The Element of ***Possibility***™

Goldman Sachs Metals & Mining Conference

Alcoa Corporation

November 16, 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 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; and statements about strategies, outlook, business and financial prospects. 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 Corporation believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, it 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) material adverse changes in aluminum industry conditions, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices and premiums, as applicable, for primary aluminum, alumina, and other products, and fluctuations in indexed-based and spot prices for alumina; (b) deterioration in global economic and financial market conditions generally; (c) unfavorable changes in the markets served by Alcoa Corporation; (d) the impact of changes in foreign currency exchange rates on costs and results; (e) increases in energy costs; (f) changes in discount rates or investment returns on pension assets; (g) 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; (h) 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; (i) political, economic, and regulatory risks in the countries in which Alcoa Corporation operates or sells products; (j) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation; (k) the impact of cyber attacks and potential information technology or data security breaches; and (n) the other risk factors discussed in Alcoa Corporation’s registration statement on Form 10 and other reports filed by Alcoa Corporation with the U.S. Securities and Exchange Commission (SEC). Alcoa Corporations 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 Corporation believes 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 of any forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures due primarily to the variability and complexity in making accurate forecasts and projections, as not all of the information for a quantitative reconciliation is available to the company without unreasonable effort. References to historical EBITDA herein means adjusted EBITDA, for which we have provided calculations and reconciliations in the Appendix.

Today's conversation

Presenter



William F. Oplinger

Executive Vice President and Chief Financial Officer

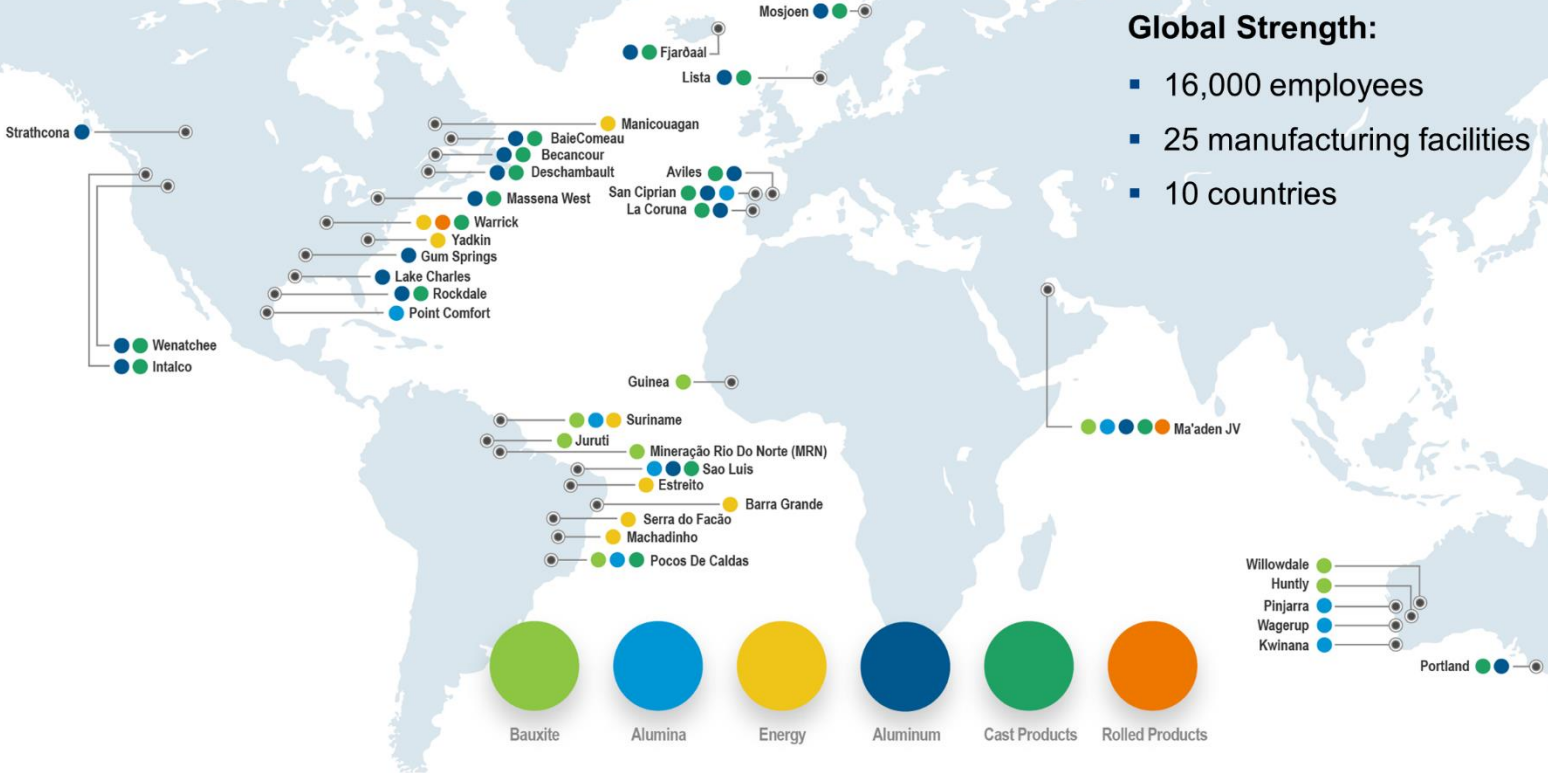
- Held the same position for Alcoa Inc. from 2013 to separation
- Previously served as Chief Operating Officer for Alcoa Global Primary Products (GPP) and Chief Financial Officer for GPP
- Oversaw extensive restructuring of the upstream business with an emphasis on improving global cost competitiveness and optimizing the group's centers of excellence (COE's)
- Since joining Alcoa in 2000, held key corporate financial positions in Financial Planning & Analysis and as Director of Investor Relations; also held major assignments in the GPP business, including Controller and Operational Excellence Director

