

First Quarter 2026 Earnings Call

John Plant: Executive Chairman and Chief Executive Officer
Patrick Winterlich: EVP and Chief Financial Officer

May 7, 2026



**HOWMET
AEROSPACE**



Important Information

Forward-Looking Statements

This presentation contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as "anticipates", "believes", "could", "envisions", "estimates", "expects", "forecasts", "goal", "guidance", "intends", "may", "outlook", "plans", "poised", "projects", "seeks", "sees", "should", "targets", "will", "would", or other words of similar meaning. All statements that reflect Howmet Aerospace Inc.'s ("Howmet's") expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements, forecasts and outlook relating to: the condition of markets; future financial results or operating performance; future strategic actions; Howmet's strategies, outlook, and business and financial prospects; any future dividends, debt issuances, debt reduction and repurchases of its common stock; and statements regarding any acquisitions, including expected benefits. These statements reflect beliefs and assumptions that are based on Howmet's perception of historical trends, current conditions and expected future developments, as well as other factors Howmet believes are appropriate in the circumstances. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and changes in circumstances that are difficult to predict, which could cause actual results to differ materially from those indicated by these statements. Such risks and uncertainties include, but are not limited to: (a) deterioration in global economic and financial market conditions generally, or unfavorable changes in the markets served by Howmet, including due to escalating tariff and other trade policies and energy costs, and the resulting impacts on Howmet's supply and distribution chains, as well as on market volatility and global trade generally; (b) the impact of potential cyber attacks and information technology or data security breaches; (c) the loss of significant customers or adverse changes in customers' business or financial conditions; (d) manufacturing difficulties or other issues that impact product performance, quality or safety; (e) inability of suppliers to meet obligations due to supply chain disruptions or otherwise; (f) failure to attract and retain a qualified workforce and key personnel, labor disputes or other employee relations issues; (g) the inability to achieve anticipated or targeted financial performance, operations or competitiveness, or realization of expected benefits from acquisitions, including the effective integration of acquired businesses; (h) inability to meet increased demand, production targets or commitments; (i) competition from new product offerings, disruptive technologies or other developments; (j) geopolitical, economic, and regulatory risks relating to Howmet's global operations, including geopolitical and diplomatic tensions, instabilities, conflicts and wars, as well as compliance with U.S. and foreign trade and tax laws, sanctions, embargoes and other regulations; (k) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; (l) failure to comply with government contracting regulations; (m) adverse changes in discount rates or investment returns on pension assets; and (n) the other risk factors summarized in Howmet's Form 10-K for the year ended December 31, 2025 and other reports filed with the U.S. Securities and Exchange Commission. Market projections are subject to the risks discussed above and other risks in the market. Under its share repurchase program, Howmet may repurchase shares from time to time, in amounts, at prices, and at such times as it deems appropriate, subject to market conditions, legal requirements and other considerations. Howmet is not obligated to repurchase any specific number of shares or to do so at any particular time. The declaration of any future dividends is subject to the discretion and approval of Howmet's Board of Directors after consideration of all factors it deems relevant and subject to applicable law. Howmet may modify, suspend, or cancel its share repurchase program or any dividend policy in any manner and at any time that it may deem necessary or appropriate. Credit ratings are not a recommendation to buy or hold any Howmet securities, and they may be revised or revoked at any time at the sole discretion of the credit rating organizations. The statements in this presentation are made as of the date of this presentation, even if subsequently made available by Howmet on its website or otherwise. Howmet disclaims any intention or obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

Important Information (continued)

Non-GAAP Financial Measures

Some of the information included in this presentation is derived from Howmet Aerospace's consolidated financial information but is not presented in Howmet Aerospace'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. Howmet Aerospace has not provided reconciliations of any forward-looking non-GAAP financial measures (including Adjusted EBITDA, Adjusted EBITDA margin, Adjusted Earnings per Share, and Free Cash Flow) to the most directly comparable GAAP financial measures because such reconciliations, as well as the directly comparable GAAP measures, are not available without unreasonable efforts due to the variability and complexity of the charges and other components excluded from the non-GAAP measures, such as gains or losses on sales of assets, taxes, and any future restructuring or impairment charges. These reconciling items are in addition to the inherent variability already included in the GAAP measures, which includes, but is not limited to, price/mix and volume. Howmet Aerospace believes such reconciliations of forward-looking non-GAAP financial measures would imply a degree of precision that would be confusing or misleading to investors.

Adjusted EBITDA is defined as Operating Income excluding Restructuring and other (credits) charges, Special Items and provision for depreciation and amortization. Special items, including Restructuring and other (credits) charges, are excluded from Adjusted EBITDA. Current and prior periods' Adjusted EBITDA calculations have not changed although the definitions have been simplified.

Other Information

In this presentation: where values are denoted, M=USD millions and B=USD billions; Howmet, Howmet Aerospace, or the Company=Howmet Aerospace Inc.; YTD=year to date; YoY=year over year; QoQ=quarter over quarter; Seq=sequential; FY=full year; Q=quarter; bps=basis points; Avg=average; EPS=Earnings Per Share; FCF=Free Cash Flow; Free Cash Flow Conversion=Free Cash Flow divided by Adjusted Net Income; M&A = mergers and acquisitions; and references to performance by Howmet Aerospace or its segments as "record" mean its best result since April 1, 2020 when Howmet Aerospace Inc. (previously named Arconic Inc.) separated from Arconic Corporation.

Q1 2026 Highlights

Revenue and Profitability	Q1 2025	Q4 2025	Q1 2026	Q1 YoY
Revenue	\$1.942B	\$2.168B	\$2.313B	+19%
Adj EBITDA ¹	\$560M	\$653M	\$740M	+32%
Adj EBITDA Margin ¹	28.8%	30.1%	32.0%	+320 bps
Adj Operating Income ¹	\$491M	\$580M	\$666M	+36%
Adj Operating Income Margin ¹	25.3%	26.8%	28.8%	+350 bps
Adj Earnings Per Share ²	\$0.86	\$1.05	\$1.22	+42%

