The Element of ***Possibility***

Alcoa Corporation

Investor Presentation

October 2016



Important information

Forward–Looking Statements

This presentation contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as “anticipates,” “believes,” “could,” “estimates,” “expects,” “forecasts,” “goal,” “intends,” “may,” “outlook,” “plans,” “projects,” “seeks,” “sees,” “should,” “targets,” “will,” “would,” or other words of similar meaning. All statements by Alcoa and Alcoa Upstream Corporation (“Alcoa Corporation”) that reflect 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, supply/demand balances; statements, projections or forecasts of future financial results or operating performance; statements about strategies, outlook, business and financial prospects; and statements regarding the prospective separation transaction. Forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and changes in circumstances that are difficult to predict. Although Alcoa and Alcoa Corporation believe that the expectations reflected in any forward-looking statements are based on reasonable assumptions, each can give no assurance that these expectations will be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such risks and uncertainties include, but are not limited to: (a) the possibility that various closing conditions for the separation may not be satisfied; (b) the impact of the separation on the businesses of Alcoa or Alcoa Corporation; (c) 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; (d) deterioration in global economic and financial market conditions generally; (e) unfavorable changes in the markets served by Alcoa and Alcoa Corporation; (f) the impact of changes in foreign currency exchange rates on costs and results; (g) increases in energy costs; (h) changes in discount rates or investment returns on pension assets; (i) the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated from restructuring programs and productivity improvement, cash sustainability, technology advancements, and other initiatives; (j) the inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions, divestitures, facility closures, curtailments, or expansions, or joint ventures; (k) political, economic, and regulatory risks in the countries in which Alcoa and Alcoa Corporation operate or sell products; (l) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; (m) the impact of cyber attacks and potential information technology or data security breaches; and (n) the other risk factors discussed in Alcoa’s Form 10-K for the year ended December 31, 2015, Alcoa Corporation’s registration statement on Form 10, and other reports filed by Alcoa and Alcoa Corporation with the U.S. Securities and Exchange Commission (SEC). Alcoa and Alcoa Corporation disclaim any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law. Market projections are subject to the risks discussed above and other risks in the market.

Important information (continued)

Non-GAAP Financial Measures

This presentation includes unaudited "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934, including Adjusted EBITDA. Alcoa and Alcoa Corporation believe that the presentation of non-GAAP financial measures helps investors by providing additional information with respect to the operating performance of Alcoa Corporation and the ability of Alcoa Corporation to meet its financial obligations. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See the appendix for a reconciliation of the non-GAAP financial measures included in this presentation to their comparable GAAP financial measures. Alcoa Corporation has not provided a reconciliation to forecasted EBITDA to the most directly comparable GAAP financial measures because Alcoa Corporation is unable to quantify certain amounts that would be required to be included in the GAAP measure without unreasonable efforts and Alcoa Corporation believes that such reconciliations would imply a degree of precision that would be confusing or misleading to investors. In particular, reconciliation of guidance for EBITDA to the most directly comparable GAAP measure would not be available without unreasonable efforts on a forward-looking basis due to the variability and complexity with respect to the components of such measure, such as index pricing. References to historical EBITDA herein means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix.

Other Information

The separation of Alcoa Inc. into two standalone companies - Alcoa Corporation and Arconic Inc. - is scheduled to become effective before the opening of the market on November 1, 2016.

Agenda

Today's conversation

Topics

- Our Business
- Financial Overview
- Q&A

Presenters



Roy Harvey

Alcoa Corporation: *Chief Executive Officer and Director*

Current position at Alcoa Inc.: *Executive Vice President, President of Global Primary Products*



William Oplinger

Alcoa Corporation: *Executive Vice President and Chief Financial Officer*

Current position at Alcoa Inc.: *Executive Vice President and Chief Financial Officer*

Our Business

Roy Harvey



Alcoa Corporation: a compelling investment

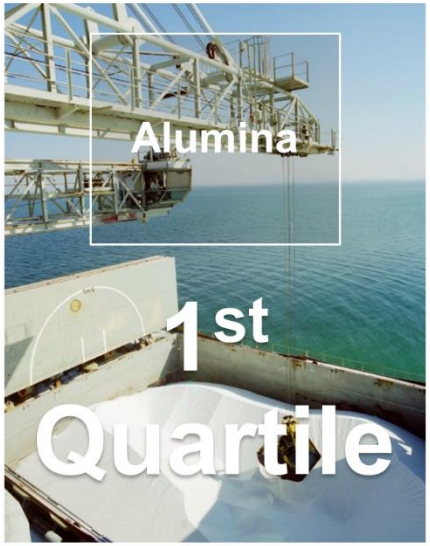
- Global network of world-class aluminium assets and operations
- Strong customer relationships and robust growth opportunities
- Highly experienced senior management with operator-centric culture
- Focused on optimizing cost and return on capital (ROC), creating shareholder value
- Strong balance sheet and financial position, positioned for the future

Global-leading portfolio of low-cost, world-class assets

2016 global cost curve positions



World's largest bauxite miner[1]



World's largest alumina refiner[1]



Well-positioned smelting assets

Source: CRU and Alcoa analysis

1. Based on 2015 production. Includes both equity interests as well as AWAC wholly-owned subsidiaries.

Strengthened, independent businesses with proven record

Business segments

Bauxite

Geographically dispersed mines with a premier low-cost position

$468M

New 3rd party Bauxite contracts for 2016 – 2017 signed in 2016 YTD

Alumina

Nine refineries on five continents with access to growth markets in Asia, Middle East, and Latin America

65%

Shipments in 1st half of 2016 to 3rd party customers, with 85% based on API index

Aluminum

Global aluminum producer with a proven ability to drive technology advancements

38th percentile

Repositioned portfolio including Saudi Arabian JV with world's lowest cost smelter

Cast Products

Global casthouses providing value-added products to customers in growing markets

>2X

$89M in ATOI in the 1st half of 2016; more than double compared to the same period in 2015

Rolled Products

Can sheet leader in North America; integrating state of the art Saudi Arabian facility

Over 90%

Market share in North America aluminum food can segment

Energy

Power production capacity of 1,685[1] megawatts

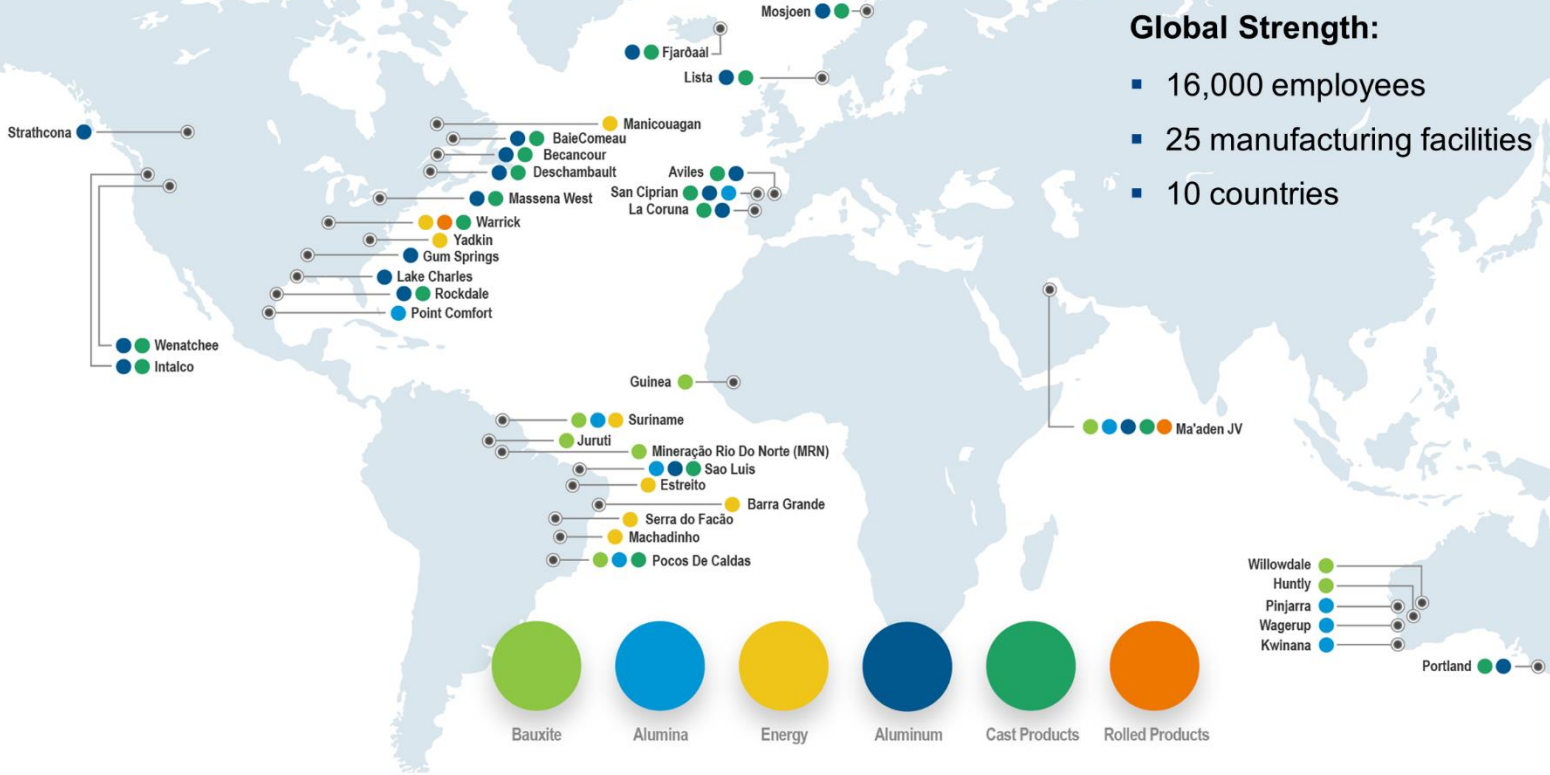
35%

EBITDA Margin in 1st half of 2016; maximizing profit optionality between internal & market supply

Six independent business units with strategic optionality and market-based transfer pricing

1. Includes 215-megawatt capacity at Yadkin. In July 2016, Alcoa Corporation's wholly-owned subsidiary, Alcoa Power Generating Inc., reached an agreement to sell its Yadkin Hydroelectric Project (Yadkin).
2. See adjusted EBITDA reconciliations in the appendix.

