The Element of **Possibility**™

4th Quarter Earnings

Alcoa Corporation

January 24, 2017



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 bauxite, alumina, and aluminum, and supply/demand balances; statements, projections or forecasts of future financial results or operating performance; and statements about strategies, outlook, business and financial prospects. These statements reflect beliefs and assumptions that are based on Alcoa Corporation’s perception of historical trends, current conditions and expected future developments, as well as other factors that management 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. 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 cyberattacks and potential information technology or data security breaches; and (l) 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. Alcoa Corporation disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law. Market projections are subject to the risks discussed above and other risks in the market.

Important information (continued)

Non-GAAP financial measures

This presentation includes unaudited “non-GAAP financial measures” (GAAP means accounting principles generally accepted in the United States of America) 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 reconciliations 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.

Financial presentation information

Methodology used for financial reporting

- 4Q16 information: Based on one month of Alcoa Inc. carve out financial results (October) and two months of Alcoa Corporation actual financial results (November & December)
- FY16 information: Based on ten months of Alcoa Inc. carve out financial results (January through October) and two months of Alcoa Corporation actual financial results (November & December)

Roy Harvey

Chief Executive Officer



Solid Alcoa Corporation launch, focused on the future

New company launched on November 1, 2016

- Net loss of $125 million, or $(0.68) per share; excluding special items, adjusted net income of $26 million, or $0.14 per share
- Adjusted EBITDA excl. special items[1] of $335M, up 18% vs. 3Q16
- Increased cash balance by $198M since November 1st. Cash balance of $853M on December 31st
- Growing market demand in bauxite, alumina and aluminum; stable outlook for 2017
- Managing with a focus to reduce complexity, generate cash and invest for strong returns

1. See appendix for adjusted EBITDA excl. special items reconciliation.

William Oplinger

Chief Financial Officer

Alcoa

Income statement summary

$M, Except Realized Prices and Per Share Amounts	4Q15	3Q16	4Q16	Prior Year Change	Sequential Change
Realized Aluminum Price ($ / MT) - Cast Products segment	$1,802	$1,873	**$1,906**	$104	$33
Realized Alumina Price ($ / MT) - Alumina segment	$261	$248	**$272**	$11	$24
Revenue	$2,451	$2,329	**$2,537**	$86	$208
Cost of Goods Sold	$2,157	$1,968	**$2,123**	($34)	$155
COGS % Revenue	88.0%	84.5%	**83.7%**	(4.3%) pts.	(0.8%) pts.
SG&A and R&D Expenses[1]	$107	$100	**$99**	($8)	($1)
SG&A and R&D % Revenue	4.4%	4.3%	**3.9%**	(0.5%) pts.	(0.4%) pts.
Adjusted EBITDA[2]	$187	$261	**$315**	$128	$54
Other Expenses / (Income), Net[3]	$51	($106)	**$1**	($50)	$107
Interest Expense	$62	$67	**$46**	($16)	($21)
Restructuring and Other Charges	$686	$17	**$209**	($477)	$192
Effective Tax Rate	(11.6%)	91.1%	**(4.8%)**	6.8% pts.	(95.9%) pts.
Net (Loss) Income	($890)	$10	**($129)**	$761	($139)
Less: Net Income attributable to noncontrolling interest	($64)	$20	**($4)**	$60	($24)
Net Loss attributable to Alcoa Corp.	($826)	($10)	**($125)**	$701	($115)
Diluted Earnings Per Share	($4.52)	($0.06)	**($0.68)**	$3.84	($0.62)

1. SG&A refers to selling, general administrative, and other expenses and R&D refers to research and development expenses.
2. See appendix for EBITDA reconciliations.
3. 3Q16 includes a $118 gain on the sale of property near the Intalco smelter.

Special Items

$M, Except Per-Share Amounts	4Q15	3Q16	4Q16	Income Statement Classification	Segment
Net Loss	($826)	($10)	**($125)**		
Net Loss per Diluted Share[1]	($4.52)	($0.06)	**($0.68)**		
Special items	$720	($85)	**$151**		
Restructuring-Related Items	*$646*	*$8*	***$123***	*Restructuring and Other Charges / COGS*	*Corporate*
Discrete Tax Items	*$62*	*$6*	***($7)***	*Income Taxes*	*Corporate*
Mark-to-Market Energy Contracts	*$6*	*($4)*	***$8***	*Other Income / Expenses, Net*	*Corporate*
Gain on Asset Sales	*-*	*($118)*	***-***	*Other Income, Net*	*Corporate*
Separation-Related Costs	*$6*	*$23*	***$27***	*SG&A / Interest Expense*	*Corporate*
Net (Loss) Income excl. Special Items	($106)	($95)	**$26**		
Net (Loss) Income per Diluted Share excl. Special Items[1]	($0.58)	($0.52)	**$0.14**		

1. Per-share amounts for 4Q15 and 3Q16 are pro forma calculation based on the 182.5M shares of Alcoa Corporation common stock distributed on November 1, 2016 in conjunction with the completion of the separation of the company from its former parent company.