Q1 2026 Balance Sheet and Cash Flow

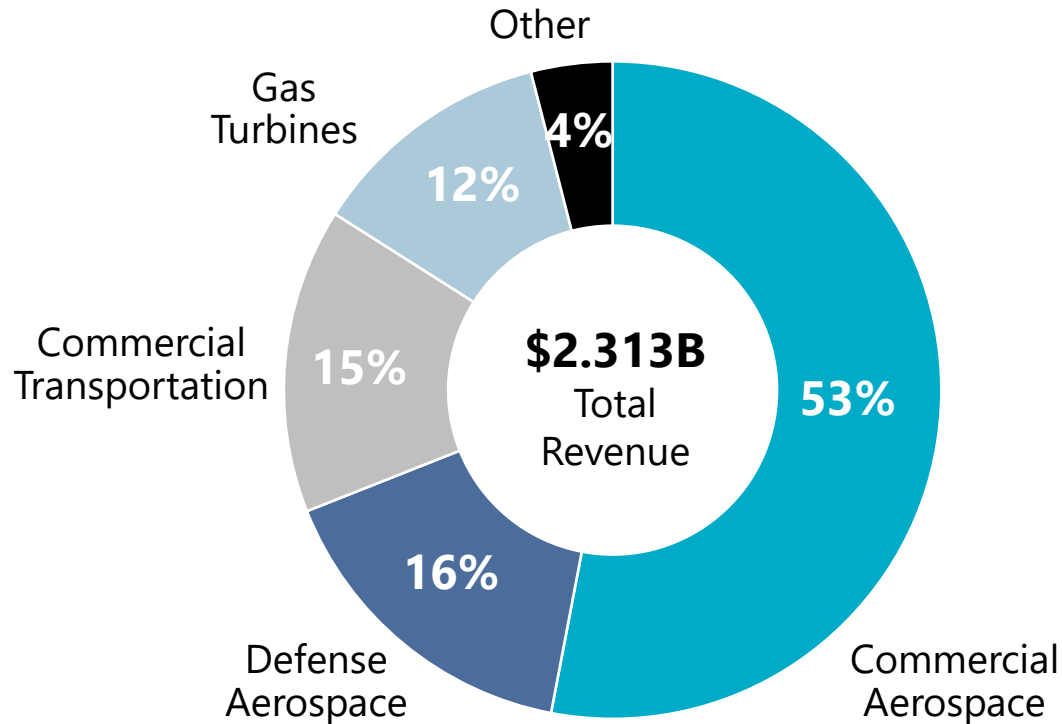
- Record Q1 Free Cash Flow³ of \$359M
- Repurchased \$300M of Common Stock at ~\$230 Avg Price per Share; Repurchased Additional \$150M in April
- Net Debt-to-LTM EBITDA⁴ Improved to 0.9x Prior to CAM Acquisition
- Closed Fastening Systems' Brunner Acquisition in February and Consolidated Aerospace Manufacturing (CAM) Acquisition in April
- Divested Engineered Structures' Savannah Disk Forging Facility



1) Operating income (GAAP): Q1 2025 = \$494M, Q4 2025 = \$489M, Q1 2026 = \$753M; Operating income margin (GAAP): Q1 2025 = 25.4%, Q4 2025 = 22.6%, Q1 2026 = 32.6% 2) EPS (GAAP): Q1 2025 = \$0.84, Q4 2025 = \$0.92, Q1 2026 = \$1.44 3) Free Cash Flow = Cash provided from operations less Capital expenditures; Q1 2026: Cash provided from operations = \$453M, Cash provided from financing activities = \$1,226M, Cash provided from investing activities = \$14M 4) Last twelve months (LTM) Adj. EBITDA See appendix for reconciliations

Q1 2026 Revenue Up 19% YoY, Commercial Aerospace Up 20% YoY

**Q1 2026 Revenue by Market
(% of total)**



**Revenue by Market
(% change)**

	YoY	Seq
Commercial Aerospace	20%	7%
Defense Aerospace	10%	Flat
Commercial Transportation	13%	12%
Gas Turbines	39%	7%
Other	21%	16%
Total Revenue	19%	7%

Q1 2026 YoY: Revenue Up 19%, Adj EBITDA¹ Up 32%, Adj EPS² Up 42%

Enhanced Profitability

- Revenue Up 19% YoY, driven by Comm Aero Up 20%, Defense Aero Up 10%, and Gas Turbines Up 39% YoY
- Adj EBITDA¹ of \$740M, Up 32% YoY. Adj EBITDA Margin¹ of 32.0%, Up ~320 bps YoY
- Adj Earnings Per Share² of \$1.22, Up 42% YoY

Strong Balance Sheet and Cash Flow

- Free Cash Flow³ of \$359M; Ending Cash Balance of ~\$2.4B
- Added \$1.65B of Debt and Commercial Paper to Fund CAM Acquisition of ~\$1.8B
- Net Debt-to-LTM EBITDA⁴ Improved to 0.9x Prior to CAM Acquisition
- Fitch Upgrade to A-; All Credit Ratings Remain at least Three Notches into Investment Grade

Capital Deployment

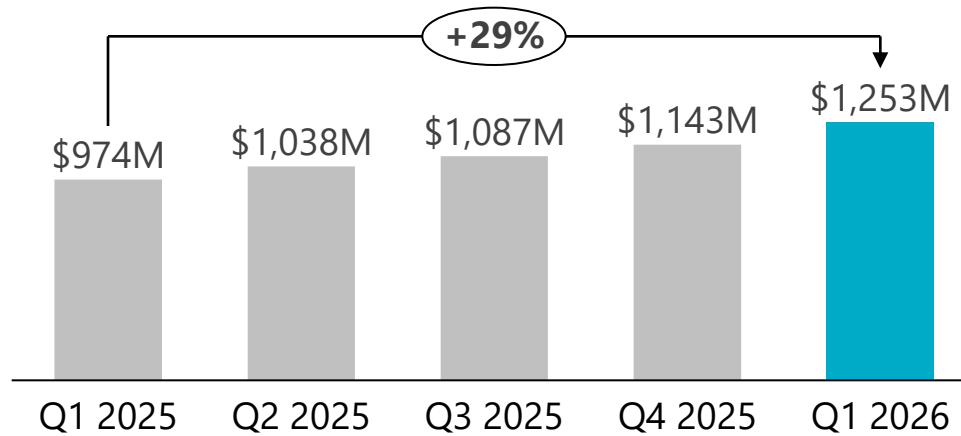
- Capex of \$94M; Continued Growth Investments in Engine Products Segment
- M&A Activity includes ~\$230M for Sale of Savannah and ~\$120M for Acquisition of Brunner
- Repurchased \$300M of Common Stock at ~\$230 Avg Price per Share; Repurchased Additional \$150M in April
- Paid \$48M in Dividends; Common Stock Dividend at \$0.12 Per Share, Up ~20% YoY



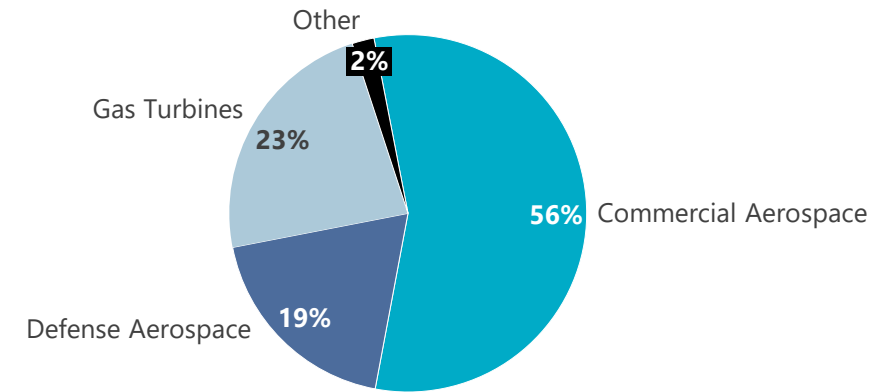
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Engine Products: Revenue Up 29% Q1 YoY; Adj EBITDA Margin 36.6%