Global portfolio provides access to growth markets



Global Strength:

- 16,000 employees
- 25 manufacturing facilities
- 10 countries

3rd-party bauxite leads solid growth prospects

Market outlook

	Bauxite	Alumina	Aluminum
2016 Supply/Demand Balance	• Balanced	• China: Deficit of 170 kt • RoW: Deficit of 1,430 kt	• China: Surplus of 1,195 kt • RoW: Deficit of 1,810 kt
2017 Supply/Demand Balance	• Balanced	• Balanced	• China: Hinges on supply restraint • RoW: Deficit of 1,500 kt
Key Market Factors	• 8% 3rd-party demand CAGR to 2020 • Chinese reserve depletion and quality deterioration increasing import demand • S.E. Asia governments limiting exports	• Alumina spot price up $71 per ton (36%) in 2016 YTD[1] • Chinese restarts slowing • Rising Chinese caustic, energy, and transportation costs	• LME aluminum price up $191 per ton (13%) in 2016 YTD[2] • Restraint shown in Chinese restarts • Rising Chinese alumina, energy, and transportation costs support price

Source: CRU, CM Group, and Alcoa analysis
2016-2017 balance figures are post-trade with Chinese imports of 3.0 Mt alumina (2016), 40 kt aluminum (2016), and 25 kt aluminum (2017)
1. Based on Platts FOB WA price as of October 18, 2016 vs. January 4, 2016.
2. Based on LME price as of October 18, 2016 vs. January 4, 2016

Leadership team ready to support the business

Leadership as of November 1, 2016

Experienced Senior Leadership

- **Roy Harvey,** Chief Executive Officer
- **William Oplinger,** Executive Vice President and Chief Financial Officer
- **Tómas Már Sigurdsson,** Executive Vice President and Chief Operating Officer
- **Leigh Ann Fisher,** Executive Vice President and Chief Administrative Officer
- **Jeffrey Heeter,** Executive Vice President, General Counsel and Secretary
- **Robert Collins,** Executive Vice President and Controller
- **Michelle O'Neill,** Senior Vice President, Global Governmental Affairs and Sustainability
- **Benjamin Kahrs,** Senior Vice President, Strategy, Technology, and Corporate Development
- **Monica Orbe,** Senior Vice President, Chief Communications Officer

Accomplished Board of Directors

- **Mary Anne Citrino,** Senior Advisor, The Blackstone Group L.P.
- **Timothy Flynn,** former Chairman and CEO, KPMG
- **Kathryn Fuller,** Chair, the Smithsonian National Museum of Natural History
- **Roy Harvey,** CEO, Alcoa Corporation
- **James Hughes,** former CEO of First Solar, Inc.
- **Michael Morris,** Non-Executive Chairman of Alcoa Corporation; former Chairman and CEO, American Electric Power
- **James Nevels,** founder and Chairman, The Swarthmore Group
- **James Owens,** former Chairman and CEO, Caterpillar Inc.
- **Carol Roberts,** Senior Vice President and CFO, International Paper Company
- **Suzanne Sitherwood,** President and CEO, Spire Inc.
- **Steven Williams,** President and CEO, Suncor Energy Inc.
- **Ernesto Zedillo,** former President of Mexico and current Director, Yale Center for the Study of Globalization

Promoting strong, efficient, operator-centric culture

Operating culture

Lead with our values	▪ **Act with Integrity** ▪ **Operate with Excellence** ▪ **Care for People**
Dedication to safety and sustainability	▪ Unrelenting **focus on safety** ▪ **Reducing greenhouse gas emissions,** lowering energy and fresh water consumption ▪ **Supporting communities** via Alcoa Corp. Foundation and employee volunteerism
Decentralized decision making and accountability	▪ **Six independent business leaders** with clear accountability for business results ▪ **Management systems streamlined,** improving efficiency and ensuring efficacy of every dollar spent ▪ Market-based transfer pricing enabling **location driven focus**
Relentless focus on cost control	▪ Already **exceeded** 2016 **productivity improvement goal of $550M** by $19M ▪ Continue procurement savings and **conversion cost reductions** ▪ **Lower overhead** spend

Financial Overview

William Oplinger



Six segments diversify revenue and EBITDA

Key financial metrics – Six months ending June 30, 2016

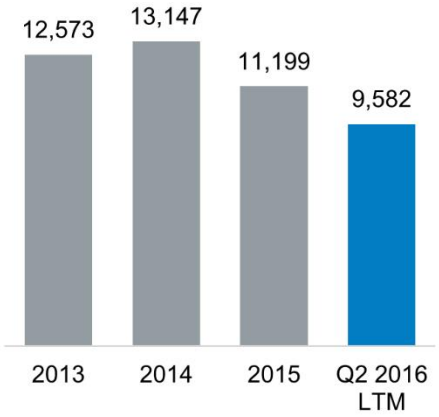
Segment	3rd Party Revenue $M	Total Revenue[1] $M	Adj. EBITDA[1,2] $M	Adj. EBITDA Margin %
Bauxite	$131	$488	$176	36.1%
Alumina	$1,097	$1,710	$115	6.7%
Aluminum	$15	$1,904	$83	4.4%
Cast Products	$2,570	$2,676	$144	5.4%
Rolled Products	$446	$446	$15	3.4%
Energy	$132	$218	$77	35.3%
Corporate	$61	($2,990)	($158)	–
Transformation	*$61*	*$61*	*($65)*	–
Corp. Pension / OPEB	–	–	*($28)*	–
Impact of LIFO and metal price lag	–	–	*$31*	–
Other	–	*($3,051)[2]*	*($96)*	–
Alcoa Corporation Total	**$4,452**	**$4,452**	**$452**	**10.2%**

1. Before intersegment eliminations.
2. See appendix for adjusted EBITDA reconciliations.
3. Represents the elimination of revenue generated from product sales from one Alcoa Corporation segment to another (e.g. sales from the Aluminum segment to the Cast Products segment).

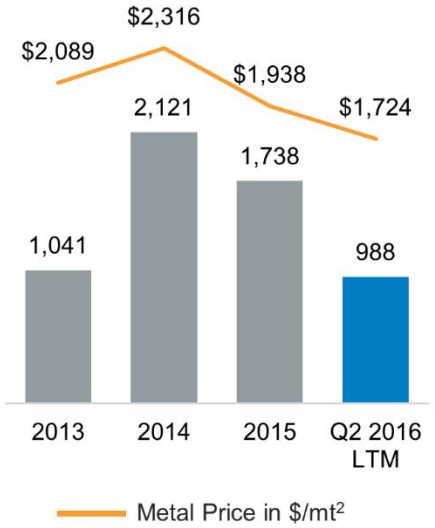
Resilient EBITDA despite lower prices

Financial trends

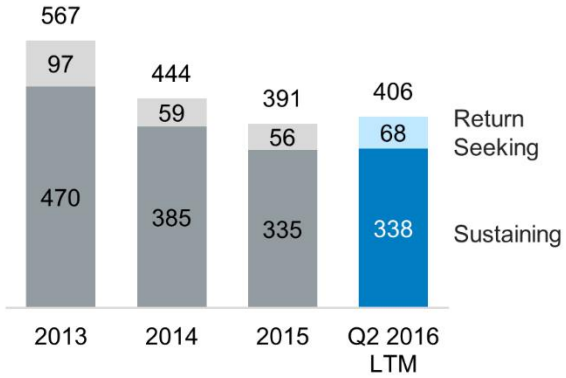
Total Sales ($M)



Adjusted EBITDA (1) ($M)



Capital Expenditures ($M)



1. See appendix for adjusted EBITDA reconciliations
2. Metal price represents combined annual averages of LME + Midwest premium

Capital structure: low debt, substantial liquidity

Pro forma capital structure as of June 30, 2016[1]

- Conservative balance sheet with substantial liquidity
- Assumes starting cash balance of $632M
- Alcoa Corporation issued $1.25B of funded debt, assumed $0.2B BNDES loan
- Credit ratings of BB- and Ba3 from S&P and Moody's respectively

($M)	Pro Forma	% Total
Cash	**$632**	
Debt Structure		
Alcoa Corp. $1.5B RCF[2]	–	–
Alcoa Corp. Debt Issuance	1,250	85.4%
BNDES Loan	200	13.7%
Other	13	0.9%
Total Debt	**$1,463**	**100.0%**
Net debt	*$831*	
Liquidity		
Credit Facility Availability	$1,500	
Cash and Cash Equivalents	632	
Total Liquidity	**$2,132**	

1. For additional information, see Alcoa Upstream Corporation Form 10 as filed with the Securities and Exchange Commission on October 11, 2016.
2. RCF: Revolving Credit Facility

Strong balance sheet and financial position

Pro Forma balance sheet[1] – key metrics as of June 30, 2016

Net Debt-to-LTM EBITDA[2]

- Current business operations are ready to **support our debt**
- **Focus on maintaining** strong non-investment grade rating

0.8x

Debt-to-Equity

- Appropriate **capital structure and financial flexibility**
- **Plan to efficiently** manage leverage

0.2x

Working Capital

- **Efficient working capital management** to support business operations
- Relentless focus on **generating cash**

<30 Days

1. For additional information, see Alcoa Upstream Corporation Form 10 as filed with the Securities and Exchange Commission on October 11, 2016.
2. See appendix for adjusted EBITDA reconciliations.