Earnings growth sequentially and year on year

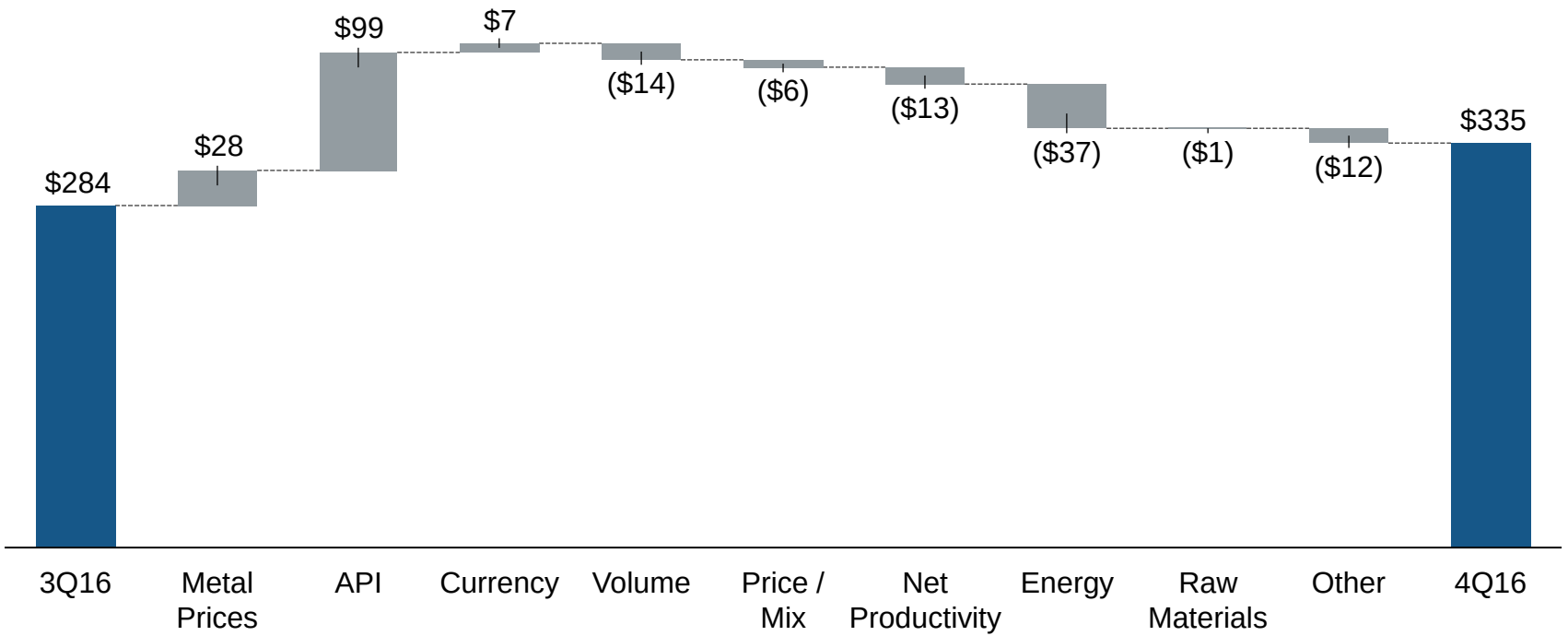
Income statement excl. special items

$M, Except Realized Prices and Per Share Amounts	4Q15	3Q16	4Q16	Prior Year Change	Sequential Change
Realized Aluminum Price ($ / MT) - Cast Products segment	$1,802	$1,873	**$1,906**	$104	$33
Realized Alumina Price ($ / MT) - Alumina segment	$261	$248	**$272**	$11	$24
Revenue	$2,451	$2,329	**$2,537**	$86	208
Cost of Goods Sold excl. special items	$2,098	$1,968	**$2,122**	$24	$154
COGS excl. special items % Revenue	85.6%	84.5%	**83.6%**	(2.0%) pts.	(0.9%) pts.
SG&A and R&D Expenses excl. special items[1]	$101	$77	**$80**	($21)	$3
SG&A and R&D excl. special items % Revenue	4.1%	3.3%	**3.2%**	(0.9%) pts.	(0.1%) pts.
Adjusted EBITDA[2] excl. special items	$252	$284	**$335**	$83	$51
Other Expenses / (Income), Net	$40	$14	**($1)**	($41)	($15)
Interest Expense	$62	$67	**$38**	($24)	($29)
Effective Tax Rate	(134.7%)	422.9%	**33.6%**	168.3% pts.	(389.3%) pts.
Adjusted Net (Loss) Income excl. special Items	($82)	($70)	**$77**	$159	$147
Less: Net Income attributable to noncontrolling interest	$24	$25	**$51**	$27	$26
Adjusted Net (Loss) Income attributable to Alcoa Corp. excl. special items	($106)	($95)	**$26**	$132	$121
Adjusted Diluted Earnings Per Share excl. special items	($0.58)	($0.52)	**$0.14**	$0.72	$0.66

1. SG&A refers to selling, general administrative, and other expenses and R&D refers to research and development expenses.
2. See appendix for adjusted EBITDA excl. special items reconciliation.

