted EBITDA Margin for the year ended December 31, 2013 represents the historical high for the Engineered Products and Solutions segment. Alcoa has a 2016 target to exceed this historical high.

(2) In the quarter and year ended December 31, 2014, the Third-party sales and Adjusted EBITDA of Engineered Products and Solutions includes $81 and $(10), respectively, related to the acquisition of an aerospace business, Firth Rixson. Excluding these amounts, Adjusted EBITDA Margin was 20.6% and 22.3% for the quarter and year ended December 31, 2014, respectively.

(3) In the quarter ended March 31, 2015, the Third-party sales and Adjusted EBITDA of Engineered Products and Solutions includes $233 and $27, respectively, related to Firth Rixson. Excluding these amounts, Adjusted EBITDA Margin was 21.5% for the quarter ended March 31, 2015.

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 Free Cash Flow

(in millions)	Year ended						Quarter ended		
	December 31, 2009	December 31, 2010	December 31, 2011	December 31, 2012	December 31, 2013	December 31, 2014	March 31, 2014	December 31, 2014	March 31, 2015
Cash from operations	$1,365	$2,261	$2,193	$1,497	$1,578	$1,674	$(551)	$1,458	$(175)
Capital expenditures	(1,622)	(1,015)	(1,287)	(1,261)	(1,193)	(1,219)	(209)	(469)	(247)
Free cash flow	$(257)	$1,246	$906	$236	$385	$455	$(760)	$989	$(422)

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												
	31-Mar-12	**30-Jun-12**	**30-Sep-12**	**31-Dec-12**	**31-Mar-13**	**30-Jun-13**	**30-Sep-13**	**31-Dec-13**	**31-Mar-14**	**30-Jun-14**	**30-Sep-14**	**31-Dec-14**	**31-Mar-15[3]**
Receivables from customers, less allowances	$1,709	$1,650	$1,600	$1,573	$1,704	$1,483	$1,427	$1,383	$1,391	$1,401	$1,526	$1,513	$1,487
Add: Deferred purchase price receivable[1]	85	144	104	53	50	223	347	339	238	371	438	395	389
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	1,772	1,964	1,908	1,876
Add: Inventories	3,079	3,097	3,051	2,894	2,961	2,949	2,932	2,783	2,974	3,201	3,194	3,064	3,189
Less: Accounts payable, trade	2,660	2,594	2,496	2,587	2,656	2,820	2,746	2,816	2,813	2,880	3,016	3,021	2,936
Working Capital[2]	$2,213	$2,297	$2,259	$1,933	$2,059	$1,835	$1,960	$1,689	$1,790	$2,093	$2,142	$1,951	$2,129
Sales	$6,006	$5,963	$5,833	$5,898	$5,833	$5,849	$5,765	$5,585	$5,454	$5,836	$6,239	$6,377	$5,819
Days Working Capital	34	35	36	30	32	29	31	28	30	33	32	28	33

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

[1] 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.

[2] The Working Capital for each period presented represents an average quarter Working Capital, which reflects 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.

[3] In the quarter ended March 31, 2015, Working Capital and Sales include $279 and $233, respectively, related to the acquisition of two aerospace businesses, Firth Rixson and TITAL. Excluding these amounts, Days Working Capital was 30 for the quarter ended March 31, 2015.

Reconciliation of Net Debt

(in millions)

	December 31,					March 31,
	2010	**2011**	**2012**	**2013**	**2014**	**2015**
Short-term borrowings	$92	$62	$53	$57	$54	$80
Commercial paper	–	224	–	–	–	–
Long-term debt due within one year	231	445	465	655	29	26
Long-term debt, less amount due within one year	8,842	8,640	8,311	7,607	8,769	8,711
Total debt	9,165	9,371	8,829	8,319	8,852	8,817
Less: Cash and cash equivalents	1,543	1,939	1,861	1,437	1,877	1,191
Net debt	$7,622	$7,432	$6,968	$6,882	$6,975	$7,626

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 Debt-to-Adjusted EBITDA Ratio

($ in millions)	**2010**	**2011**	**2012**	**2013**	**2014**	**1Q15***
Net income (loss) attributable to Alcoa	$254	$611	$191	$(2,285)	$268	$641
Add:						
Net income (loss) attributable to noncontrolling interests	138	194	(29)	41	(91)	(12)
Loss from discontinued operations	8	3	–	–	–	–
Provision for income taxes	148	255	162	428	320	623
Other expenses (income), net	5	(87)	(341)	(25)	47	10
Interest expense	494	524	490	453	473	475
Restructuring and other charges	207	281	172	782	1,168	884
Impairment of goodwill	–	–	–	1,731	–	–
Provision for depreciation, depletion, and amortization	1,450	1,479	1,460	1,421	1,371	1,352
Adjusted EBITDA	$2,704	$3,260	$2,105	$2,546	$3,556	$3,973
Total Debt	$9,165	$9,371	$8,829	$8,319	$8,852	$8,817
Debt-to-Adjusted EBITDA Ratio	3.39	2.87	4.20	3.27	2.49	2.22

* The calculation of Adjusted EBITDA for the quarter ended March 31, 2015 is based on the trailing twelve months.

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.

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