Balance sheet contains hidden value drivers

Pro Forma balance sheet as of June 30, 2016 – Other Noncurrent Assets

Alcoa Corporation
Unaudited Pro Forma Condensed Combined Balance Sheet
(in millions)

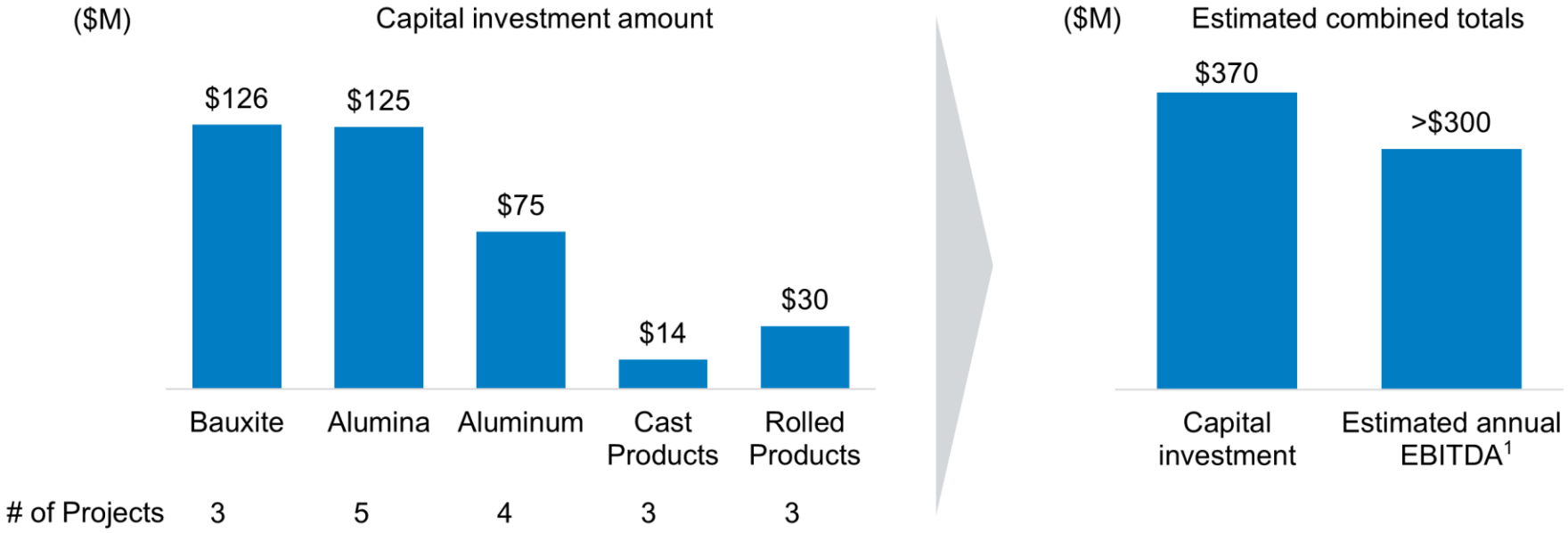
June 30, 2016	As Reported	Pro Forma Adjustments		Pro Forma
Assets				
Current assets:				
Cash and cash equivalents	$ 332	300	(f)	$ 632
Receivables from customers	426			426
Inventories	1,166			1,166
Other current assets	462			462
Total current assets	2,386			2,686
Properties, plants, and equipment, net	9,569			9,569
Other noncurrent assets	4,419			4,419
Total Assets	$16,374			$16,674
Liabilities				
Current liabilities:				
Accounts payable, trade	$ 1,277			$ 1,277
Other current liabilities	832	143	(g)(h)	975
Long-term debt due within one year	22			22
Total current liabilities	2,131			2,274
Long-term debt, less amount due within one year	233	1,208	(f)	1,441
Accrued pension and other postretirement benefits	424	2,389	(g)	2,813
Environmental remediation	206	54	(h)	260
Asset retirement obligations	553			553
Other noncurrent liabilities	966			966
Total liabilities	4,513			8,307
Contingencies and commitments				
Equity				
Common stock	—	182	(i)	182
Additional paid-in capital	—	10,165	(i)	10,165
Net parent investment	11,137	(790)	(j)	—
		(10,347)	(i)	
Accumulated other comprehensive loss	(1,456)	(2,704)	(g)	(4,160)
Total net parent investment and accumulated other comprehensive loss	9,681			6,187
Noncontrolling interest	2,180			2,180
Total equity	11,861			8,367
Total Liabilities and Equity	$16,374			$16,674

Asset examples	Balance sheet value	Value driver
Saudi complex[1]	$0.9B	Cash & Earnings
Western Australia energy prepayments	$0.8B	Cash
Brazil VAT Receivables	$0.3B	Cash

1. Investment in Saudi Arabian joint venture, formed in 2009 with the Saudi Arabian Mining Company (Ma'aden).

High-return projects pipeline across the businesses

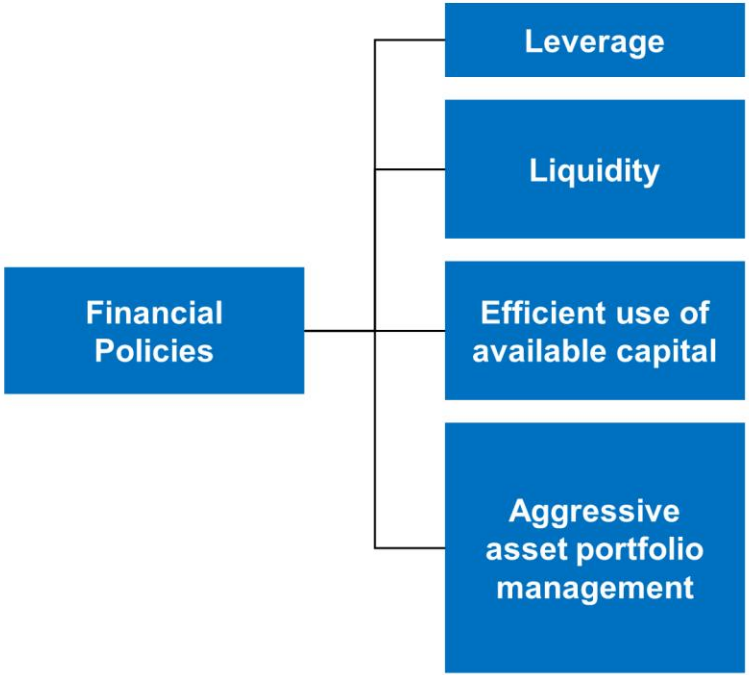
Potential future key capital projects by business segment[1]



1. Based on estimated LME forward curve of $1,500/mt - $1656/mt and API forward curve of $225/mt - $248/mt.

Disciplined financial policies for prudent capital allocation

Financial policy framework



- Maintain **appropriate leverage** through the business cycle

- **$600M+ cash** balance at launch
- **Operating cash flow** is primary source of liquidity
- Significant **credit capacity** ($1.5B undrawn revolver[1])

- Capital allocation priorities:

  Sustain valuable assets, **manage leverage**, invest in **high return projects,** and return **cash to shareholders**

- On-going **portfolio reviews** to maximize value creation
- Well-positioned to pursue opportunities to **reduce costs and improve margins**
- **Will curtail, sell or close assets** that do not meet value generation thresholds based on market conditions

1. Revolving credit facility (RCF) matures in November 2021.

Outlook focused on operations and managing cash

Key measures

Operational volumes

Segment	2016 Estimate	2017 Outlook
Bauxite production (Mbdmt)	45.0 – 45.5	46.0 – 46.5
Alumina production (Mmt)	13.2 – 13.3	13.2 – 13.3
Aluminum production (Mmt)	2.3 – 2.4	2.3 – 2.4
Cast Products 3rd-party shipments (Mmt)	2.8 – 3.0	2.8 – 3.0
Rolled Products 3rd-party shipments (Mmt)	0.3 – 0.4	0.5 – 0.6
Energy net generation (GWh)	9.5 – 9.7	8.2 – 8.4[1]

2017 Financial

- Other corporate overhead[2] < $200M
- Return-seeking capital expenditures of < $100M
- Sustaining capital expenditures of < $300M
- Pension and OPEB cash contributions of < $250M
- Pension and OPEB expense < $200M

1. Does not include Yadkin generation, and reflects reduced generation at Warrick.
2. Does not include Transformation, Corp. Pension/OPEB, and Impact of LIFO and metal price lag.

Closing Remarks

Roy Harvey



Alcoa Corporation: a compelling investment

Global network of world-class aluminum assets and operations

- Bauxite and Alumina: Combination of global industry-leading low-cost assets
- Aluminum: Well-positioned portfolio includes Saudi Arabia Joint Venture, the world's lowest cost aluminum smelter
- Current asset base has been aggressively honed to improve cost position

Strong customer relationships and robust growth opportunities

- Bauxite: Projected 8% growth in global 3rd-party bauxite demand
- Alumina: Increasing demand from China, India, and the Middle East
- Strong aluminum end market demand is expected to fuel growth in Aluminum, Cast Products and Rolled Products segments

Highly experienced senior management with operator-centric culture

- Values: Act with Integrity, Operate with Excellence, Care for People
- Senior leadership team with significant experience and operating expertise
- Culture of innovation and process improvement

Focused on optimizing cost and return on capital (ROC), creating shareholder value

- Relentless focus on cost control and driving out costs from our processes
- Rigorous process for ROC-driven prioritization for capital allocation, and focused on investing in projects that drive shareholder value
- U.S. based public equity in the aluminum sector with leading governance practices

Strong balance sheet and financial position, positioned for the future

- Net Debt of 0.8X LTM EBITDA, Debt-to-Equity of 0.2X
- Approximately $2B of "hidden" value drivers on the balance sheet
- Strategy focused on generating and managing cash

Appendix

Contact information

Investor and media contact information

Investors:

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AlcoaIR@Alcoa.com

Media:

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Monica.Orbe@Alcoa.com

Transaction overview

Share information

Overview	
Ticker Symbol	AA
Exchange	NYSE
Distribution Ratio	1 share of Alcoa Corporation for every 3 shares of Alcoa Inc.
Expected Number of Outstanding Shares[1]	182.5M
“When Issued” Trading Commenced	October 18
Record Date	October 20
Distribution Date	November 1
“Regular Way” Trading Begins	November 1

1. Includes shares of common stock of Alcoa Corporation retained by Arconic.

Alcoa Corporation's leading governance practices

Governance practices

Governance Factor	Alcoa Corporation Policy
Board Structure	Directors elected annually (the board will not be classified) Independent Chairman
Proxy Access	Yes
Shareholder Power to Call Special Meetings	Yes; shareholders owning 25% for at least one year
Supermajority Vote for Charter and Bylaw Amendments	No; majority vote required
Incorporation	Delaware

Accomplished Board of Directors

Board of Directors as of November 1, 2016



Mary Anne Citrino
Senior Advisor, The Blackstone Group L.P.



James Hughes
Former CEO of First Solar, Inc.



Carol Roberts
Senior Vice President and CFO, International Paper Company



Timothy Flynn
Former Chairman and CEO, KPMG



Michael Morris
Non-Executive Chairman, Alcoa Corporation; Former Chairman and CEO, American Electric Power



Suzanne Sitherwood
President and CEO, Spire Inc.



Kathryn Fuller
Chair, Smithsonian National Museum of Natural History



James Nevels
Founder and Chairman, The Swarthmore Group



Steven Williams
President and CEO, Suncor Energy Inc.