Alcoa Corporation: a compelling investment

Key takeaways

- Global network of world-class aluminum 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 portfolio provides access to growth markets



Global Strength:

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

Promoting strong, efficient, operator-centric culture

Operating culture

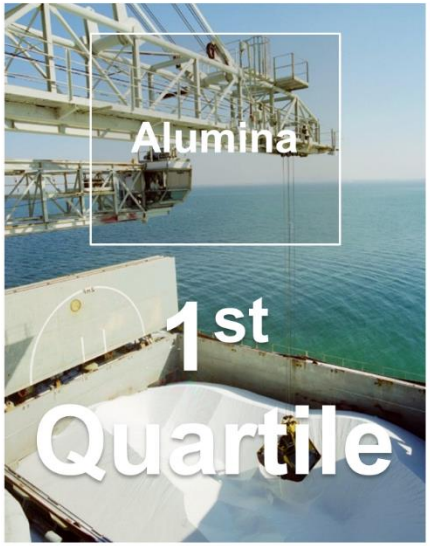
Lead with our values	▪ **Act with Integrity** ▪ **Operate with Excellence** ▪ **Care for People**
Dedication to safety and sustainability	▪ Unrelenting **focus on safety** ▪ **Reducing greenhouse gas emissions,** lowering energy and fresh water consumption ▪ **Supporting communities** via Alcoa Corp. 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	▪ Continue **procurement savings** ▪ Drive **conversion cost reductions** ▪ **Lower overhead** spend

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.