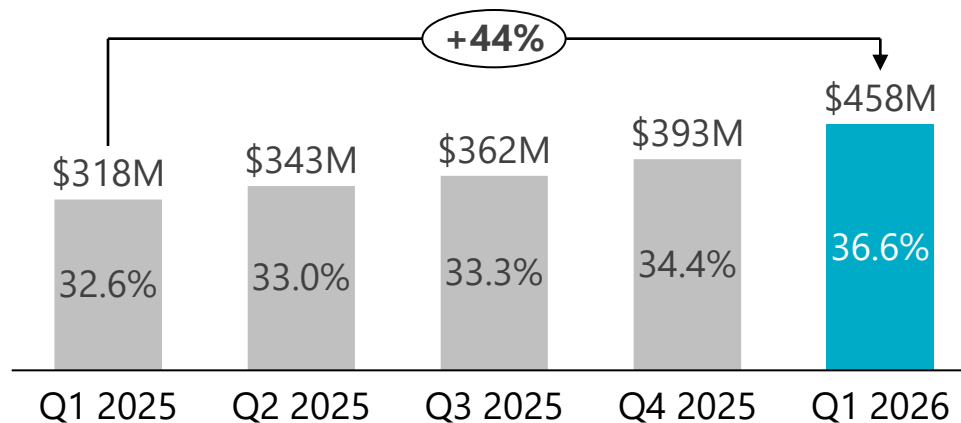
3rd Party Revenue



Q1 Revenue by Market (% of total)



Segment Adjusted EBITDA and Margin

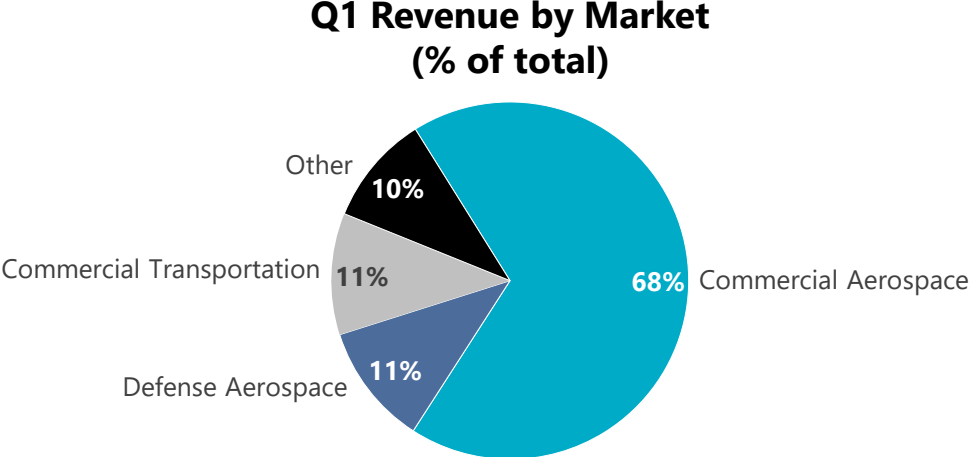
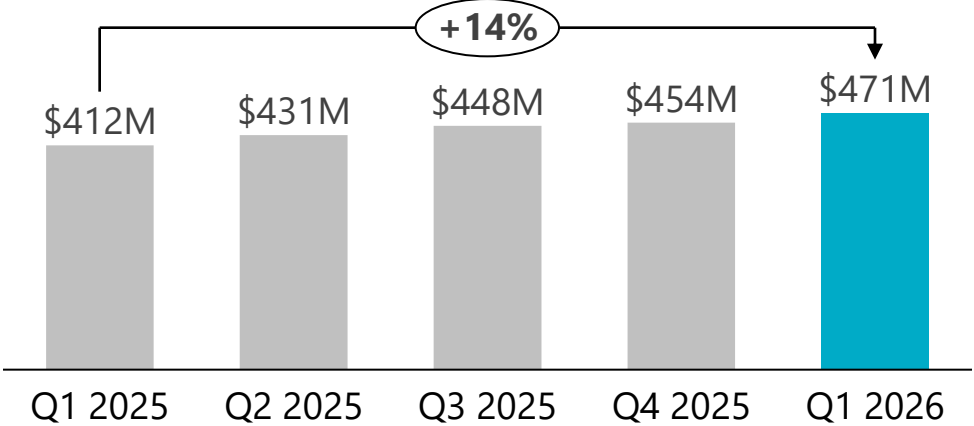


Q1 2026 YoY

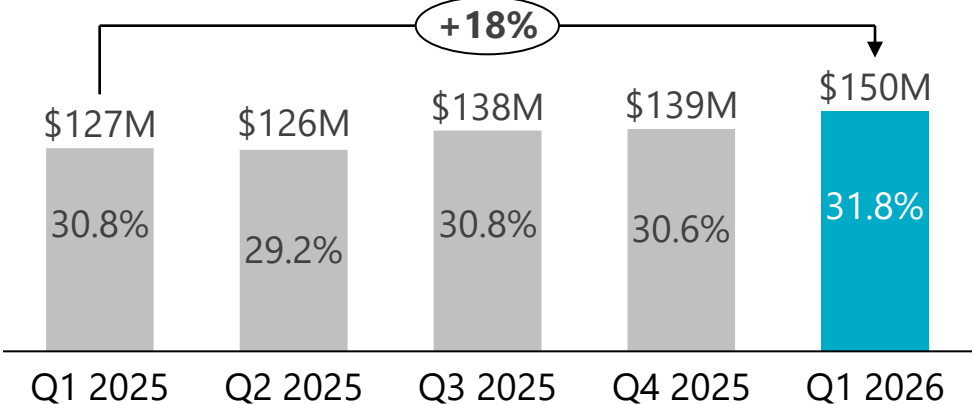
- + Commercial Aerospace Growth
- + Defense Aerospace Growth
- + Gas Turbines Growth
- + Spares Growth Across All Markets
- + Net Headcount Up ~235 QoQ; Up ~1,175 YoY