Prices boost 4Q16 adjusted EBITDA excl. special items

Adjusted EBITDA excl. special items sequential change by key impact area, $M



1. See appendix for adjusted EBITDA excl. special items reconciliation

4Q16 Segment summary

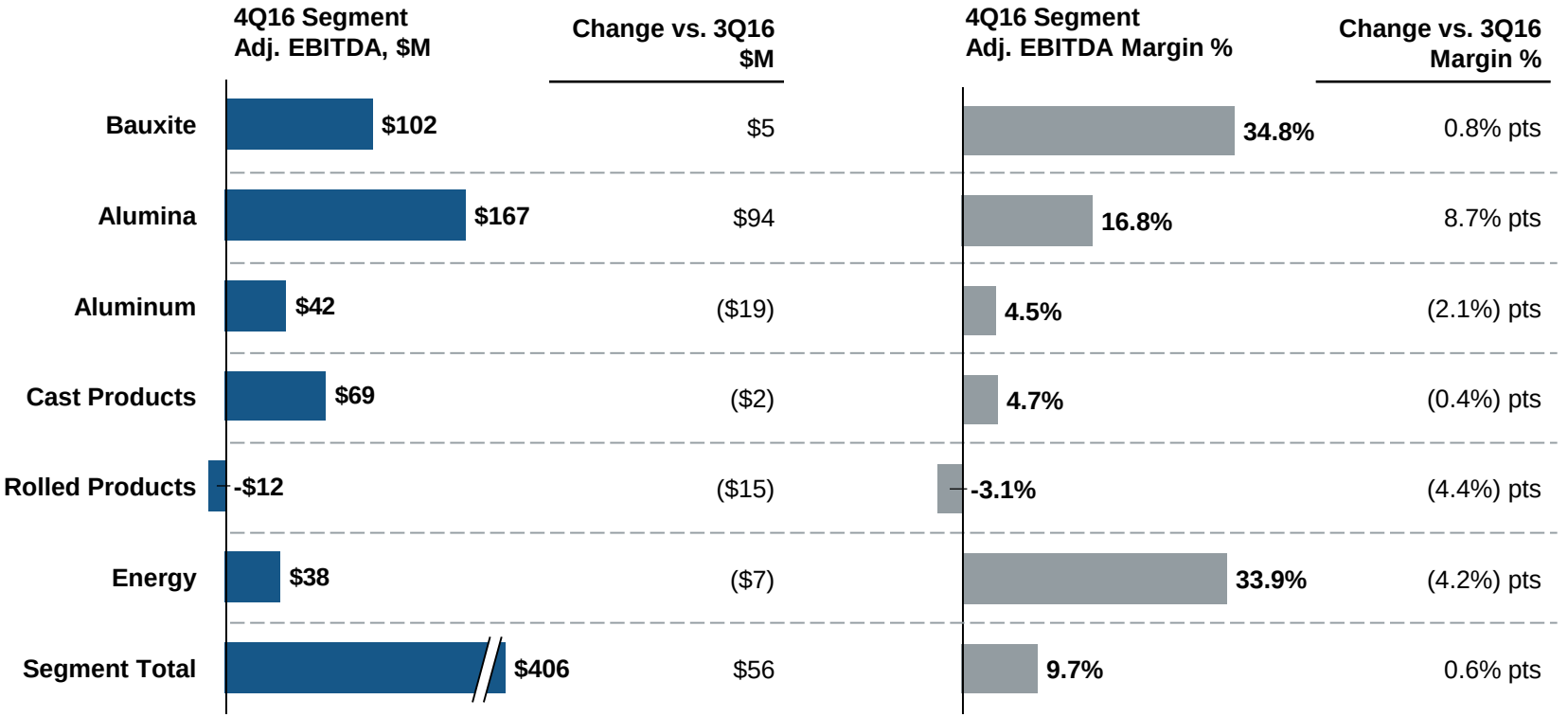
Key segment metrics – Three months ending December 31, 2016

Segment	Volume Measure	4Q16 Volume	3rd Party Revenue $M	Total Revenue[1] $M	ATOI $M
Bauxite	Production (Mbdmt)	11.8	$91	$293	**$56**
Alumina	Production (Mmt)	3.3	$618	$995	**$81**
Aluminum	Production (Mmt)	0.6	($6)	$941	**($3)**
Cast Products	3rd-Party Shipments (Mmt)	0.7	$1,337	$1,456	**$43**
Rolled Products	3rd-Party Shipments (Mmt)	0.2	$386	$386	**($16)**
Energy	Net Generation (MWh)	1.8	$71	$112	**$17**