3rd-party bauxite leads solid growth prospects

Market outlook

	Bauxite	Alumina	Aluminum
2016 Supply/Demand Balance	• Balanced	• China: Deficit of 170 kmt • RoW: Deficit of 1,430 kmt	• China: Surplus of 1,195 kmt • RoW: Deficit of 1,810 kmt
2017 Supply/Demand Balance	• Balanced	• Balanced	• China: Hinges on supply restraint • RoW: Deficit of 1,500 kmt
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 $106 per metric ton (53%) in 2016 YTD[1] • Chinese restarts slowing • Rising Chinese caustic, energy, and transportation costs	• LME aluminum price up $299 per metric ton (20%) 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 kmt aluminum (2016), and 25 kmt aluminum (2017)
1. Based on Platts FOB WA price as of November 10, 2016 vs. January 4, 2016
2. Based on LME price as of November 10, 2016 vs. January 4, 2016

Six segments diversify revenue and EBITDA

Key financial metrics – Six months ending June 30, 2016

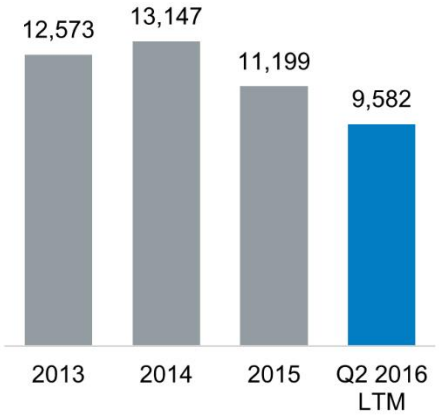
Segment	3rd Party Revenue $M	Total Revenue[1] $M	Adj. EBITDA[1,2] $M	Adj. EBITDA Margin %
Bauxite	$131	$488	$176	36.1%
Alumina	$1,097	$1,710	$115	6.7%
Aluminum	$15	$1,904	$83	4.4%
Cast Products	$2,570	$2,676	$144	5.4%
Rolled Products	$446	$446	$15	3.4%
Energy	$132	$218	$77	35.3%
Corporate	$61	($2,990)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

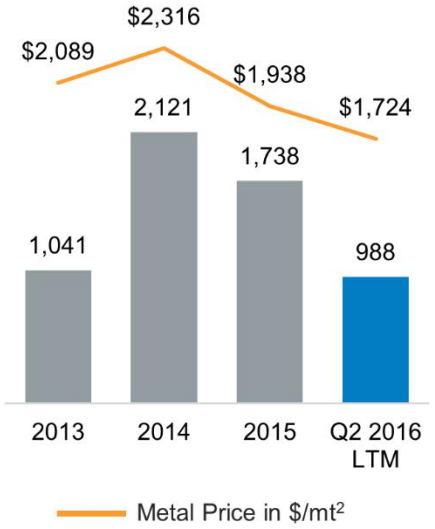
Resilient EBITDA despite lower prices

Financial trends

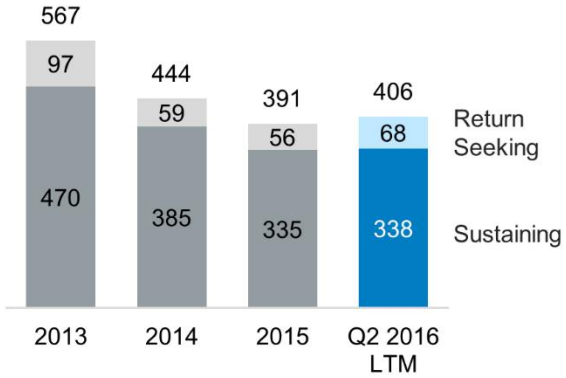
Total Sales ($M)