Roy Harvey
CEO, Alcoa Corporation



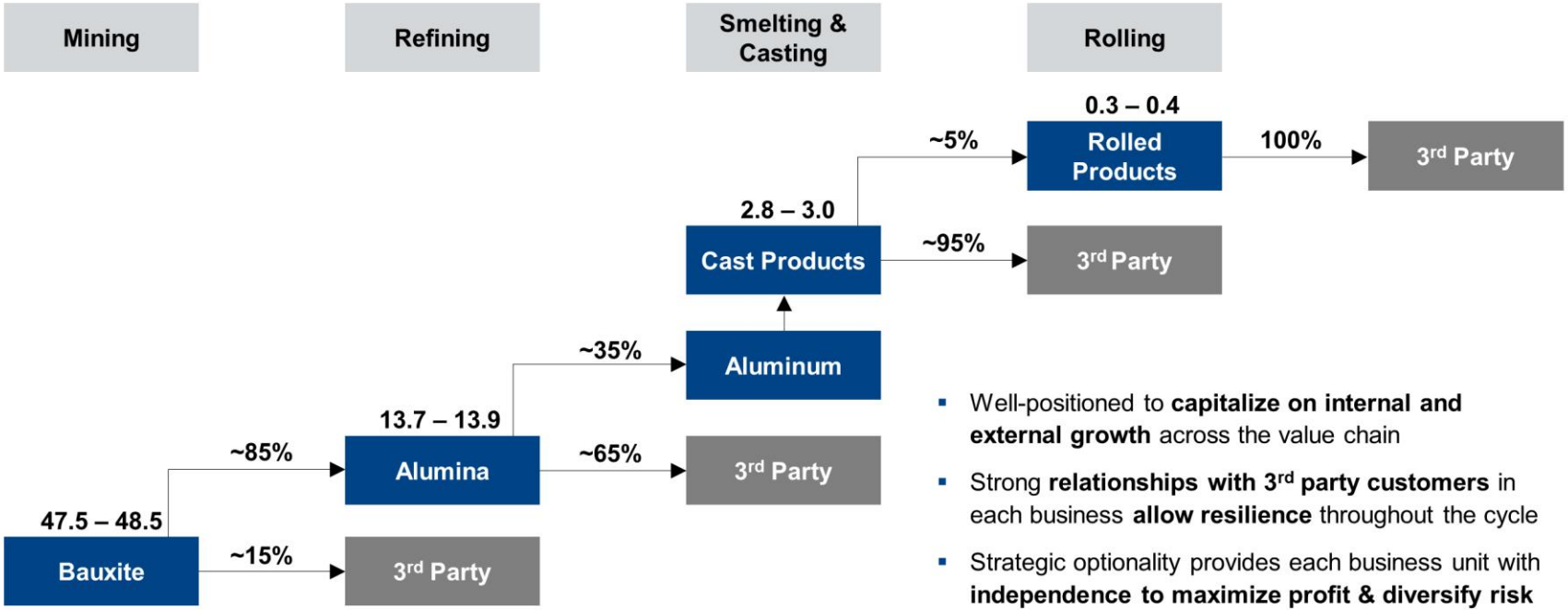
James Owens
Former Chairman and CEO, Caterpillar Inc.



Ernesto Zedillo
Former President of Mexico and current Director, Yale Center for the Study of Globalization

Actively participating in each segment of the value chain

Product shipments by business (Estimated 2016 shipments in millions of metric tons)



- Well-positioned to **capitalize on internal and external growth** across the value chain
- Strong **relationships with 3rd party customers** in each business **allow resilience** throughout the cycle
- Strategic optionality provides each business unit with **independence to maximize profit & diversify risk**

Income statement[1]

$ Millions, Except Realized Prices	1H15	2H15	1H16	Prior Year Change	Sequential Change
Realized Aluminum Price ($ / MT)	**$2,331**	**$1,853**	**$1,835**	**($496)**	**($18)**
Realized Alumina Price ($ / MT)	**$335**	**$288**	**$247**	**($88)**	**($41)**
Revenue	**$6,069**	**$5,130**	**$4,452**	**($1,617)**	**($678)**
Cost of Goods Sold	$4,643	$4,396	$3,797	($846)	($599)
COGS % Revenue	76.5%	85.7%	85.3%	8.8% pts.	(0.4% pts.)
Selling, General Administrative, Other	$166	$187	$175	$9	($12)
SGA % Revenue	2.7%	3.6%	3.9%	1.2% pts.	0.3% pts.
Other (Income) / Expense, Net	($13)	$55	$16	$29	($39)
Restructuring and Other Charges	$243	$740	$92	($151)	($648)
Effective Tax Rate	54%	(22%)	(61%)	(115% pts.)	(39% pts.)
EBITDA[1]	**$1,202**	**$536**	**$452**	**($750)**	**($84)**
Net Income (Loss)	$69	($932)	($265)	($334)	$667

1. See appendix for EBITDA reconciliations.

2015 key financial information

Key financials – Full year ending December 31, 2015

Segment	3rd Party Revenue $M	Total Revenue[1] $M	Adj. EBITDA[1,2] $M	Adj. EBITDA Margin %
Bauxite	$71	$1,231	$455	37.0%
Alumina	$3,343	$5,030	$910	18.1%
Energy	$426	$723	$275	38.0%
Aluminum	$14	$5,106	$244	4.8%
Cast Products	$6,186	$6,232	$201	3.2%
Rolled Products	$993	$1,011	$101	10.0%
Corporate	$166	($8,134)	($448)	-
Transformation	*$166*	*$166*	*($92)*	-
Corp. Pension / OPEB	-	-	*($96)*	-
Impact of LIFO and metal price lag	-	-	*($77)*	-
Other	-	*($8,300)[3]*	*($183)*	-
Alcoa Corporation Total	**$11,199**	**$11,199**	**$1,738**	**15.5%**

1. Before intersegment eliminations.
2. See appendix for adjusted EBITDA reconciliations.
3. Represents the elimination of revenue generated from product sales from one Alcoa Corporation segment to another (e.g. sales from the Aluminum segment to the Cast Products segment).

Pension and OPEB information

Pro forma pension and OPEB liabilities and expenses[1,2]

($M)	Direct Plans
Funded status as of December 31, 2015	
Pension	
Benefit obligation	($2,246)
Plan assets	1,891
Funded status	(355)
Less: Amounts attributed to JV partners	(30)
Pension net funded status	**(325)**
OPEB benefit obligation	**(82)**
Total funded status	($407)
Pro forma adjustment (as of June 30, 2016)	(2,525)
Pro forma	**($2,932)**

($M)

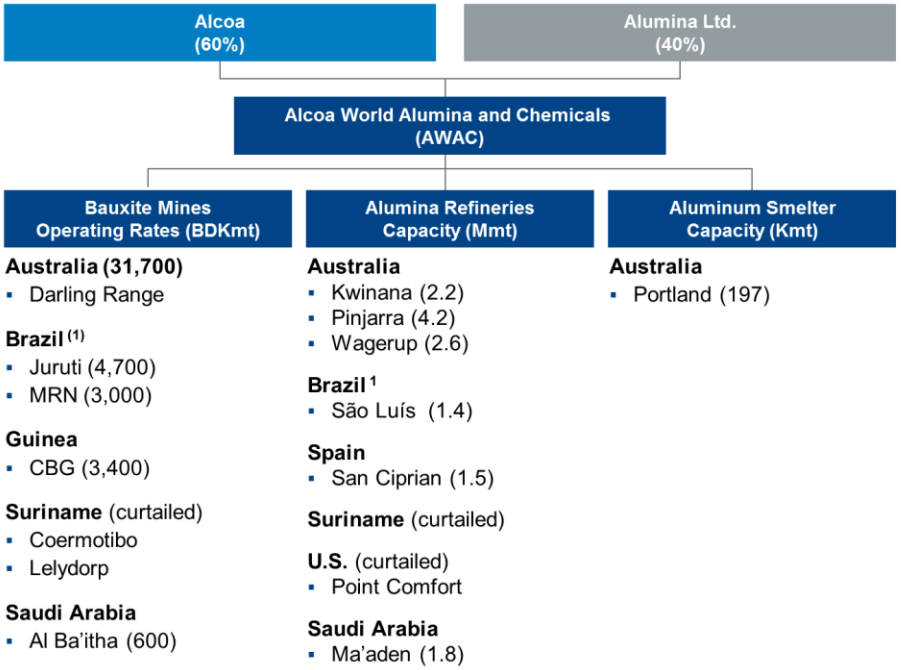
Pension and OPEB expenses	EBITDA impact	2015	1H 2016
Pension and OPEB multi-employer plans[3]	Corporate	$96	$28
Pension and OPEB multi-employer plans[3]	Segments	$95	$34
Pension direct plans	Segments	$106	$24
OPEB direct plans	Segments	($12)	$2
Total Pension and OPEB Expenses		**$285**	**$88**
Pro forma adjustment		**(98)**	**(15)**
Pro forma		**$187**	**$73**

1. For additional information, see Alcoa Upstream Corporation Form 10 as filed with the Securities and Exchange Commission on October 11, 2016.
2. OPEB: Other Postretirement Employee Benefits
3. Post separation, these plans will be included in the respective direct plans.