Fastening Systems: Revenue Up 14% Q1 YoY; Adj EBITDA Margin 31.8%

3rd Party Revenue



Segment Adjusted EBITDA and Margin

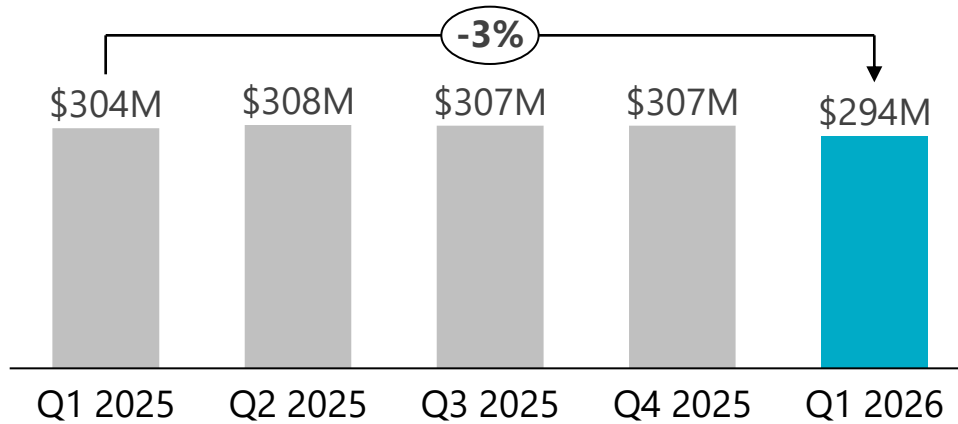


Q1 2026 YoY

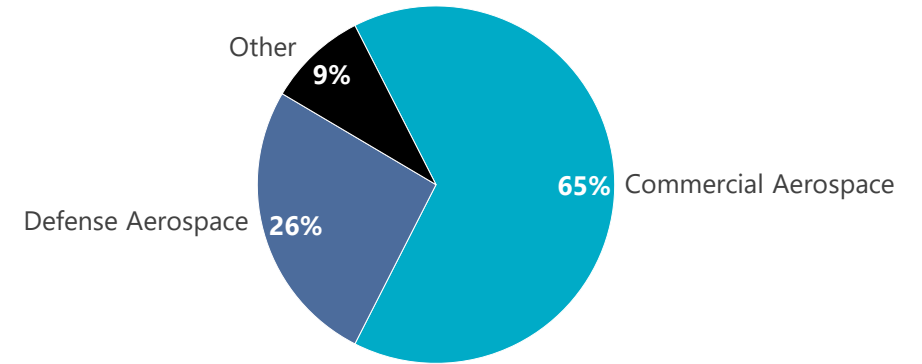
- + Commercial Aerospace Growth
- + Defense Aerospace Growth
- + Sustaining Productivity Gains

Engineered Structures: Revenue Down 3% Q1 YoY; Adj EBITDA Margin 22.4%

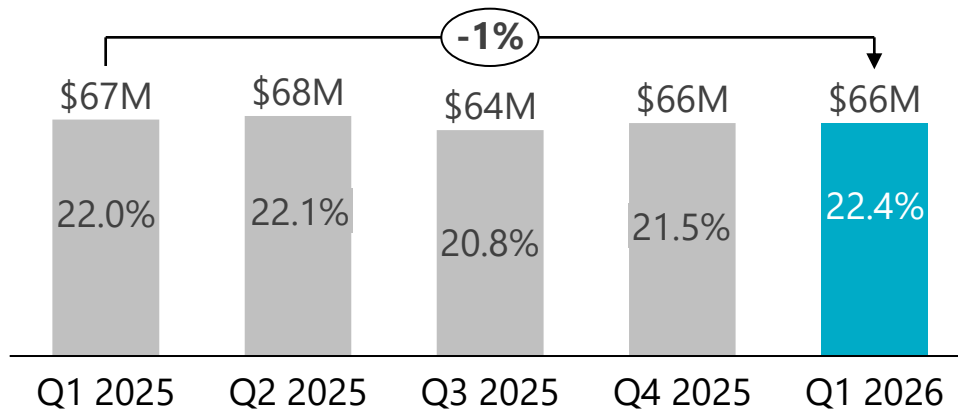
3rd Party Revenue



Q1 Revenue by Market (% of total)



Segment Adjusted EBITDA and Margin

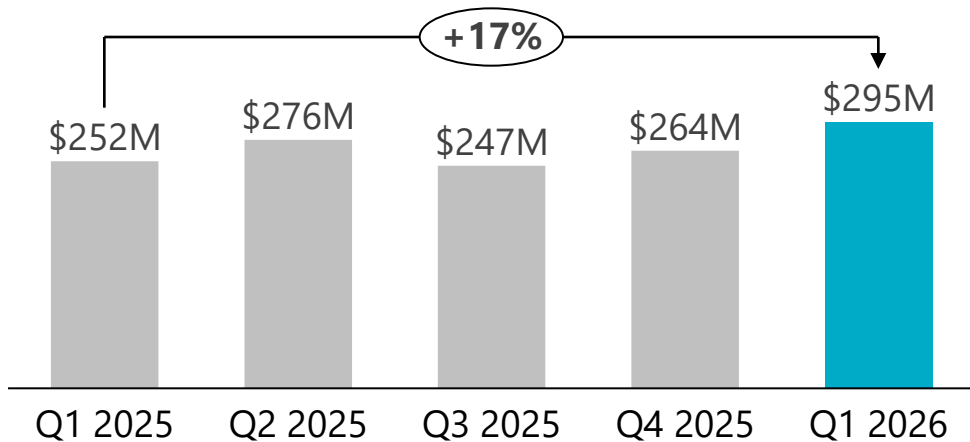


Q1 2026 YoY

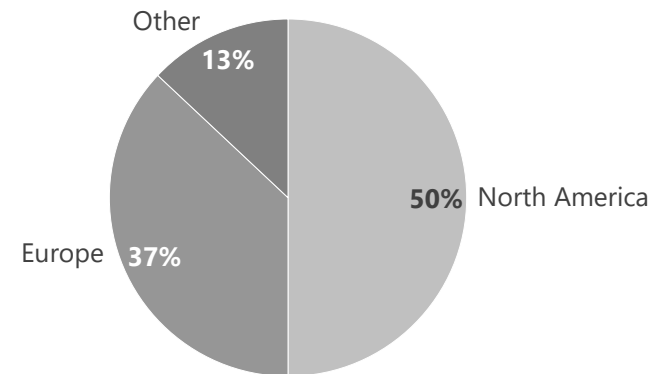
- + Further Product Rationalization
- + Focused Operational Improvement
- + Net Headcount Down ~65 QoQ

Forged Wheels: Revenue Up 17% Q1 YoY; Adj EBITDA Margin 30.5%

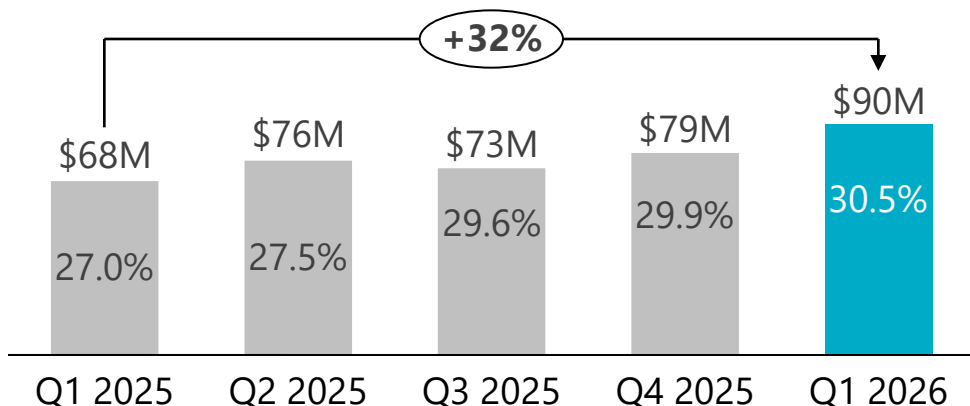
3rd Party Revenue



Q1 Revenue by Region (% of total)