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

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

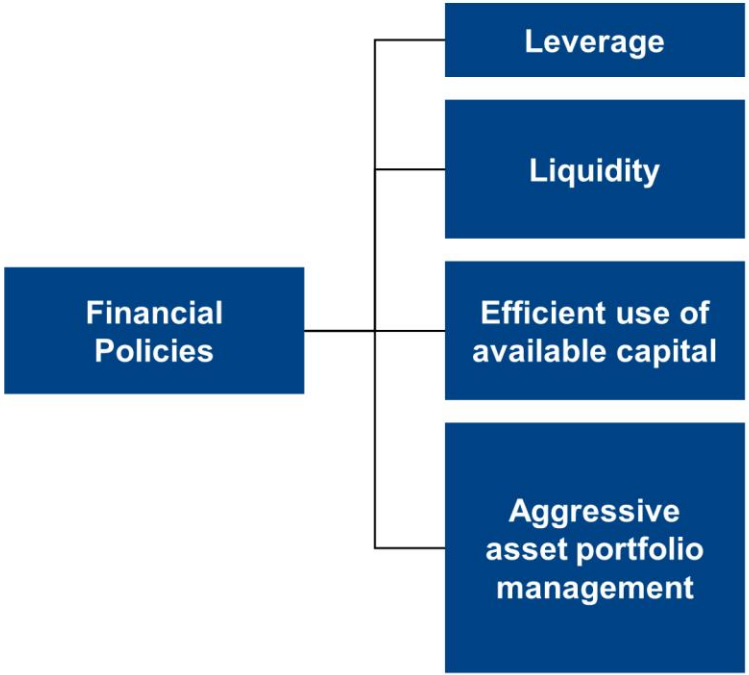
- **Efficient working capital management** to support business operations
- Relentless focus on **generating cash**

<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.

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 with **ROC focus**:

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

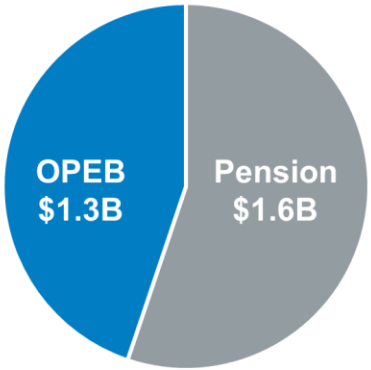
- On-going **portfolio reviews** to maximize value creation
- Well-positioned to pursue opportunities to **reduce costs and improve margins**
- **Will curtail, sell or close assets** that do not meet value generation thresholds based on market conditions

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

Focused on managing our pension and OPEB obligations

Pension and OPEB overview

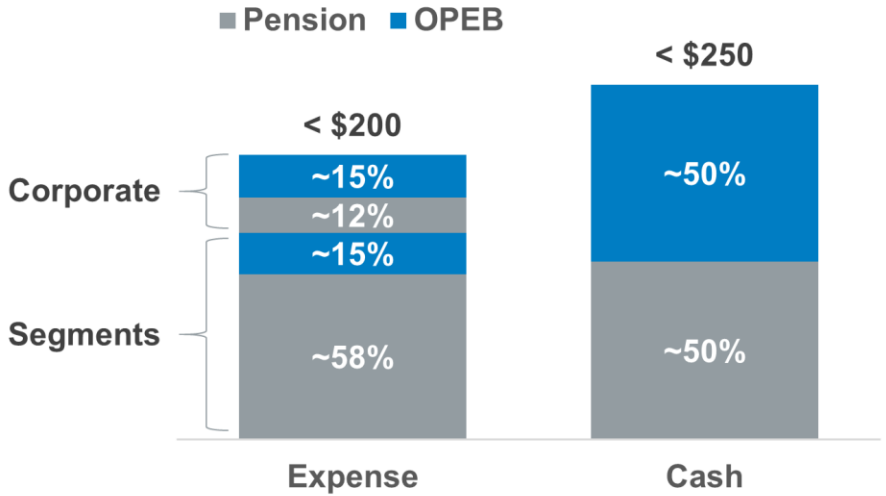
$2.9B in unfunded liability as of June 30, 2016[1]