AWAC: world's largest bauxite miner, alumina refiner

AWAC Facts

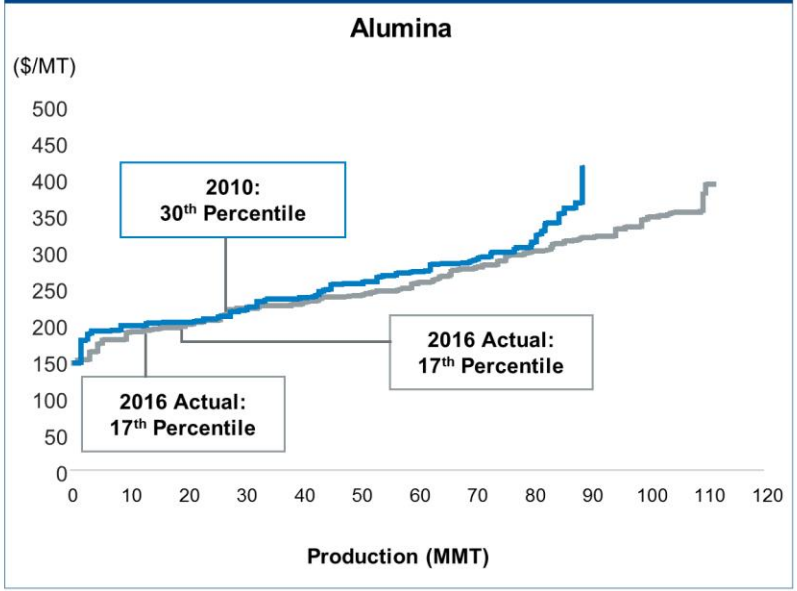
- **Alcoa is the operator** of the joint venture
- **A Strategic Council** consisting of representatives from Alcoa Inc. and Alumina Limited **oversees the venture**
- **Alcoa internally consumes ~30%** of the JV's alumina and is **responsible for marketing 100%** of the products produced



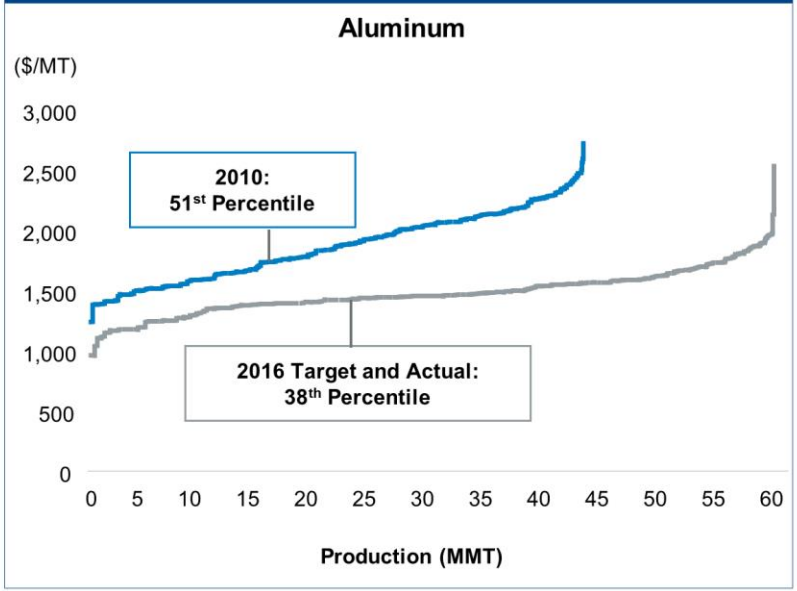
1. Alcoa controls ~0.9 Mmt refining capacity through wholly-owned Brazilian Subsidiaries outside of the JV (Poços de Caldas (0.4 Mmt) and São Luís (0.5 Mmt)), and mining capacity with an operating rate of 0.3 BDkmt at Poços de Caldas.

Alumina and aluminum global cost curves

Alcoa moves to 17th percentile in 2016

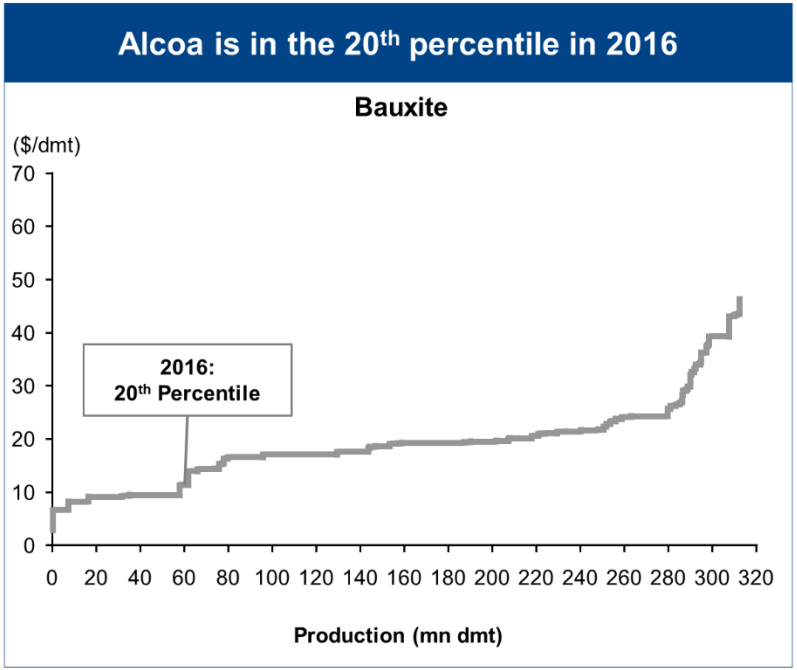


Alcoa moves to the 38th percentile in 2016



Source: CRU and Alcoa analysis

Bauxite global cost curve

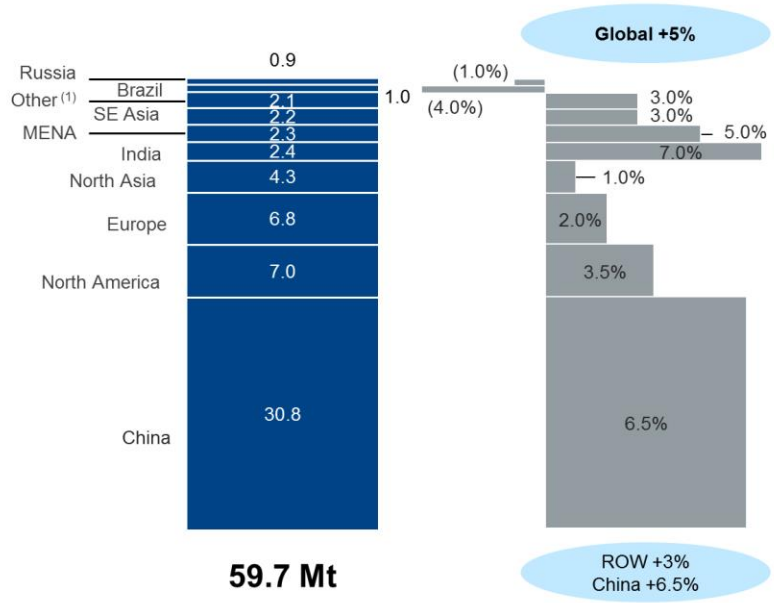


Source: CRU and Alcoa analysis

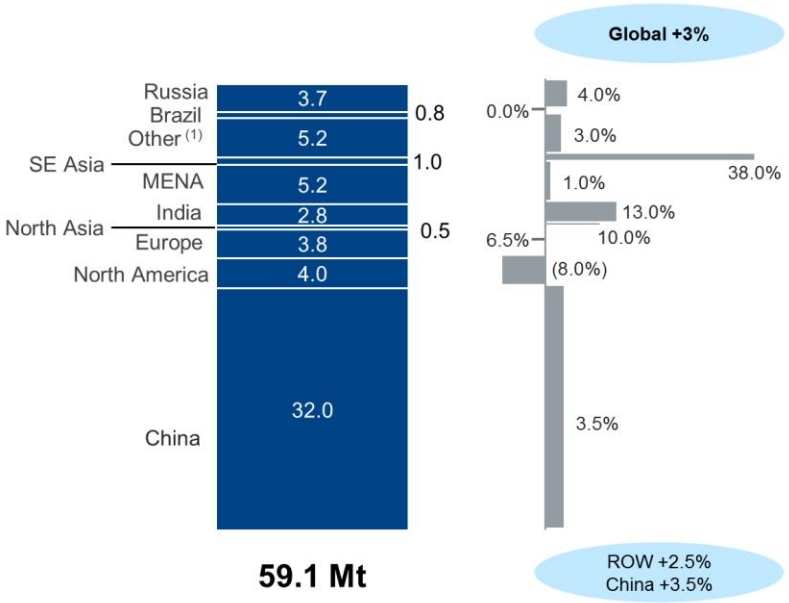
2016 demand grows at 5%; supply grows at 3%

Primary aluminum demand and supply by region

2016 Primary aluminum demand & Y-o-Y growth (Mt)



2016 Primary aluminum supply & Y-o-Y growth (Mt)



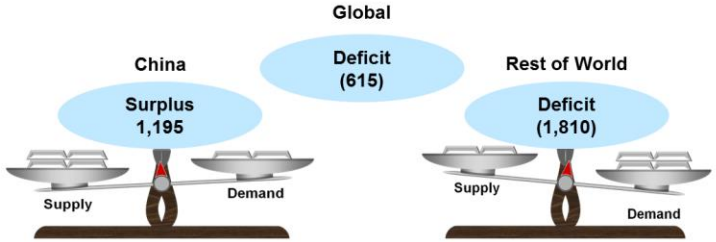
Source: Alcoa analysis, CRU, Wood Mackenzie, IAI, CNIA, NBS, Aladdiny; figures rounded;
1. Other includes Africa, E. Europe, Latin America ex Brazil, Oceania, Other Asia

Aluminum market remains in deficit at 615 kmt

Aluminum fundamentals overview

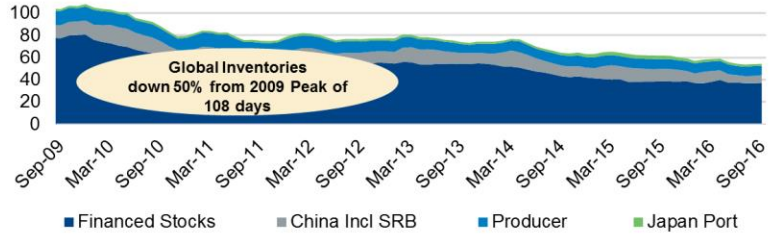
Continue to see global deficit in 2016

2016E Aluminum balance (kmt)



China		Rest of World
30,235	Prod. at Beginning Run Rate	26,665
2,045	Additions/Creep	1,090
(345)	Restarts/(Curtailments) (1)	(565)
40	Imports/(Exports)	**(40)**
31,975	Total Supply	27,150
(30,780)	Demand	**(28,960)**
1,195	**Net Balance**	**(1,810)**

Global inventories at 54 days, -7.5 days Y-o-Y



Total price stabilizing ($/t)