Segment Adjusted EBITDA and Margin



Q1 2026 YoY

- Commercial Transportation Market Down
- Volume Down 11%
- + Cost Flexing
- + Net Headcount ~Flat QoQ, Down ~125 YoY
- + Higher Cost Pass Through

2026 Guidance

	Q2 2026 Guidance			FY 2026 Guidance			What we expect in 2026
	<u>Low</u>	<u>Baseline</u>	<u>High</u>	<u>Low</u>	<u>Baseline</u>	<u>High</u>	
Revenue	\$2.390B	\$2.400B	\$2.410B	\$9.575B	\$9.650B	\$9.725B	<ul style="list-style-type: none"> FY 2026 Revenue up ~17% vs. FY 2025
				Baseline Change ▶ +\$550M			
Adj EBITDA <i>Adj EBITDA Margin</i>	\$760M 31.8%	\$765M 31.9%	\$770M 32.0%	\$3.025B 31.6%	\$3.060B 31.7%	\$3.095B 31.8%	<ul style="list-style-type: none"> FY 2026 Adj EBITDA up ~27% vs. FY 2025 FY 2026 Adj EPS up ~31% vs. FY 2025
				Baseline Change ▶ +\$300M +140 bps			
Adj Earnings per Share	\$1.22	\$1.23	\$1.24	\$4.88	\$4.94	\$5.00	<ul style="list-style-type: none"> FY 2026 Capex of ~\$490M, ~5% of Revenue
				Baseline Change ▶ +\$0.49			
Free Cash Flow				\$1.700B	\$1.750B	\$1.800B	<ul style="list-style-type: none"> FY 2026 Free Cash Flow Conversion ~90%
				Baseline Change ▶ +\$150M			

Summary

Revenue / Profit Q1 2026

- Revenue Up 19% YoY, driven by Comm Aero Up 20%, Defense Aero Up 10%, and Gas Turbines Up 39% YoY
- Adj EBITDA¹ of \$740M, Up 32% YoY. Adj EBITDA Margin¹ of 32.0%, Up ~320 bps YoY
- Adj Earnings Per Share² of \$1.22, Up 42% YoY

Cash Generation / Deployment Q1 2026

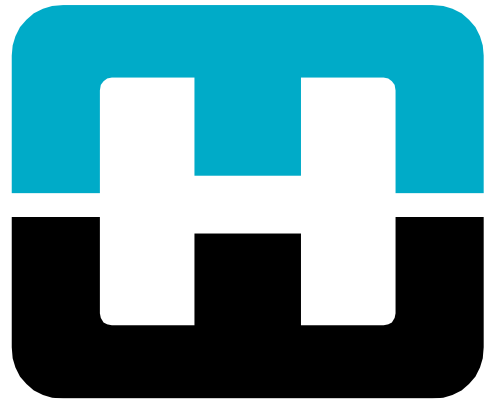
- Free Cash Flow³ of \$359M; Ending Cash Balance of ~\$2.4B
- Added \$1.65B of Debt and Commercial Paper to Fund CAM Acquisition of ~\$1.8B
- Net Debt-to-LTM EBITDA⁴ Improved to 0.9x Prior to CAM Acquisition
- Capital Deployment: ~\$350M Common Stock Repurchases and Quarterly Dividends

Guidance Expectations FY 2026

- Expect Revenue Up ~17% YoY, Adj EBITDA¹ Up ~27% YoY, Adj Earnings Per Share² Up ~31% YoY
- Expect Free Cash Flow³ of ~\$1.75B, Up ~22% YoY, with Free Cash Flow Conversion⁵ of ~90%