Pension funding status

- U.S. ERISA **~95%**
- GAAP Worldwide **~75%**

2017 Expected contributions, $M



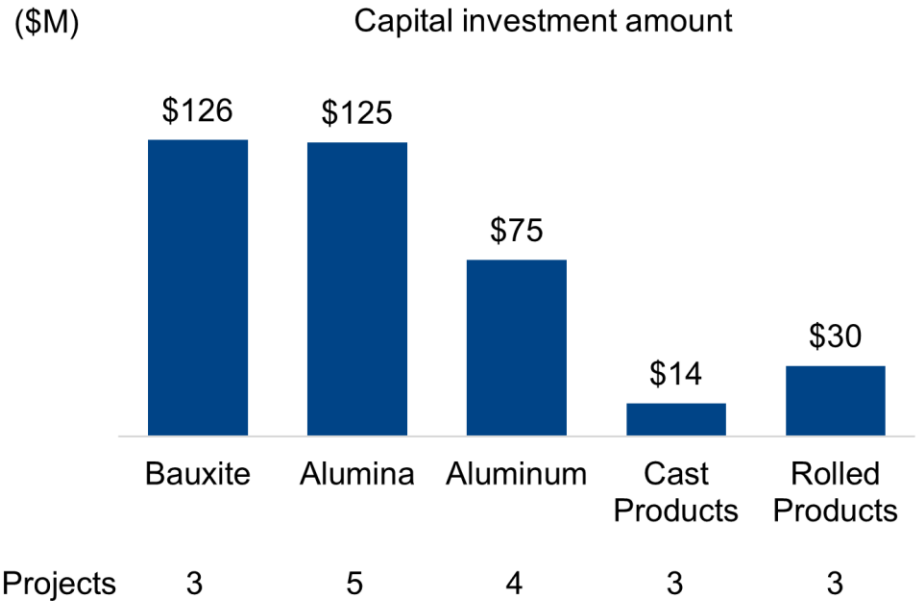
2017 Service cost estimates

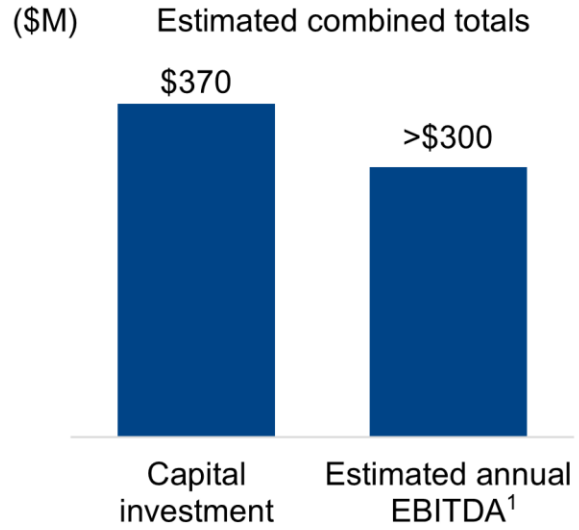
- Pension: < $90M (~95%+ in Segments)
- OPEB: < $10M (~95%+ in Segments)

1. Pro forma pension and OPEB liability
2. OPEB: Other Postretirement Employee Benefits

High-return projects pipeline across the businesses

Potential future key capital projects by business segment





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

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 spending[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.

New governance practices focused on shareholders

Governance factors

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

Alcoa Corporation: a compelling investment

Key takeaways

- Global network of world-class aluminum 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

Appendix

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[1]

Senior Vice President and CFO, International Paper Company



Timothy Flynn

Former Chairman and CEO, KPMG



Michael Morris[1]

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



Suzanne Sitherwood

President and CEO, Spire Inc.



Kathryn Fuller[1]

Former 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[1]

Former Chairman and CEO, Caterpillar Inc.