Source: Alcoa analysis, CRU, Wood Mackenzie, IAI, CNIA, NBS, Aladdiny, Bloomberg

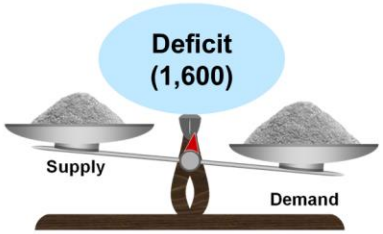
1. Includes excursions

Alumina market remains in deficit at 1.6 Mmt

Alumina fundamentals overview

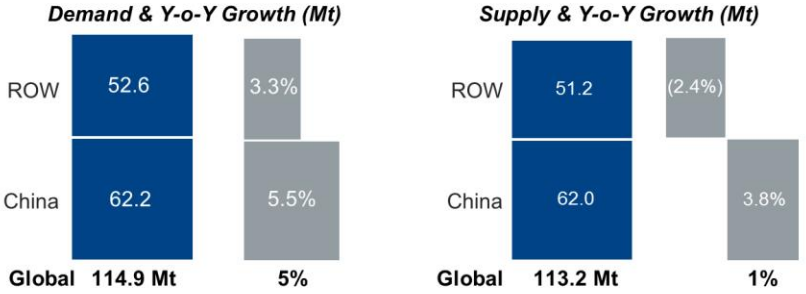
Continue to see large deficit for 2016

2016E Alumina balance (kmt)

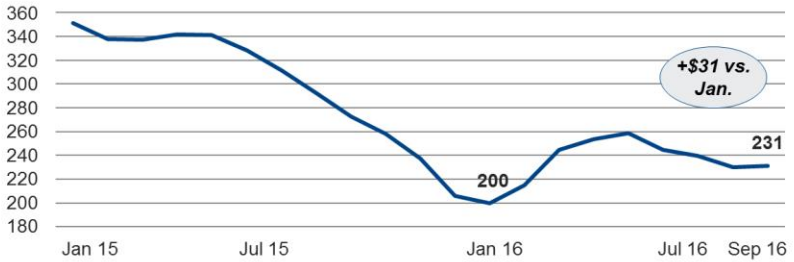


	China	Rest of World
Prod. at Beg. Run Rate (Dec 2015)	*55,685*	*55,250*
Additions / Creep	*5,295*	*980*
Restarts / (Curtailments [1])	*(1,935)*	*(2,030)*
Imports / (Exports)	***3,000***	***(3,000)***
Total Supply	*62,045*	*51,200*
Demand	***(62,215)***	***(52,630)***
Net Balance	***(170)***	***(1,430)***

Demand growth at 5% while supply only grows at 1% in 2016



Price [2] remains above January lows ($/t)



Source: Alcoa analysis, CRU, Wood Mackenzie, IAI, CNIA, NBS, Aladdiny, Bloomberg

1. Includes excursions
2. Alumina price = Alumina Price Index (API)

Premier bauxite position, world's largest producer

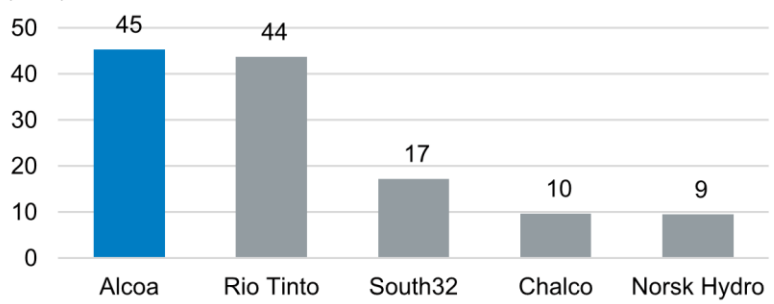
Geographically dispersed mines with a premier low-cost first quartile cost position



- **Largest bauxite miner,** 45.3 Mmt production in 2015
- **First quartile** cost curve position [1]
- **Next to major markets,** with **space to grow**
- **Technical refining knowledge** to provide multi-product **customer solutions**

Alcoa is the largest bauxite miner in the world

2015 Bauxite production from top 5 producers [2,3]



Building out 3rd party bauxite business; secured multiple bauxite supply contracts

- **$53M of new contracts in 3Q 2016;** total 3rd party contracts valued at $468M in expected sales (2016 – 17)

1. CRU analysis
2. Includes both equity interests as well as AWAC wholly-owned subsidiaries.
3. Competitor production information sourced from Wood Mackenzie

World's most attractive alumina refining business

Highly competitive first quartile cost curve position



- **Largest alumina producer,** 15.7 Mmt production in 2015
- **First quartile cost curve position**[1] driven by technology, operating expertise
- **Geographically diverse portfolio;** nine refineries on five continents
- **Proven ability to improve, divest, or curtail assets**

Largest global alumina producer

2015 Alumina production from top 5 producers [2,3]
(Mmt)



Energy

- **Gas supply agreement** secures supply for Western Australia refineries **through 2032**
- San Ciprian **natural gas solution** driving cost improvement

Sales and marketing

- **Access to growth markets** in Asia, Middle East, and Latin America
- **Third party shipments of 10.8 Mmt in 2015** (~70% of production)
- **~85%** of third party smelter-grade **shipments** on **API**[4]**/spot in 2016;** up from 5% in 2010

1. CRU and Alcoa analysis.
2. Includes both equity interests as well as AWAC wholly-owned subsidiaries
3. Competitor production information sourced from company filings and Wood Mackenzie.
4. API: Alumina Price Index

Aluminum portfolio positioned for any market

Proven ability to consistently deliver productivity gains in aluminum production...



- **World's 4th largest primary aluminium producer** in 2015
- **~50% of capacity,** 1.7M mt, at **top-tier sites**
  - Canada, Iceland, Norway
  - **25.1% ownership** of the **world's lowest-cost smelter** (Saudi Arabia JV)

...complemented by success factors ensuring long-term competitiveness

Sustainable energy

- **~70% of smelter power is hydroelectric**
- **~75%** of smelter **power secured through 2022**
- **14%** of worldwide smelter power was **self-generated** in 2015; remainder purchased through **long-term agreements**
- Recent **energy agreements** have **increased competitiveness** of Massena West and Intalco

Active portfolio management

- **Aggressive actions** taken in 2015 and 2016 to divest, close or curtail assets:
  - São Luís smelter curtailment (74,000 mtpy)
  - Poços de Caldas smelter closure (96,000 mtpy)
  - Wenatchee smelter curtailment (143,000 mtpy)
  - Warrick smelter closure (269,000 mtpy)

1. Other includes Lake Charles (carbon products), Gum Springs (spent pot lining treatment facility), and Strathcona (carbon products)

Cast Products global focus on value-added products

Unique global network of casthouses...



World-class casthouses

- **18[1] casthouses** providing value-added products
- Casthouse **Center of Excellence** driving continuous improvement and best practice sharing across the portfolio

...continuously shifting to high value-added products serving a broad customer base

Serving growing markets

- **~50%** of total **revenue** from **value-added products; 96%** of **sales** made in **North American (NA)** and **European Union (EU)**
- **+13% Aluminum penetration** in NA and EU automotive sector by 2020; **benefits our billet, foundry and slab sales**

Well-positioned in markets to offer key value-added products

- **#1 primary producer** of **billet in NA; #2 position** in **EU**
- **#2 position** in NA **foundry market; #2 position** in **EU**
- **#2 position** in NA **slab market; #2 position** in **EU**

Focus on customers

- High **quality products** from casthouses in **close** proximity **to customers**
- **Unparalleled technical** support and **customer service**
- Developing **innovative new product** offerings

1. Includes 3 curtailed operations, Ma'aden casthouse and Warrick.
2. Based on Alcoa analysis.

Value-added products serve array of end markets

Cast Products key markets, uses and value-added products

Slab



End Markets
- Transportation, Industrial, B&C, Packaging

Main Uses
- Sheet and plate, can stock

Supplying Locations
Canada: Baie Comeau, Becancour
Europe: LaCoruna, Mosjoen, San Ciprian

Billet



End Markets
- Transportation, B&C, Industrial

Main Uses
- Extrusions, wheels

Supplying Locations
Canada: Becancour
U.S.: Intalco, Massena
Brazil: Pocos de Caldas
Europe: Aviles, LaCoruna, Lista, San Ciprian

Rod



End Markets
- Industrial, Electrical

Main Uses
- Overhead wire, mechanical and welding wire

Supplying Locations
U.S.: Massena
Europe: Fjardaal

Foundry



End Markets
- Automotive, industrial

Main Uses
- Wheels, steel coaters, cast parts

Supplying Locations
Canada: Deschambault
U.S.: Intalco
Europe: Lista, San Ciprian

Transportation = auto and commercial transportation; global market share based on global volume ex China

Leading can sheet supplier in North America

Two mill system covering North America packaging markets



World-class operations serving can sheet market

- **Warrick Operations:** Food stock, beverage end & tab stock, lithographic sheet, body stock, and bottle stock
- **Ma'aden Rolling Company[1]:** Wide body stock, beverage end & tab

Strong North America market and technology position

North America: #1 or #2 Position[2]

- **#1 Position** (> 90% Share) in **North America** aluminium **food can** segment
- **#2 Position** in **North America beverage can** sheet segment
- **Only aluminium lithographic** sheet maker in **North America**
- Will transition Tennessee wide body stock to MRC over three-year period

Ma'aden Rolling Company:

- **State of-the-art rolling mill,** coating line, and recycling facility for can sheet
- Began operations in 2014

1. JV- Alcoa 25.1% stake in MRC (Ma'aden Rolling Company).
2. Based on AGP (Alcoa Global Packaging) North American 2016 forecast.

Driving value through substantial energy assets

Energy assets [1] in North and South America...