1. Before intersegment eliminations.

Alumina margin doubles, drives segment improvement

Adjusted EBITDA[1] sequential comparison



1. See appendix for adjusted EBITDA reconciliations.

Gains partially offset by LIFO costs

4Q16 Adjusted EBITDA excl. special items[1] breakdown by component, $M

Income/(Expense)	3Q16	4Q16	$ Change
Segment Total Adjusted EBITDA	**$350**	**$406**	**$56**
Segment Operations excl. Pension / OPEB	$380	$436	$56
Segment Pension / OPEB	($30)	($30)	–
Corporate Total Adjusted EBITDA excl. special items	**($66)**	**($71)**	**($5)**
Transformation	($24)	($20)	$4
Corp. Pension / OPEB	($8)	($5)	$3
Impact of LIFO and metal price lag	$2	($24)	($26)
Other	($36)	($22)	$14
Total Adjusted EBITDA excl. special items	**$284**	**$335**	**$51**
Total Adjusted EBITDAP[2] excl. special items	$322	$370	$48
Segment Pension / OPEB + Corp. Pension / OPEB	($38)	($35)	$3

1. See appendix for adjusted EBITDA excl. special items reconciliation
2. Adjusted EBITDAP – Adjusted EBITDA excl. special items plus segment Pension / OPEB and Corp. Pension / OPEB

Solid cash and working capital days, low leverage

Key financial metrics as of December 31, 2016

- Manage cash position
- Optimize working capital

Cash	4Q16 Working Capital
$853M	13 Days

- Maintain assets
- Invest in return seeking projects

FY16 Capital Expenditures[1]	FY16 Return on Capital[2]
$404M	5.3%

- Manage leverage
- Focus on pension and OPEB

Net Debt-to-FY16 Adjusted EBITDA[2]	Underfunded Pension & OPEB Liability
0.6x	$3.1B

1. $88M in return seeking capital expenditures in 2016 and $322M in sustaining capital expenditures
2. See appendix for return on capital calculation and adjusted EBITDA reconciliation

Outlook for 2017; updating capital investment plan

FY17 outlook

Estimated shipments	
Bauxite (Mbdmt)[1]	47.5 – 48.5
Alumina (Mmt)	13.8 – 13.9
Aluminum (Mmt)	2.3 – 2.4
Cast Products (Mmt)	2.8 – 2.9
Rolled Products (Mmt)[2]	0.6 – 0.7
Energy net generation (GWh)[3]	7.1 – 7.2

Key financial measures		
EXPENSE IMPACTS	Pension & OPEB	~ $175M
	Interest	~ $110M
	Transformation[4]	~ $150M
	Other Corporate spending[5]	~ $150M
	Effective corporate tax rate[6]	Varies
CASH IMPACTS	Pension & OPEB contributions	< $250M
	Return-seeking capital expenditures[7]	~ $150M
	Sustaining capital expenditures[7]	< $300M
	DOJ / SEC payments (January)	$74
	Environmental and Asset Retirement Obligation payments	$150M – $170M
	Cash taxes[6]	Varies

1. Does not include ~1.0Mbdmt of Ma'aden shipments
2. Includes tolled volume from Tennessee
3. Does not include Yadkin or Manicouagan and reflects reduced generation at Warrick
4. Transformation in 2017 reflects addition of Warrick smelter, Suralco refinery and Anglesea power station
5. Does not include Transformation, Corp. Pension/OPEB, and Impact of LIFO and metal price lag
6. Varies with jurisdictional profitability
7. AWAC portion: ~55% of return-seeking capital expenditures, and ~45% of sustaining capital expenditures

Roy Harvey

Chief Executive Officer



Progress in 2016 enabled separation, positions for 2017

Activities and accomplishments in 2016

2016

- **Productivity:** Achieved $760M 2016 gross productivity versus $550M target; **net performance of $290M**
- **Bauxite:** 6.0M bdmt total third-party shipments from all mines; initial shipments from Australia to China; granted five year export license from Western Australia
- **Production Records:** Annual production records at Juruti, three alumina refineries and four smelters
- **Portfolio**: Warrick smelter and Suriname refinery closed, Point Comfort refinery curtailed
- **Rolled Products:** Warrick rolling mill transitioned to cold metal sourcing and qualifying Ma'aden Rolling Company
- **Portland Smelter:** Faced energy contract and power outage challenges; resolved in 2017

Key capital expenditures driving progress

Examples of recently completed projects and impacts

Return-Seeking

Juruti expansion
Capex = $13M



- Expanded production capacity to meet third party bauxite sales goals; foundation for future growth
- 2016 EBITDA benefit of $5M

Pinjarra calciner filtrate return
Capex = $4M



- Rebuilt and improved our production flows based on advanced modeling analysis from our Center of Excellence
- Projected internal rate of return over 150%

Sustaining

Kwinana residue filtration
Capex = $115M



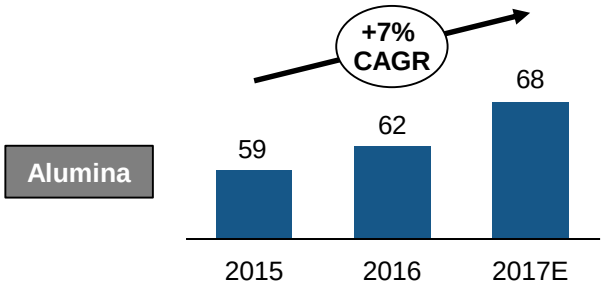
- Built innovative filtration complex and reduced environmental footprint for residue management
- Saves half of the required capital investment over a 10 year period