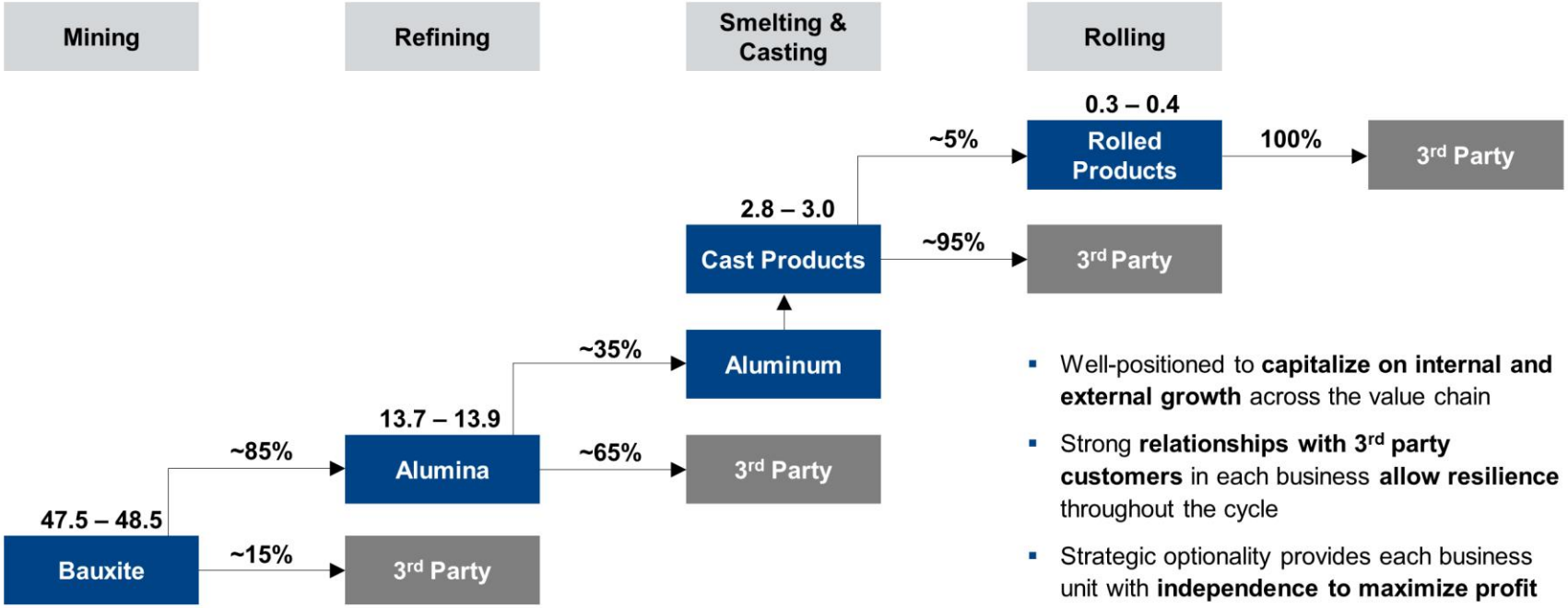
Ernesto Zedillo[1]