Country	Consolidated Capacity (1,685 MW)[3]
Brazil [2]	492
Canada	132
Suriname	189
United States[3]	872

...managed to create maximum profitability under a variety of situations

Strategic power management

- Brazil assets **provide optionality** between **market sales** and **metal production** with a diversified revenue stream
- Approximately **55% of generated power was sold externally** in 2015, capturing significant earnings
- **Securing energy needs** for operations with third parties

Asset portfolio

- **Sale of Yadkin Hydroelectric Project** in North Carolina expected to close in Q4 2016
- Excluding Yadkin, **~55% of portfolio is hydroelectric**

1. Alcoa has an equity interest in the majority of facilities.
2. The Consolidated Capacity of the Brazilian energy facilities is the assured energy that is approximately 55% of hydropower plant nominal capacity
3. Includes the Yadkin Hydroelectric Project (215MW of capacity); sale expected to close in 4Q 2016. Including the Yadkin facility, Alcoa Corporation's current total generation capacity is 1,685MW, of which approximately 61% is hydroelectric power

Bauxite mines detailed information

Country	Project	Owners' Mining Rights (% Entitlement)	Expiration Date of Mining Rights	Probable Reserves (million BDMT)	Proven Reserves (million BDMT)	Available Alumina Content (%) $AvAl_2O_3$	Reactive Silica Content (%) $RxSiO_2$	2015 Annual Production (million BDMT)
Australia	Darling Range Mines ML1SA	Alcoa of Australia Limited (AofA)[1] (100%)	2024	28.5	150	33 Range: 31.0 – 34.0	0.9 Max: 1.4	31.7
Brazil	Poços de Caldas	Alcoa Alumínio S.A. (Alumínio)[2] (100%)	2020[3]	0.9	1.3	39.6 Range: 39.5 – 41.5	4.4 Range: 3.5 – 4.5	0.3
	Juruti[3] RN101, RN102, RN103, RN104, #34	Alcoa World Alumina Brasil Ltda. (AWA Brasil)[1] (100%)	2100[3]	8.7	26.5	47.7 Range: 46.5 – 48.5	4.1 Range: 3.3 – 4.3	4.7
Suriname	Coermotibo and Onverdacht	Suriname Aluminum Company, L.L.C. (55%) (Suralco)[1] (55%) N.V. Alcoa Minerals of Suriname (AMS)[4] (45%)	2033[5]	0.0	0.0	N/A	N/A	1.6
Equity interests:								
Brazil	Trombetas	Mineração Rio do Norte S.A. (MRN)[6] (18.2%)	2046[3]	3.7	10.4	49.5 Range: 49.0 – 50.5	4.5 Range: 4.0 – 4.8	3.0
Guinea	Boké	Compagnie des Bauxites de Guinée (CBG)[7] (22.95%)	2038[8]	59.5	23.2	TAl_2O_3[9] 48.5 Range: 48.5 – 52.4	$TSiO_2$[9] 1.7 Range: 1.2 – 2.1	3.4
Kingdom of Saudi Arabia	Al Ba'itha	Ma'aden Bauxite & Alumina Company (25.1%)[10]	2037	33.8	19.3	TAA[11] 49.4	$TSiO_2$[11] 8.6	0.6

Source: Alcoa Corporation Form 10

1. This entity is part of the AWAC group of companies and is owned 60% by Alcoa Corporation and 40% by Alumina Limited
2. Alumínio is owned 100% by Alcoa Corporation
3. Brazilian mineral legislation does not establish the duration of mining concessions. The concession remains in force until the exhaustion of the deposit. The company estimates that (i) the concessions at Poços de Caldas will last at least until 2020, (ii) the concessions at Trombetas will last until 2046 and (iii) the concessions at Juruti will last until 2100. Depending, however, on actual and future needs, the rate at which the deposits are exploited and government approval is obtained, the concessions may be extended to (or expire at) a later (or an earlier) date
4. Alcoa World Alumina LLC ("AWA LLC") owns 100% of N.V. Alcoa Minerals of Suriname ("AMS"). Suralco and AMS are parts of the AWAC group of companies which are owned 60% by Alcoa Corporation and 40% by Alumina Limited
5. At the end of 2015, AWAC's bauxite mineral and mining rights remained valid until 2033. The AWAC mines in Suriname were curtailed in the fourth quarter of 2015. There are no plans for AWAC to restart these mines and there are no reserves to declare
6. Alumínio holds an 8.58% total interest, AWA Brasil holds a 4.62% total interest and AWA LLC holds a 5% total interest in MRN. MRN is jointly owned with affiliates of Rio Tinto Alcan Inc., Companhia Brasileira de Alumínio, Companhia Vale do Rio Doce, BHP Billiton Plc ("BHP Billiton") and Norsk Hydro. Alumínio, AWA Brasil, and AWA LLC purchase bauxite from MRN under long- term supply contracts
7. AWA LLC owns a 45% interest in Halco (Mining), Inc. ("Halco"). Halco owns 100% of Boké Investment Company, a Delaware company, which owns 51% of CBG. The Guinean Government owns 49% of CBG, which has the exclusive right through 2038 to develop and mine bauxite in certain areas within an approximately 2939 square- kilometer concession in northwestern Guinea
8. AWA LLC and Alumina Española, S.A. have bauxite purchase contracts with CBG that expire in 2033. Before that expiration date, AWA LLC and Alumina Española, S.A expect to negotiate extensions of their contracts as CBG will have concession rights until 2038. The CBG concession can be renewed beyond 2038 by agreement of the Government of Guinea and CBG should more time be required to commercialize the remaining economic bauxite within the concession
9. Guinea- Boké: CBG prices bauxite and plans the mine based on the bauxite qualities of total alumina (TAl2O3) and total silica (TSiO2)
10. Ma'aden Bauxite & Alumina Company is a joint venture owned by Saudi Arabian Mining Company ("Ma'aden") (74.9%) and AWA Saudi Limited (25.1%). AWA Saudi Limited is part of the AWAC group of companies and is owned 60% by Alcoa Corporation and 40% by Alumina Limited
11. Kingdom of Saudi Arabia- Al Ba'itha: Bauxite reserves and mine plans are based on the bauxite qualities of total available alumina (TAA) and total silica (TSiO2)

Geographically distributed refining assets

Country	Facility	Owners (% of Ownership)	Nameplate Capacity[1] (000 MTPY)	Alcoa Corporation Consolidated Capacity[2] (000 MTPY)	Status
Australia	Kwinana	AofA[3] (100%)	2,190	2,190	
	Pinjarra	AofA (100%)	4,234	4,234	
	Wagerup	AofA (100%)	2,555	2,555	
Brazil	Poços de Caldas	Alumínio[4] (100%), AWA Brasil[3] (39%), Rio Tinto Alcan Inc.[6] (10%), Alumínio (15%)	390[5]	390	
	São Luís (Alumar)	BHP Billiton[6] (36%)	3,500	1,890	
Spain	San Ciprián	Alúmina Española, S.A.[3] (100%)	1,500[7]	1,500	
Suriname	Suralco	Suralco3 (55%) AMS[8] (45%)	2,207[9]	2,207	Curtailed
United States	Point Comfort, TX	AWA LLC[3] (100%)	2,305[10]	2,305	Curtailed
Total			**18,881**	**17,271**	
Equity interests:					
Kingdom of Saudi Arabia	Ras Al Khair	Ma'aden Bauxite & Alumina Company (100%)[11]	1,800		

Source: Alcoa Corporation Form 10

1. Nameplate Capacity is an estimate based on design capacity and normal operating efficiencies and does not necessarily represent maximum possible production
2. The figures in this column reflect Alcoa Corporation's share of production from these facilities. For facilities wholly- owned by AWAC entities, Alcoa Corporation takes 100% of the production
3. This entity is part of the AWAC group of companies and is owned 60% by Alcoa Corporation and 40% by Alumina Limited
4. This entity is owned 100% by Alcoa Corporation
5. As a result of the decision to fully curtail the Poços de Caldas smelter, management initiated a reduction in alumina production at this refinery. The capacity that is operating at this refinery is producing at an approximately 45% output level
6. The named company or an affiliate holds this interest
7. The capacity that is operating at this refinery is producing at an approximately 95% output level
8. AWA LLC owns 100% of N.V. Alcoa Minerals of Suriname ("AMS"). AWA LLC is part of the AWAC group of companies and is owned 60% by Alcoa Corporation and 40% by Alumina Limited
9. The Suralco alumina refinery has been fully curtailed (see below)
10. The Point Comfort alumina refinery will be fully curtailed (see below)
11. Ma'aden Bauxite & Alumina Company is a joint venture owned by Saudi Arabian Mining Company ("Ma'aden") (74.9%) and AWA Saudi Limited (25.1%). AWA Saudi Limited is part of the AWAC group of companies and is owned 60% by Alcoa Corporation and 40% by Alumina Limited

Global smelting network

Country	Facility	Owners (% Of Ownership)	Nameplate Capacity [1] (000 MTPY)	Alcoa Corporation Consolidated Capacity [2] (000 MTPY)
Australia	Portland	AofA (55%), CITIC [3] (22.5%), Marubeni [3] (22.5%)	358	197 [4] [5]
Brazil	São Luís (Alumar)	Alumínio (60%), BHP Billiton [3] (40%)	447	268 [6]
Canada	Baie Comeau, Québec	Alcoa Corporation (100%)	280	280
	Bécancour, Québec	Alcoa Corporation (74.95%), Rio Tinto Alcan Inc. [7] (25.05%)	413	310
	Deschambault, Québec	Alcoa Corporation (100%)	260	260
Iceland	Fjarðaál	Alcoa Corporation (100%)	344	344
Norway	Lista	Alcoa Corporation (100%)	94	94
	Mosjøen	Alcoa Corporation (100%)	188	188
Spain	Avilés	Alcoa Corporation (100%)	93 [8]	93
	La Coruña	Alcoa Corporation (100%)	87 [8]	87
	San Ciprián	Alcoa Corporation (100%)	228	228
United States	Evansville, IN (Warrick)	Alcoa Corporation (100%)	269 [9]	269
	Massena West, NY	Alcoa Corporation (100%)	130	130
	Rockdale, TX	Alcoa Corporation (100%)	191 [10]	191
	Ferndale, WA (Intalco)	Alcoa Corporation (100%)	279 [11]	279
	Wenatchee, WA	Alcoa Corporation (100%)	184 [12]	184
Total			**3,845**	**3,401**
Equity Interests:				
Kingdom of Saudi Arabia	Ras Al Khair	Alcoa Corporation (25.1%)	740	-

Source: Alcoa Corporation Form 10

1. Nameplate Capacity is an estimate based on design capacity and normal operating efficiencies and does not necessarily represent maximum possible production
2. The figures in this column reflect Alcoa Corporation's share of production from these facilities
3. The named company or an affiliate holds this interest
4. This figure includes the minority interest of Alumina Limited in the Portland facility, which is owned by AofA. From this facility, Alcoa Corporation takes 100% of the production allocated to AofA
5. The Portland smelter has approximately 30,000 mtpy of curtailed capacity
6. The Alumar smelter has been fully curtailed since April 2015 (see below)
7. Owned through Rio Tinto Alcan Inc.'s interest in Pechiney Reynolds Québec, Inc., which is owned by Rio Tinto Alcan Inc. and Alcoa Corporation
8. The Avilés and La Coruña smelters have approximately 56,000 mtpy of curtailed capacity combined
9. On March 24, 2016, ParentCo permanently stopped production at the Warrick smelter
10. The Rockdale smelter has been fully curtailed since the end of 2008
11. The Intalco smelter has had approximately 49,000 mtpy of curtailed capacity. In November 2015, ParentCo announced that it would curtail the remaining 230,000 mtpy capacity by the end of the first quarter of 2016. In January 2016, ParentCo announced that it will delay this further curtailment of the smelter until the end of the second quarter of 2016. On May 2, 2016, ParentCo announced that it would not curtail the Intalco smelter at the end of the second quarter as previously announced, as a result of an agreement with the Bonneville Power Administration
12. The Wenatchee smelter has had approximately 41,000 mtpy of curtailed capacity. Alcoa Corporation curtailed the remaining 143,000 mtpy of capacity by the end of December 2015