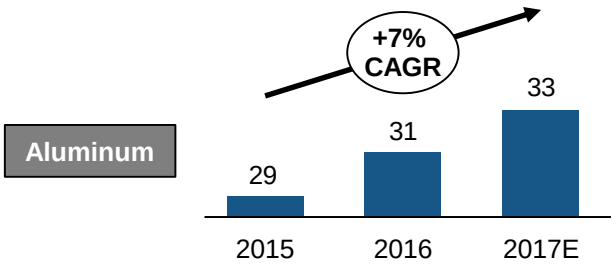
Strong fundamentals driven by Chinese market

Chinese market developments and outlook

Strong demand

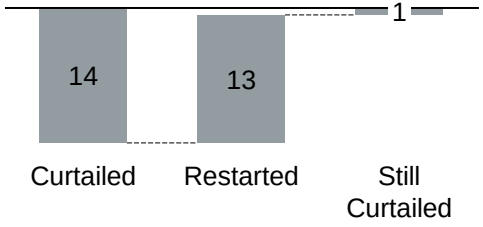
Chinese demand, 2015-2017E (Mmt)

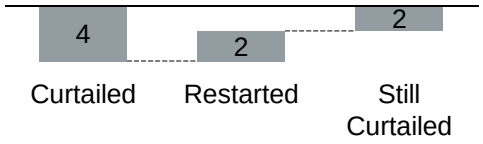




Limited capacity available to respond

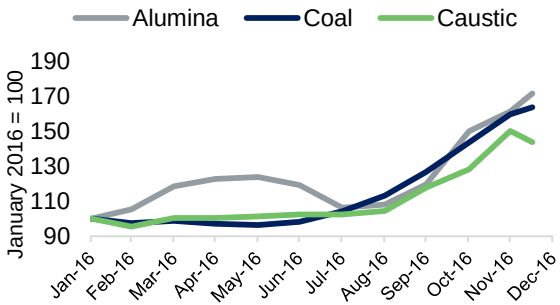
Chinese capacity, 2015-2016 (Mmtpy)





Rising input costs

Chinese alumina, coal, caustic prices (indexed)



- **Caustic**: Poor economics for co-product chlorine limiting supply while alumina restarts raising demand
- **Coal:** Government action cut production and pushed prices higher
- **Alumina:** Rising alumina prices driven by input costs and market deficit.

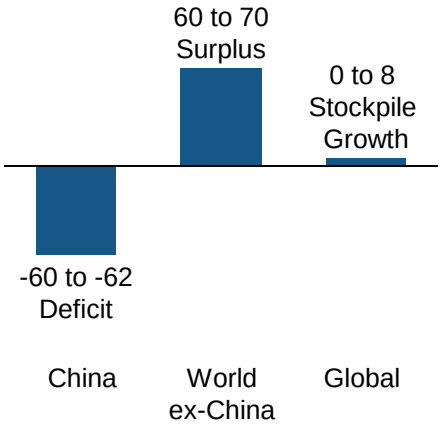
Source: Alcoa analysis, Platts, CRU, CM Group, Bloomberg, Zhengzhou Coal Futures, Baiinfo, SCI

Stable market outlook in 2017

Projected market balances

Bauxite – Relative balance

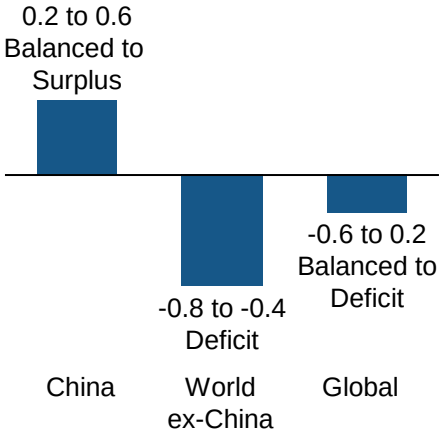
2017E Bauxite Balance (3rd Party Seaborne) (Mmt)



Chinese stockpile growth: risks include changes to Malaysian and Indonesian export policies and Chinese ramp up in Guinea

Alumina – Relative balance

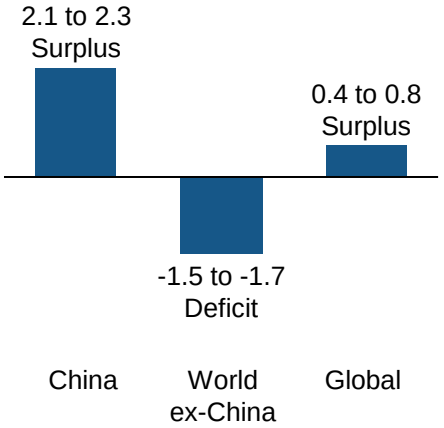
2017E Alumina Balance (Mmt)



Balances assume Chinese alumina imports of 3.3 Mmt

Aluminum – Modest surplus

2017E Primary Aluminum Balance (Mmt)



Demand Growth (vs. 2016)

+6%	***+2%***	***+4%***

Source: Alcoa analysis, CRU, Wood Mackenzie, IAI, CNIA, NBS, Aladdiny, Bloomberg; Alumina refers to smelter-grade alumina