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

1. Previously served on Alcoa Inc. Board of Directors prior to the separation on November 1, 2016

Actively participating in each segment of the value chain

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

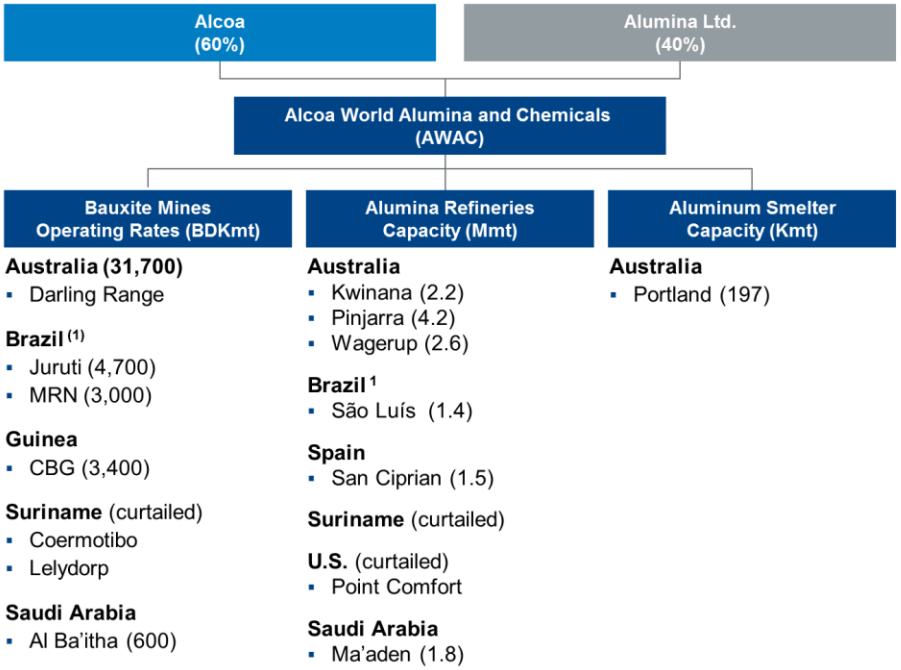


- Well-positioned to **capitalize on internal and external growth** across the value chain
- Strong **relationships with 3rd party customers** in each business **allow resilience** throughout the cycle
- Strategic optionality provides each business unit with **independence to maximize profit & diversify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

AWAC: world's largest bauxite miner, alumina refiner

AWAC Facts

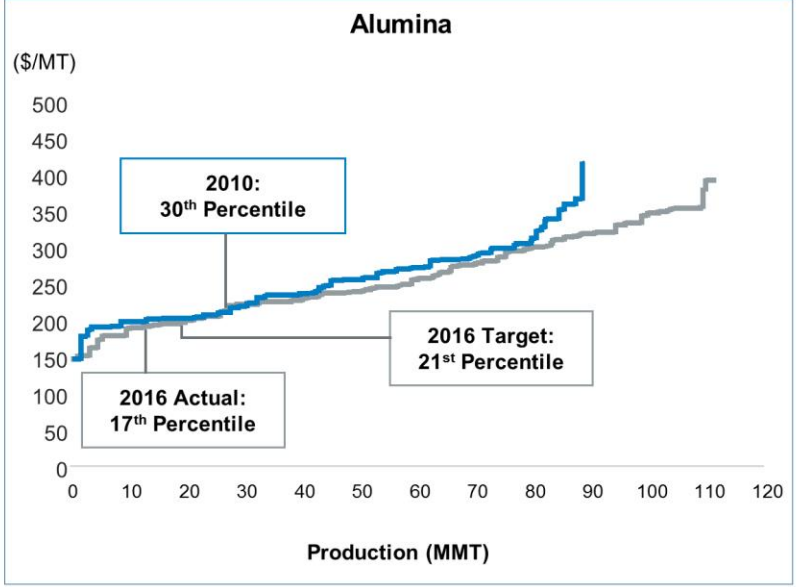
- **Alcoa is the operator** of the joint venture
- **A Strategic Council** consisting of representatives from Alcoa Inc. and Alumina Limited **oversees the venture**
- **Alcoa internally consumes ~30%** of the JV's alumina and is **responsible for marketing 100%** of the products produced



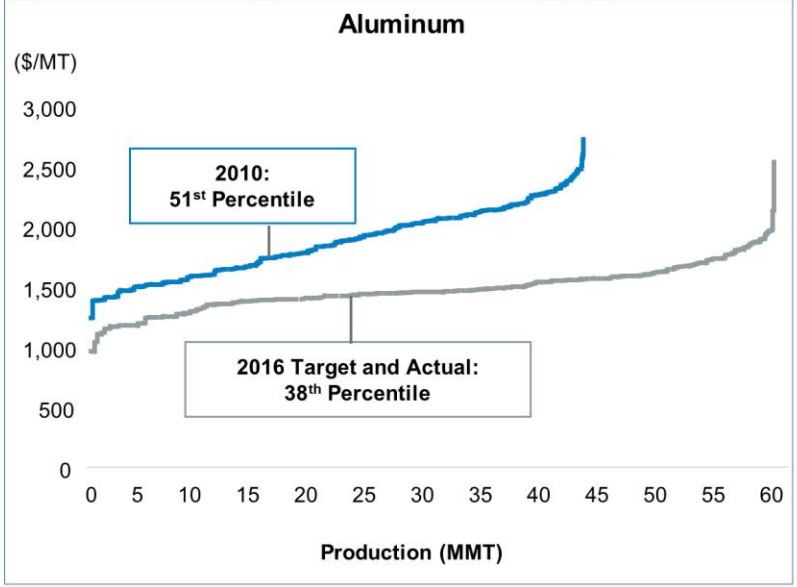
1. Alcoa controls ~0.9 Mmt refining capacity through wholly-owned Brazilian Subsidiaries outside of the JV (Poços de Caldas (0.4 Mmt) and São Luís (0.5 Mmt)), and mining capacity with an operating rate of 0.3 BDkmt at Poços de Caldas.