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Appendix



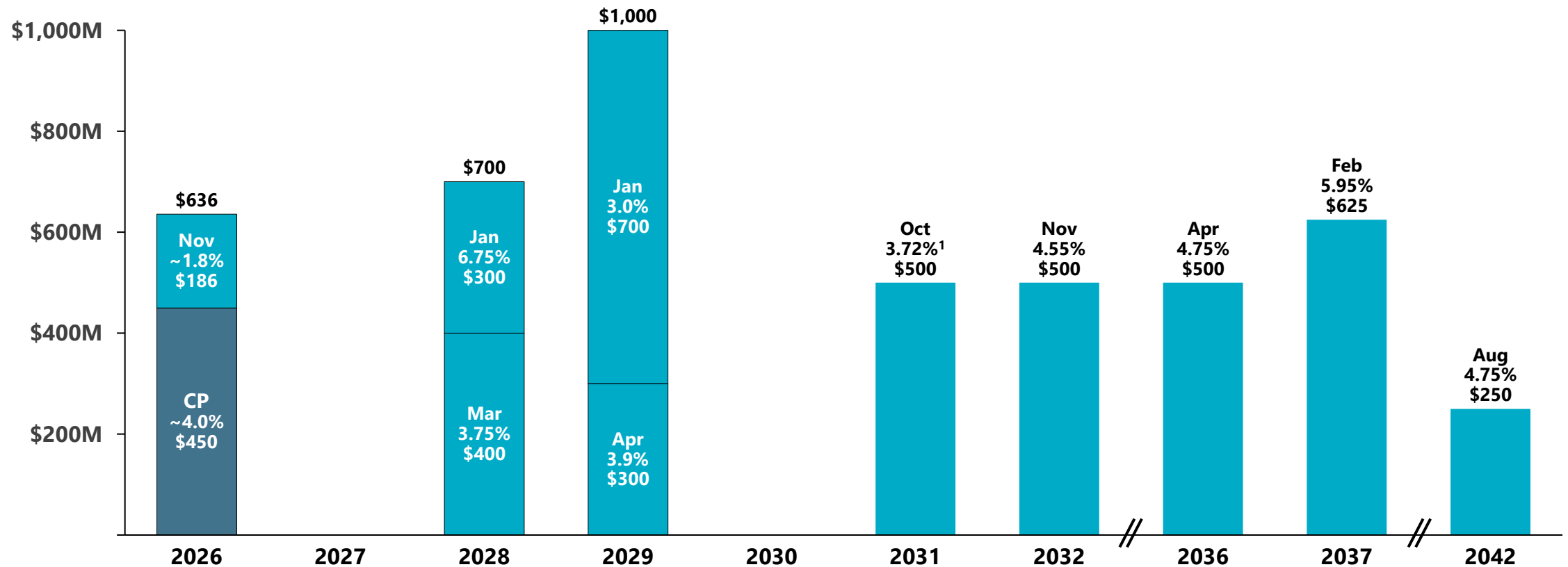
2026 Assumptions

	Full Year 2026	2026 Comments
Corporate Overhead	~\$100M	<ul style="list-style-type: none"> Included in Adj EBITDA
Depreciation and Amortization	~\$320M <i>Previous: ~\$300M</i>	<ul style="list-style-type: none"> Includes Acquisitions and Divestitures
Interest Expense	~\$190M <i>Previous: ~\$135M</i>	<ul style="list-style-type: none"> Includes Acquisitions and Divestitures Excludes borrowing, breakage, and redemption/tender fees
Operational Tax Rate	20.5% - 21.5%	<ul style="list-style-type: none"> Cash Tax Rate ~18% with Acquisitions and Divestitures
Pension / OPEB Expense	~\$35M	<ul style="list-style-type: none"> ~\$5M Service Costs (included in Adj EBITDA) ~\$30M Non-Service Costs (excluded from Adj EBITDA)
Miscellaneous Other Expenses	\$15M - \$20M <i>Previous: ~\$25M</i>	<ul style="list-style-type: none"> Included in Other expense (income), net Examples are deferred compensation and foreign currency impacts
Pension / OPEB Contributions	~\$65M	
Capex	\$470M - \$510M <i>Previous: \$450M - \$490M</i>	<ul style="list-style-type: none"> Engine Products Capacity Expansions Includes Acquisitions and Divestitures
Diluted Share Count Average	~402M <i>Previous: ~403M</i>	<ul style="list-style-type: none"> Q1 2026 Diluted Share exit rate of ~402M Common share buyback in Q1 2026: \$300M; in April 2026: \$150M Excludes any potential additional common stock repurchases

Robust Liquidity including \$1.65B Debt Added for \$1.8B CAM Acquisition

- Fixed Rate Notes
- Commercial Paper (CP)

- Added \$400M 2028 Notes, \$300M 2029 Notes, \$500M 2036 Notes, and \$450M Commercial Paper to finance the CAM Acquisition
- Total Debt of ~\$4.7B with a Weighted Average Rate of ~4.3%



Reconciliation of Adjusted Net Income and Adjusted EPS

(\$ in millions, except per-share amounts)	Q1 2025	Q4 2025	Q1 2026
Net income	\$344	\$372	\$580
Diluted Earnings Per Share ("EPS")	\$0.84	\$0.92	\$1.44
Average number of diluted shares	407	404	403
Special items:			
Restructuring and other (credits) charges ⁽¹⁾	\$(4)	\$88	\$(93)
Loss on debt redemption	—	15	—
Acquisition and acquisition-related costs ⁽²⁾	—	2	7
Costs associated with closures, supply chain disruptions, and other items	1	1	—
Subtotal: Pre-tax special items	\$(3)	\$106	\$(86)
Tax impact of Pre-tax special items ⁽³⁾	1	(26)	30
Subtotal	\$(2)	\$80	\$(56)
Discrete and other tax special items ⁽⁴⁾	\$9	\$(26)	\$(30)
Total: After-tax special items	\$7	\$54	\$(86)
Adjusted Net income	\$351	\$426	\$494
Adjusted EPS	\$0.86	\$1.05	\$1.22

Adjusted Net income and Adjusted EPS are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management reviews the operating results of the Company excluding the impacts of Restructuring and other (credits) 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 income and Diluted EPS determined under GAAP as well as Adjusted Net income and Adjusted EPS. The change in the titles of and removal of "excluding special items" from Net income excluding Special items and Diluted EPS excluding Special items to Adjusted Net income and Adjusted EPS has not changed the definition of these measures.

- (1) Restructuring and other (credits) charges for Q1 2026 included a gain on the sale of the Company's disk forging facility in Savannah, Georgia within Engineered Structures. Restructuring and other (credits) charges for Q4 2025 included a non-cash pension settlement charge of \$89 primarily resulting from the purchase of group annuity contracts with a third-party carrier to pay and administer future annuity payments for its U.K. pension plan which reduced gross pension obligations.
- (2) Includes legal and advisory costs, amortization expense of inventory step-up recorded in accordance with purchase accounting, and other acquisition-related costs. Additionally, includes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.
- (3) The Tax impact of Pre-tax special items is based on the applicable statutory rates whereby the difference between such rates and the Company's consolidated estimated annual effective tax rate is itself a Special item.
- (4) Discrete tax items for Q1 2026 are discussed further in the Reconciliation of the Operational Tax Rate. Discrete tax items for Q1 2025 included a net charge related to the expiration of a tax holiday in China \$6, a charge for a tax reserve established in Germany \$2, and a net charge for other small items \$1. Discrete tax items for Q4 2025 included a benefit to release a valuation allowance related to U.S. foreign tax credits (\$8), a benefit to release a valuation allowance related to U.S. state tax losses and credits (\$6), a net benefit for prior year tax adjustments (\$4), an excess benefit for stock compensation (\$3), a benefit related to re-establishing a tax holiday in China (\$4), a net benefit for other small items (\$2), and a charge related to the expiration of a tax holiday in China \$2.

Reconciliation of Operational Tax Rate

(\$ in millions)	Q1 2026		
	Effective tax rate, as reported	Special items ⁽¹⁾⁽²⁾	Operational tax rate, as adjusted
Income before income taxes	\$708	\$(86)	\$622
Provision for income taxes	\$128	\$—	\$128
Tax rate	18.1%		20.6%

Operational tax rate is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews the operating results of the Company excluding the impacts of 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 the Effective tax rate determined under GAAP as well as the Operational tax rate.

(1) Pre-tax special items for Q1 2026 included Restructuring and other credits (\$93) and Acquisition and acquisition-related costs \$7.

(2) Tax Special items includes discrete tax items, the tax impact on Special items based on the applicable statutory rates, the difference between such rates and the Company's consolidated estimated annual effective tax rate and other tax related items. Discrete tax items for Q1 2026 included an excess benefit for stock compensation (\$21). *(Tax deduction is based on stock price at vesting date while book expense is based on stock price at grant date.)*

Calculation of Segment Markets Revenue

(\$ in millions)	Engine Products	Fastening Systems	Engineered Structures	Forged Wheels	Total Segment
Q1 2025					
Aerospace - Commercial	\$535	\$275	\$206	\$—	\$1,016
Aerospace - Defense	\$211	\$42	\$80	\$—	\$333
Commercial Transportation	\$—	\$53	\$—	\$252	\$305
Gas Turbines	\$204	\$—	\$—	\$—	\$204
Other	\$24	\$42	\$18	\$—	\$84
Total end-market revenue	\$974	\$412	\$304	\$252	\$1,942
Q4 2025					
Aerospace - Commercial	\$617	\$320	\$200	\$—	\$1,137
Aerospace - Defense	\$232	\$46	\$89	\$—	\$367
Commercial Transportation	\$—	\$46	\$—	\$264	\$310
Gas Turbines	\$266	\$—	\$—	\$—	\$266
Other	\$28	\$42	\$18	\$—	\$88
Total end-market revenue	\$1,143	\$454	\$307	\$264	\$2,168
Q1 2026					
Aerospace - Commercial	\$702	\$322	\$191	\$—	\$1,215
Aerospace - Defense	\$238	\$51	\$77	\$—	\$366
Commercial Transportation	\$—	\$51	\$—	\$295	\$346
Gas Turbines	\$284	\$—	\$—	\$—	\$284
Other	\$29	\$47	\$26	\$—	\$102
Total end-market revenue	\$1,253	\$471	\$294	\$295	\$2,313

Revenue includes impacts of foreign currency and material and other inflationary cost pass through.