Focused on driving results in 2017 and beyond

Top priorities

Strengthen Balance Sheet	▪ **Preserve cash optionality** ▪ Manage pension and OPEB obligations
Reduce Complexity	▪ Simplify processes, streamline management systems, **reduce costs** ▪ Setting **2017 net performance goal[1] of $50M** after overcoming energy and raw material headwinds of $125M+
Drive Returns	▪ Estimate 2017 adjusted EBITDA excl. special items of **$2.1B[2] to $2.3B[2]** ▪ Planning **three year targets for Return on Capital (ROC)** to be released in mid 2017

1. Excludes impacts of LME, regional premiums, API and foreign currency
2. Based on $1,795 LME, $335 API and spot regional premiums and foreign currencies

Appendix

Includes EBITDA Reconciliations



4Q16 Segment financial summary

Key financial metrics – Three months ending December 31, 2016

Segment	3rd Party Revenue $M	Total Revenue[1] $M	Adj. EBITDA[1,2] $M	Adj. EBITDA Margin %	ATOI $M
Bauxite	$91	$293	$102	34.8%	$56
Alumina	$618	$995	$167	16.8%	$81
Aluminum	($6)	$941	$42	4.5%	($3)
Cast Products	$1,337	$1,456	$69	4.7%	$43
Rolled Products	$386	$386	($12)	-3.1%	($16)
Energy	$71	$112	$38	33.9%	$17
Corporate	$40	($1,646)	($91)	–	
Transformation	*$40*	*$40*	*($20)*	*–*	
Corp. Pension / OPEB	*–*	*–*	*($5)*	*–*	
Impact of LIFO and metal price lag	*–*	*–*	*($24)*	*–*	
Other[3]	*–*	*($1,686)*	*($42)*	*–*	
Alcoa Corporation Total	**$2,537**	**$2,537**	**$315**	**12.4%**	

1. Before intersegment eliminations.
2. See appendix for adjusted EBITDA excluding special items reconciliations.
3. Total Revenue for Other 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)

4Q16 Adjusted EBITDA drivers by segment

Sequential Adjusted EBITDA change impacts by segment vs. 3Q16, $M

Segment	Adj. EBITDA 3Q16	Metal Prices	API	Currency	Volume	Price/Mix	Net Product-ivity	Energy	Raw Materials	Other	Adj. EBITDA 4Q16
Bauxite	**$97**	$0	$0	$1	$1	$3	($1)	$0	$0	$1	**$102**
Alumina	**$73**	$7	$103	$11	($14)	($8)	$4	($2)	($1)	($6)	**$167**
Aluminum	**$61**	$21	($4)	$2	$0	$0	($11)	($29)	$0	$2	**$42**
Cast Products	**$71**	$1	$0	($7)	$2	$0	$4	($1)	$0	($1)	**$69**
Rolled Products	**$3**	$0	$0	$0	($3)	($1)	($9)	($1)	$0	($1)	**($12)**
Energy	**$45**	$0	$0	$0	$0	$0	($1)	($4)	$0	($2)	**$38**

FY16 Segment financial summary

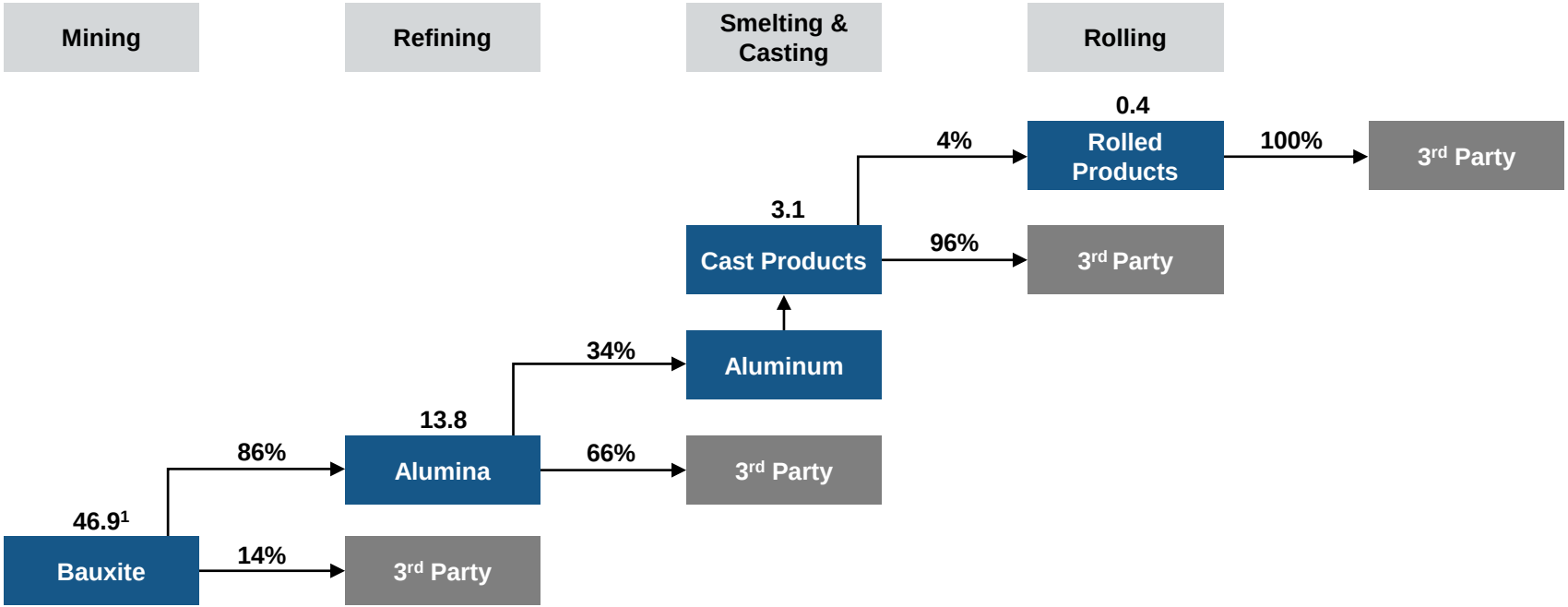
Key financial metrics – Twelve months ending December 31, 2016