Global network of casthouses

Country	Facility	Owners (% of Ownership)
Australia	Portland	AofA (55%), CITIC [1] (22.5%), Marubeni [1] (22.5%)
Brazil	Poços de Caldas	Alcoa Alumínio S.A. (Alumínio) [1] (100%), Alumínio (60%)
	São Luís (Alumar) [2]	BHP Billiton [1] (40%)
Canada	Baie Comeau, Québec	Alcoa Corporation (100%), Alcoa Corporation (74.95%)
	Bécancour, Québec	Rio Tinto Alcan Inc. [3] (25.05%)
	Deschambault, Québec	Alcoa Corporation (100%)
Iceland	Fjarðaál	Alcoa Corporation (100%)
Norway	Lista	Alcoa Corporation (100%)
	Mosjøen	Alcoa Corporation (100%)
Spain	Avilés	Alcoa Corporation (100%)
	La Coruña	Alcoa Corporation (100%)
	San Ciprián	Alcoa Corporation (100%)
United States	Massena, NY	Alcoa Corporation (100%)
	Ferndale, WA (Intalco)	Alcoa Corporation (100%)
	Warrick, IN	Alcoa Corporation (100%)
	Rockdale, TX [4]	Alcoa Corporation (100%)
	Wenatchee, WA [5]	Alcoa Corporation (100%)
Equity Interests:		
Kingdom of Saudi Arabia	Ras Al Khair	Alcoa Corporation (25.1%)

Source: Alcoa Corporation Form 10

1. The named company or an affiliate holds this interest
2. The Alumar casthouse has been fully curtailed since April 2015
3. Owned through Rio Tinto Alcan Inc.'s interest in Pechiney Reynolds Québec, Inc., which is owned by Rio Tinto Alcan Inc. and Alcoa Corporation
4. The Rockdale casthouse has been fully curtailed since the end of 2008
5. The Wenatchee casthouse has been fully curtailed since the end of December 2015

Rolling assets are US, Saudi-based

Country	Facility	Owners (% Of Ownership)	Capacity (000 MTPY)
United States of America	Warrick	Alcoa Corporation (100%)	360
Saudi Arabia	Ma'aden	Alcoa Corporation (25.1%) Ma'aden Rolling Company (74.9%)	380

Energy assets

Country	Facility	Alcoa Corporation consolidated capacity (MW) [1]	2015 Generation (MWh)
Brazil	Barra Grande	156	1,562,663
	Estreito	157	1,088,018
	Machadinho	119	1,780,924
	Serra do Facão	60	171,294
Canada	Manicouagan	132	1,161,994
Suriname	Afobaka	189	673,950
United States	Warrick	657	4,538,257
	Yadkin	215	661,214
Total		**1,685**	**11,638,314**

Source: Alcoa Corporation Form 10

1. The Consolidated Capacity of the Brazilian energy facilities is the assured energy that is approximately 55% of hydropower plant nominal capacity

Alcoa upstream capacity closed, sold and curtailed

Smelting capacity

Closed / Sold Since December 2007

Facility	Year	kmt
Baie Comeau	2008	53
Eastalco	2010	195
Badin	2010	60
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)	2014	115
Poços de Caldas	2015	96
Warrick	2016	269
Total		**1,693**

Curtailed

Facility	Year	kmt
Portland	2008	30
Rockdale	2008	191
Avilés	2012	32
La Coruña	2012	24
São Luís	2013	97
São Luís	2014	97
São Luís	2015	74
Wenatchee	2015	184
Total		**729**

Refining capacity

Closed / Sold Since December 2007

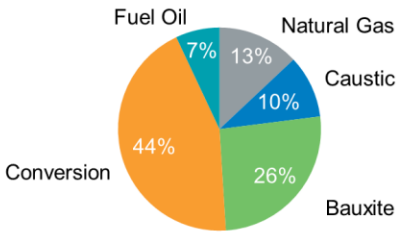
Facility	Year	kmt
Jamalco (sale)	2014	779
Total		**779**

Curtailed

Facility	Year	kmt
Point Comfort	2008	295
Suriname	2009	877
Suriname	2015	1,330
Point Comfort	2015	375
Point Comfort	2016	1,635
Total		**4,512**

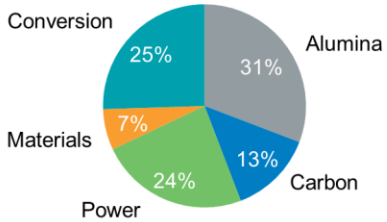
Composition of upstream production costs

Alumina refining cost structure



Input Cost	Inventory Flow	Pricing Convention	Estimated Annual EBITDA Sensitivity
Fuel Oil	1 - 2 Months	Prior Month	$3M per $1/bbl
Natural Gas (1)	N/A	N/A	N/A
Caustic Soda	3 - 6 Months	Spot & Semi-annual	$9M per $10/DMT

Aluminum smelting cost structure



Input Cost	Inventory Flow	Pricing Convention	Estimated Annual EBITDA Sensitivity
Coke	1 - 2 Months	Spot, Quarterly & Semi-annual	$7M per $10/MT
Alumina	~2 Months	30-day lag to API[2]	$43M per $10/MT
Pitch	1 - 2 Months	Spot, Quarterly & Semi-annual	$1.5M per $10/MT

1. Natural gas information related to Point Comfort will no longer apply as we have curtailed the plant. Australia is priced on a rolling 16 quarter average
2. API: Alumina Price Index

Business sensitivities

Estimated annual EBITDA sensitivities

($M) Segment	LME + $100/mt	API + $10/mt	Midwest + $100/mt	Europe + $100/mt	Japan + $100/mt	AUD + 0.01 USD/AUD	BRL + 0.10 BRL/USD	CAD + 0.01 CAD/USD	EUR + 0.01 USD/EUR	ISK + 10 ISK/USD	NOK + 0.10 NOK/USD
Bauxite						(4)	3				
Alumina	27	97				(17)	6		(1)		
Aluminum	205	(34)	118	101	16	(2)		2	(4)	5	2
Cast Products					13			1	(1)	2	1
Rolled Products											
Energy							(4)				
Alcoa Corp.	233	63	118	101	29	(23)	5	3	(6)	7	3

Price information

Segment	Pricing Impacts
Bauxite	Negotiated prices
Alumina	API pricing follows 30-day lag; LME pricing follows 60-day lag
Aluminum	15-day lag to LME + Regional Premium – Molten Discount

Segment	Pricing Impacts
Cast Products	30-day lag to LME + Regional Premium + Product Premium
Rolled Products	30-day lag to LME + Regional premium + Product Premium
Energy	Market pricing

Alcoa Corporation adjusted EBITDA reconciliation

($ in millions)	LTM Q2 2016	1H 2016	2H 2015	1H 2015	2015	2014	2013
Sales							
Sales to unrelated parties	$8,652	$3,953	$4,699	$5,422	$10,121	$11,364	$11,035
Sale to related parties	930	499	431	647	1,078	1,783	1,538
Total sales	**$9,582**	**$4,452**	**$5,130**	**$6,069**	**$11,199**	**$13,147**	**$12,573**
Adjusted EBITDA							
Net (Loss) Income attributable to Alcoa Corporation	**$(1,197)**	**$(265)**	**$(932)**	**$69**	**$(863)**	**$(256)**	**$(2,909)**
Add:							
Net income (loss) attributable to non-controlling interest	35	38	(3)	127	124	(91)	39
Provision for income taxes	255	86	169	233	402	284	123
Other expenses (income), net	71	16	55	(13)	42	58	14
Interest expense	261	130	131	139	270	309	305
Restructuring and other charges	832	92	740	243	983	863	712
Impairment of goodwill	-	-	-	-	-	-	1,731
Provision for depreciation, depletion, and amortization	731	355	376	404	780	954	1,026
Adjusted EBITDA	**$988**	**$452**	**$536**	**$1,202**	**$1,738**	**$2,121**	**$1,041**

Alcoa Corporation'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 Corporation's operating performance and the Company's ability to meet its financial obligations. Management believes that pro forma Adjusted EBITDA is meaningful to investors because it provides additional information about the expected impact of the separation and distribution on Adjusted EBITDA. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

Segment adjusted EBITDA reconciliation

($ in millions)	For the year ended December 31, 2015					
Alcoa Corporation - Segments	**Bauxite**	**Alumina**	**Aluminum**	**Cast Products**	**Energy**	**Rolled Products**
After-tax operating income (ATOI)	**$258**	**$476**	**$1**	**$110**	**$145**	**$20**
Add:						
Depreciation, depletion, and amortization	94	202	311	42	61	23
Equity (income) loss	-	41	12	-	-	32
Income taxes	103	191	(77)	49	69	26
Other	-	-	(3)	-	-	-
Adjusted EBITDA	**$455**	**$910**	**$244**	**$201**	**$275**	**$101**
Total sales	$1,231	$5,030	$5,106	$6,232	$723	$1,011
Adjusted EBITDA margin	37.0%	18.1%	4.8%	3.2%	38.0%	10.0%

Alcoa Corporation'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 Corporation'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.

Segment adjusted EBITDA reconciliation

($ in millions)	For the six months ended June 30, 2016					
Alcoa Corporation - Segments	**Bauxite**	**Alumina**	**Aluminum**	**Cast Products**	**Energy**	**Rolled Products**
After-tax operating income (ATOI)	**$101**	**$5**	**($26)**	**$89**	**$36**	**($16)**
Add:						
Depreciation, depletion, and amortization	36	95	150	21	28	12
Equity (income) loss	-	21	(7)	3	-	21
Income taxes	39	-	(34)	31	13	(2)
Other	-	(6)	-	-	-	-
Adjusted EBITDA	**$176**	**$115**	**$83**	**$144**	**$77**	**$15**
Total sales	$488	$1,710	$1,904	$2,676	$218	$446
Adjusted EBITDA margin	36.1%	6.7%	4.4%	5.4%	35.3%	3.4%

Alcoa Corporation'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 Corporation'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.