In the first quarter of 2026, the Company reorganized Howmet's segments by moving a titanium alloy location from Engine Products to Engineered Structures as it better aligns with the operations of the Engineered Structures segment. The comparable periods of Engine Products and Engineered Structures have been recast to reflect the new alignment. The recasting had no impact on the Company's consolidated results, financial position or cash flows.

Calculation of Segment Information

(\$ in millions)	FY 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Engine Products							
Third-party sales	\$ 3,671	\$ 974	\$ 1,038	\$ 1,087	\$ 1,143	\$ 4,242	\$ 1,253
Inter-segment sales	\$ 6	\$ 2	\$ 3	\$ 2	\$ 1	\$ 8	\$ 2
Provision for depreciation and amortization	\$ 138	\$ 33	\$ 35	\$ 37	\$ 39	\$ 144	\$ 38
Segment Adjusted EBITDA	\$ 1,129	\$ 318	\$ 343	\$ 362	\$ 393	\$ 1,416	\$ 458
Segment Adjusted EBITDA Margin	30.8 %	32.6 %	33.0 %	33.3 %	34.4 %	33.4 %	36.6 %
Depreciation and amortization % of Revenue	3.8 %	3.4 %	3.4 %	3.4 %	3.4 %	3.4 %	3.0 %
Restructuring and other charges	\$ 1	\$ —	\$ —	\$ —	\$ 88	\$ 88	\$ —
Capital expenditures	\$ 216	\$ 85	\$ 74	\$ 73	\$ 84	\$ 316	\$ 59
Fastening Systems							
Third-party sales	\$ 1,576	\$ 412	\$ 431	\$ 448	\$ 454	\$ 1,745	\$ 471
Inter-segment sales	\$ 1	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ —
Provision for depreciation and amortization	\$ 47	\$ 12	\$ 12	\$ 12	\$ 12	\$ 48	\$ 13
Segment Adjusted EBITDA	\$ 406	\$ 127	\$ 126	\$ 138	\$ 139	\$ 530	\$ 150
Segment Adjusted EBITDA Margin	25.8 %	30.8 %	29.2 %	30.8 %	30.6 %	30.4 %	31.8 %
Depreciation and amortization % of Revenue	3.0 %	2.9 %	2.8 %	2.7 %	2.6 %	2.8 %	2.8 %
Restructuring and other charges (credits)	\$ 5	\$ —	\$ 1	\$ —	\$ (1)	\$ —	\$ —
Capital expenditures	\$ 26	\$ 10	\$ 9	\$ 13	\$ 20	\$ 52	\$ 17

In the first quarter of 2026, the Company reorganized Howmet's segments by moving a titanium alloy location from Engine Products to Engineered Structures as it better aligns with the operations of the Engineered Structures segment. The comparable periods of Engine Products and Engineered Structures have been recast to reflect the new alignment. The recasting had no impact on the Company's consolidated results, financial position or cash flows.

Calculation of Segment Information (continued)

(\$ in millions)	FY 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Engineered Structures							
Third-party sales	\$ 1,129	\$ 304	\$ 308	\$ 307	\$ 307	\$ 1,226	\$ 294
Inter-segment sales	\$ 28	\$ 7	\$ 8	\$ 7	\$ 4	\$ 26	\$ 8
Provision for depreciation and amortization	\$ 43	\$ 13	\$ 10	\$ 10	\$ 10	\$ 43	\$ 10
Segment Adjusted EBITDA	\$ 187	\$ 67	\$ 68	\$ 64	\$ 66	\$ 265	\$ 66
Segment Adjusted EBITDA Margin	16.6 %	22.0 %	22.1 %	20.8 %	21.5 %	21.6 %	22.4 %
Depreciation and amortization % of Revenue	3.8 %	4.3 %	3.2 %	3.3 %	3.3 %	3.5 %	3.4 %
Restructuring and other charges (credits)	\$ 12	\$ (4)	\$ —	\$ —	\$ —	\$ (4)	\$ (93)
Capital expenditures	\$ 23	\$ 6	\$ 7	\$ 10	\$ 13	\$ 36	\$ 12
Forged Wheels							
Third-party sales	\$ 1,054	\$ 252	\$ 276	\$ 247	\$ 264	\$ 1,039	\$ 295
Provision for depreciation and amortization	\$ 42	\$ 10	\$ 10	\$ 11	\$ 11	\$ 42	\$ 11
Segment Adjusted EBITDA	\$ 287	\$ 68	\$ 76	\$ 73	\$ 79	\$ 296	\$ 90
Segment Adjusted EBITDA Margin	27.2 %	27.0 %	27.5 %	29.6 %	29.9 %	28.5 %	30.5 %
Depreciation and amortization % of Revenue	4.0 %	4.0 %	3.6 %	4.5 %	4.2 %	4.0 %	3.7 %
Restructuring and other charges (credits)	\$ 1	\$ —	\$ (1)	\$ —	\$ —	\$ (1)	\$ —
Capital expenditures	\$ 45	\$ 15	\$ 8	\$ 9	\$ 4	\$ 36	\$ 3

In the first quarter of 2026, the Company reorganized Howmet's segments by moving a titanium alloy location from Engine Products to Engineered Structures as it better aligns with the operations of the Engineered Structures segment. The comparable periods of Engine Products and Engineered Structures have been recast to reflect the new alignment. The recasting had no impact on the Company's consolidated results, financial position or cash flows.

Reconciliation of Total Segment Adj. EBITDA to Operating Income

(\$ in millions)	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Operating income	\$494	\$521	\$542	\$489	\$2,046	\$753
Segment provision for depreciation and amortization	68	67	70	72	277	72
Unallocated amounts:						
Restructuring and other (credits) charges	(4)	—	—	88	84	(93)
Corporate expense ⁽¹⁾	22	25	25	28	100	32
Total Segment Adjusted EBITDA	\$580	\$613	\$637	\$677	\$2,507	\$764
Total Segment third-party sales	1,942	2,053	2,089	2,168	8,252	2,313
Total Segment Adjusted EBITDA margin	29.9%	29.9%	30.5%	31.2%	30.4%	33.0%

Total Segment Adjusted EBITDA and Total Segment Adjusted EBITDA margin are non-GAAP financial measures. Management believes that these measures are meaningful to investors because Total Segment Adjusted EBITDA and Total Segment Adjusted EBITDA margin provide additional information with respect to the Company's operating performance and the Company's ability to meet its financial obligations. The Total Segment Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. Howmet's definition of Total Segment Adjusted EBITDA is defined as Operating Income excluding Restructuring and other (credits) charges and Special items and Provision for depreciation and amortization. Special items, including Restructuring and other (credits) charges, are excluded from Adjusted EBITDA. Current and prior periods' Segment Adjusted EBITDA calculations have not changed although the definitions have been simplified. Differences between the total segment and consolidated totals are in Corporate.