Segment	3rd Party Revenue $M	Total Revenue[1] $M	Adj. EBITDA[1,2] $M	Adj. EBITDA Margin %	ATOI $M
Bauxite	$315	$1,066	$375	35.2%	$212
Alumina	$2,300	$3,607	$351	9.7%	$102
Aluminum	$9	$3,763	$186	4.9%	($19)
Cast Products	$5,201	$5,517	$284	5.1%	$176
Rolled Products	$1,069	$1,069	$6	0.6%	($41)
Energy	$280	$448	$160	35.7%	$76
Corporate	$144	($6,152)	($334)	–	
Transformation	*$144*	*$141*	*($109)*	*–*	
Corp. Pension / OPEB	*–*	*–*	*($41)*	*–*	
Impact of LIFO and metal price lag	*–*	*–*	*($1)*	*–*	
Other[3]	*–*	*($6,293)*	*($183)*	*–*	
Alcoa Corporation Total	**$9,318**	**$9,318**	**$1,028**	**11.0%**	

1. Before intersegment eliminations.
2. See appendix for adjusted EBITDA excluding special items reconciliations.
3. Total Revenue for Other 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)

Aluminum value chain

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

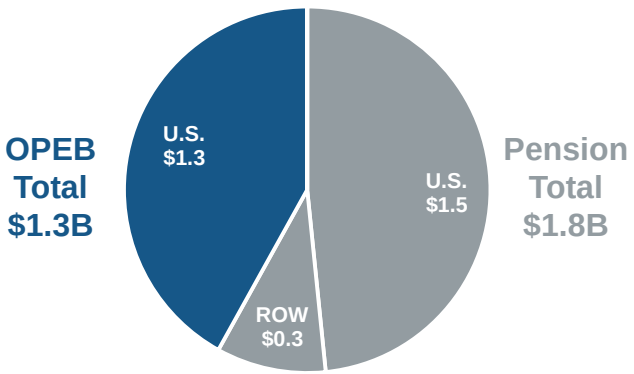


1. Does not include 0.9Mbdmt of Ma'aden shipments in 2016.

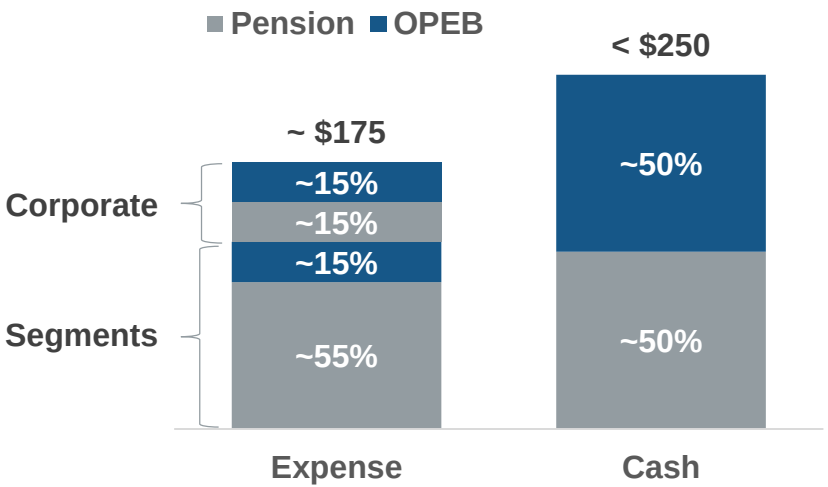
Pension and OPEB summary

Pension and OPEB overview

$3.1B in unfunded liability as of December 31, 2016[1]



2017 Impacts, $M



Pension funding status

- U.S. ERISA **~86%**
- GAAP Worldwide **~75%**

2017 Service cost estimates

- Pension: < $75M (~95%+ in Segments)
- OPEB: < $10M (~95%+ in Segments)

1. Blended discount rate used for both Pension & OPEB unfunded liability is 4.09%

Return on Capital (ROC) overview

Purpose and calculation methodology

Why ROC?