Alumina and aluminum global cost curves

Alcoa moves to 17th percentile in 2016

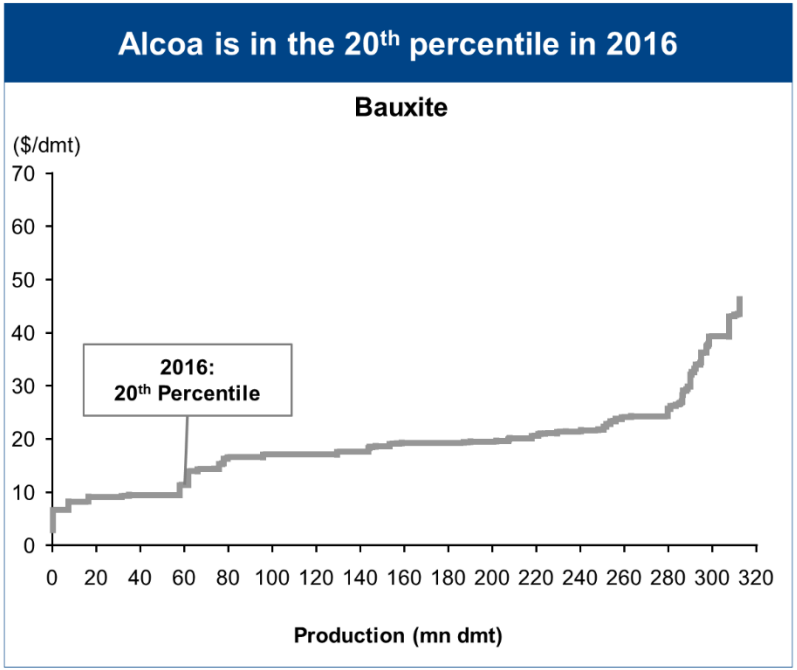


Alcoa moves to the 38th percentile in 2016



Source: CRU and Alcoa analysis

Bauxite global cost curve



Source: CRU and Alcoa analysis

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

Capital structure: low debt, substantial liquidity

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

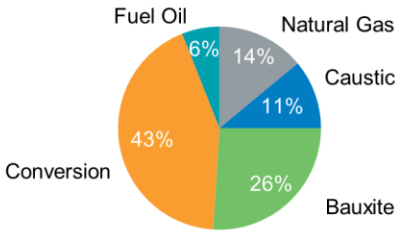
- Conservative balance sheet with substantial liquidity
- Assumes starting cash balance of $632M
- Alcoa Corporation issued $1.25B of funded debt, assumed $0.2B BNDES loan
- Credit ratings of BB- and Ba3 from S&P and Moody's respectively

($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

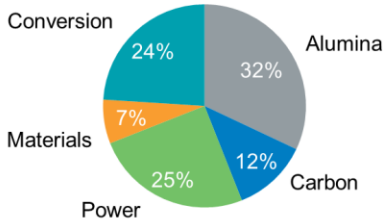
Composition of upstream production costs

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
Petroleum 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
Coal Tar 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							(3)				
Alcoa Corp.	233	63	118	101	29	(23)	6	3	(6)	7	3

Revenue information

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

Segment	Pricing
Cast Products	15-day lag to LME + Regional Premium + Product Premium
Rolled Products	30-day lag to LME + Regional premium + Product Premium
Energy	Market pricing

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).

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.

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