⁽¹⁾ Pre-tax special items included in Corporate expense	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Acquisition and acquisition-related costs ⁽¹⁾	\$—	\$—	\$—	\$2	\$2	\$6
Costs (benefits) associated with closures, supply chain disruptions, and other items	1	(1)	—	1	1	—
Total Pre-tax special items included in Corporate expense	\$1	\$(1)	\$—	\$3	\$3	\$6

⁽¹⁾ Excludes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.

Reconciliation of Adjusted Corporate Expense

(\$ in millions)	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Corporate expense	\$22	\$25	\$25	\$28	\$100	\$32
Provision for depreciation and amortization	1	2	2	1	6	2
Acquisition and acquisition-related costs ⁽¹⁾	—	—	—	2	2	6
Costs (benefits) associated with closures, supply chain disruptions, and other items	1	(1)	—	1	1	—
Adjusted Corporate expense	\$20	\$24	\$23	\$24	\$91	\$24

Adjusted Corporate expense is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews the operating results of the Company excluding the impacts of depreciation and 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 Corporate expense determined under GAAP as well as Adjusted Corporate expense. The removal of "excluding special items" from Adjusted Corporate expense has not changed the definition of this measure.

⁽¹⁾ Excludes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.

Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

(\$ in millions)	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Third-party sales	\$1,942	\$2,053	\$2,089	\$2,168	\$8,252	\$2,313
Operating income	\$494	\$521	\$542	\$489	\$2,046	\$753
Operating income margin	25.4%	25.4%	25.9%	22.6%	24.8%	32.6%
Operating income	\$494	\$521	\$542	\$489	\$2,046	\$753
Add:						
Restructuring and other (credits) charges	\$(4)	\$—	\$—	\$88	\$84	\$(93)
Provision for depreciation and amortization	69	69	72	73	283	74
Acquisition and acquisition-related costs ⁽¹⁾	—	—	—	2	2	6
Costs (benefits) associated with closures, supply chain disruptions, and other items	1	(1)	—	1	1	—
Adjusted EBITDA	\$560	\$589	\$614	\$653	\$2,416	\$740
Adjusted EBITDA margin	28.8%	28.7%	29.4%	30.1%	29.3%	32.0%

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. The removal of "excluding special items" from Adjusted EBITDA and Adjusted EBITDA margin has not changed the definition of these measures. Management believes that these measures are meaningful to investors because they provide additional information with respect to the Company'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. The Company's definition of Adjusted EBITDA is defined as Operating Income excluding Restructuring and other (credits) charges and Special items and Provision for depreciation and amortization. Special items, including Restructuring and other (credits) charges, are excluded from Adjusted EBITDA. Current and prior periods' Adjusted EBITDA calculations have not changed although the definitions have been simplified.

⁽¹⁾ Excludes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.

Reconciliation of Adjusted Operating Income and Margin

(\$ in millions)	Q1 2025	Q2 2025	Q3 2025	Q4 2025	FY 2025	Q1 2026
Third-party sales	\$1,942	\$2,053	\$2,089	\$2,168	\$8,252	\$2,313
Operating income	\$494	\$521	\$542	\$489	\$2,046	\$753
Operating income margin	25.4%	25.4%	25.9%	22.6%	24.8%	32.6%
Operating income	\$494	\$521	\$542	\$489	\$2,046	\$753
Add:						
Restructuring and other (credits) charges	\$(4)	\$—	\$—	\$88	\$84	\$(93)
Acquisition and acquisition-related costs ⁽¹⁾	—	—	—	2	2	6
Costs (benefits) associated with closures, supply chain disruptions, and other items	1	(1)	—	1	1	—
Adjusted operating income	\$491	\$520	\$542	\$580	\$2,133	\$666
Adjusted operating income margin	25.3%	25.3%	25.9%	26.8%	25.8%	28.8%

Adjusted operating income and Adjusted operating income margin are non-GAAP financial measures. Special items, including Restructuring and other (credits) charges, are excluded from Adjusted operating income. Management believes that these measures are meaningful to investors because management reviews the operating results of the Company excluding the impacts of 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 Operating income and Operating Income margin determined under GAAP as well as Adjusted operating income and Adjusted operating income margin. The removal of "excluding special items" from Adjusted operating income and Adjusted operating income margin has not changed the definition of these measures.

⁽¹⁾ Excludes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.

Reconciliation of Free Cash Flow

(\$ in millions)	Q1 2025	Q1 2026
Cash provided from operations	\$253	\$453
Capital expenditures	(119)	(94)
Free cash flow	\$134	\$359
Cash (used for) provided from financing activities	\$(167)	\$1,226
Cash (used for) provided from investing activities	\$(115)	\$14

The Accounts Receivable Securitization program remains unchanged at \$250 outstanding.

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 the Company'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 Net Debt to Adjusted EBITDA

(\$ in millions)

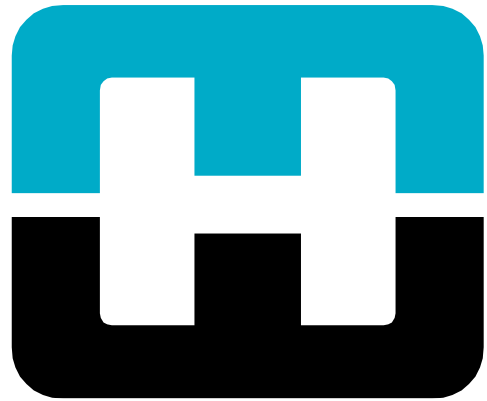
	Trailing-12 months ended	
	December 31, 2025	March 31, 2026
Net income	\$1,508	\$1,744
Add:		
Provision for income taxes	332	358
Other expense, net	40	33
Loss on debt redemption	15	15
Interest expense, net	151	155
Restructuring and other charges (credits)	84	(5)
Provision for depreciation and amortization	283	288
Acquisition and acquisition-related costs ⁽¹⁾	2	8
Costs associated with closures, supply chain disruptions, and other items	1	—
Adjusted EBITDA	\$2,416	\$2,596
Long-term debt due within one year	\$191	\$186
Short-term borrowings	\$—	\$450
Long-term debt, less amount due within one year	\$2,859	\$4,050
Total Debt, at period end	\$3,050	\$4,686
Less: Cash, cash equivalents, and restricted cash, at period end	\$743	\$2,436
Net Debt, at period end	\$2,307	\$2,250
Total Debt to Net Income	2.0	2.7
Net Debt to Adjusted EBITDA	1.0	0.9

Net debt, Net debt to Adjusted EBITDA, and Adjusted EBITDA are non-GAAP financial measures. The Company's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization), which is defined in accordance with the Company's term loan and revolving credit agreements, is net margin plus an add-back for depreciation 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 and amortization. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. The removal of "excluding special items" from Net debt to Adjusted EBITDA and Adjusted EBITDA has not changed the definition of these measures.

Management believes that these measures are meaningful to investors because management assesses the Company's leverage position after factoring in cash that could be used to repay outstanding debt, and also because they provide additional information with respect to the Company's operating performance and the Company's ability to meet its financial obligations.



⁽¹⁾ Excludes interest expense related to the Consolidated Aerospace Manufacturing, LLC acquisition.



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