- Evaluates ability to drive returns above cost of capital
- Measures total capital invested, organic and inorganic
- Aligns management and shareholder focus on value creating projects

Calculation framework

$$\text{ROC \%} = \frac{(\text{PBT}^1 + \text{DDA}^2 + \text{Net Interest}^3 + \text{Restructuring}) \times (1 - \text{Fixed Tax Rate}^4)}{(\text{Assets} - \text{Cash} - \text{Current Liabilities} + \text{Short Term Debt})^5} \times 100$$

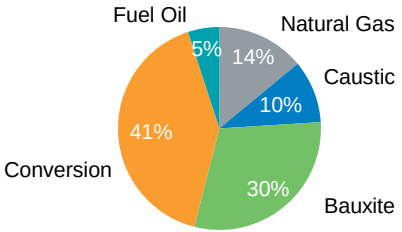
$$\text{ROC \%} = \frac{(-\$162 + \$718 + \$237 + \$318) \times (1 - 0.35)}{(\$16{,}396 - \$450 - \$2{,}343 + \$20)} \times 100 = 5.3\%$$

1. PBT – Profit before taxes = Net Income + Income Attributable to Non-Controlling Interest + Taxes
2. DDA – Depreciation, depletion and amortization
3. Interest income + interest expense
4. Fixed Tax Rate of 35%
5. All denominator Items based on a four quarter average

Composition of production costs

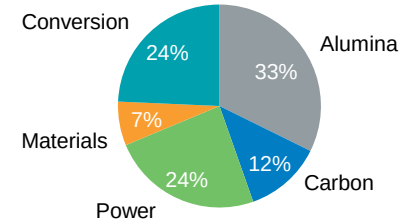
Production cost information

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

2017 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						(3)	4				
Alumina	11	110				(16)	5		(1)		
Aluminum	209	(41)	102	101	8	(1)		2	(3)	6	2
Cast Products	6		3	3	15			1	(1)	2	1
Rolled Products											
Energy							(3)				
Alcoa Corp.	226	69	105	104	23	(20)	6	3	(5)	8	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
Cast Products	15-day lag to LME + Regional Premium + Product Premium
Rolled Products	30-day lag to LME + Regional Premium + Conversion Revenue
Energy	Market pricing

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
Suralco	2016	2,207
Total		**2,986**

Curtailed

Facility	Year	kmt
Point Comfort	2008	295
Point Comfort	2015	375
Point Comfort	2016	1,635
Total		**2,305**

Adjusted EBITDA reconciliation

(in millions) *Adjusted EBITDA*	4Q15	3Q16	4Q16	FY16
Net Loss attributable to Alcoa Corporation	($826)	($10)	**($125)**	($400)
Add:				
Net income attributable to non-controlling interest	(64)	20	**(4)**	54
Provision for income taxes	92	92	**6**	184
Other (income) expenses, net	51	(106)	**1**	(89)
Interest expense	62	67	**46**	243
Restructuring and other charges	686	17	**209**	318
Provision for depreciation, depletion, and amortization	186	181	**182**	718
Adjusted EBITDA	187	261	**315**	1,028
Special items before tax and non-controlling interest	65	23	**20**	80
Adjusted EBITDA excl. special items	$252	$284	**$335**	$1,108

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. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

4Q16 Segment adjusted EBITDA reconciliation

($ in millions)	For the three months ended December 31, 2016					
Alcoa Corporation - Segments	**Bauxite**	**Alumina**	**Aluminum**	**Cast Products**	**Rolled Products**	**Energy**
After-tax operating income (ATOI)	**56**	**81**	**(3)**	**43**	**(16)**	**17**
Add:						
Depreciation, depletion, and amortization	20	47	73	11	6	14
Equity loss (income)	0	10	(11)	2	9	0
Income taxes	26	30	(17)	14	(12)	6
Other	0	(1)	0	(1)	1	1
Adjusted EBITDA	**102**	**167**	**42**	**69**	**(12)**	**38**
Total sales	**293**	**995**	**941**	**1,456**	**386**	**112**
Adjusted EBITDA margin	34.8%	16.8%	4.5%	4.7%	-3.1%	33.9%

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.

FY16 Segment adjusted EBITDA reconciliation

($ in millions)	For the twelve months ended December 31, 2016					
Alcoa Corporation - Segments	**Bauxite**	**Alumina**	**Aluminum**	**Cast Products**	**Rolled Products**	**Energy**
After-tax operating income (ATOI)	**212**	**102**	**(19)**	**176**	**(41)**	**76**
Add:						
Depreciation, depletion, and amortization	77	186	295	42	23	57
Equity loss (income)	0	40	(23)	7	40	0
Income taxes	87	37	(60)	60	(17)	26
Other	(1)	(14)	(7)	(1)	1	1
Adjusted EBITDA	**375**	**351**	**186**	**284**	**6**	**160**
Total sales	1,066	3,607	3,763	5,517	1,069	448
Adjusted EBITDA margin	35.2%	9.7%	4.9%	5.1%	0.6%	35.7%

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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