The Element of ***Possibility***™

1st Quarter Earnings

Alcoa Corporation

April 18, 2018

Important information

Cautionary statement regarding 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 or targeted 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 known and unknown 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) declines in the discount rates used to measure pension liabilities or lower-than-expected investment returns on pension assets, or unfavorable changes in laws or regulations that govern pension plan funding; (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, restarts, 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 Item 1A of Alcoa Corporation’s Form 10-K for the fiscal year ended December 31, 2017 and other reports filed by Alcoa Corporation with the U.S. Securities and Exchange Commission (SEC). 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

Some of the information included in this presentation is derived from Alcoa's consolidated financial information but is not presented in Alcoa's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Certain of these data are considered "non-GAAP financial measures" under SEC rules. Alcoa Corporation believes that the presentation of non-GAAP financial measures is useful to investors because such measures provide both additional information about the operating performance of Alcoa Corporation and insight on the ability of Alcoa Corporation to meet its financial obligations by adjusting the most directly comparable GAAP financial measure for the impact of, among others, "special items" as defined by the Company, non-cash items in nature, and/or nonoperating expense or income items. 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. Reconciliations to the most directly comparable GAAP financial measures and management's rationale for the use of the non-GAAP financial measures can be found in the appendix to this presentation.

This presentation includes a range of forecasted 2018 Adjusted EBITDA for the Company. Alcoa Corporation has not provided a reconciliation of this forward-looking non-GAAP financial measure to the most directly comparable GAAP financial measure for the following reasons. The Company's financial results are heavily dependent on market-driven factors, such as LME-based prices for aluminum, index- and spot-based prices for alumina, and foreign currency exchange rates. As such, the Company may experience significant volatility on a daily basis related to its forecasted Adjusted EBITDA. Management applies estimated sensitivities, such as relating to aluminum and alumina prices and foreign currency exchange rates, to the components that comprise Adjusted EBITDA. However, a similar analysis cannot be performed relating to the components necessary to reconcile Adjusted EBITDA to the most directly comparable GAAP financial measure without unreasonable effort due to the additional variability and complexity associated with forecasting such items. Consequently, management believes such reconciliation would imply a degree of precision that would be confusing and/or potentially misleading to investors.

Financial presentation information

On January 1, 2018, Alcoa Corporation adopted changes issued by the Financial Accounting Standards Board to the presentation of net periodic benefit cost related to pension and other postretirement benefit plans. These changes require the non-service cost components of net periodic benefit cost to be reported separately from the service cost component in an entity's income statement. Additionally, these changes are required to be applied retrospectively. Accordingly, previously reported amounts for Cost of goods sold, Selling, general administrative, and other expenses, and Other expenses (income), net on Alcoa Corporation's consolidated income statement have been recast to reflect these changes. As a result, previously reported amounts for Adjusted EBITDA on both a consolidated basis and for each of the Company's three segments have been updated to reflect these changes. See the appendix for additional information.

Glossary of terms

A glossary of abbreviations and defined terms used throughout this presentation can be found in the appendix.

Roy Harvey

President and Chief Executive Officer

Resilient results in unprecedented times

1Q18 Financial results and business and market update

1Q18 Financial results	
1Q18 Financial results	▪ Net income of $150 million, or $0.80 per share; excluding special items, adjusted net income of $145 million, or $0.77 per share ▪ Adjusted EBITDA excluding special items of $653 million ▪ Days working capital of 18 days ▪ Cash balance at $1.2 billion on March 31
Business and markets update	▪ One serious injury in 1Q18; focus on fatality and serious injury prevention ▪ Warrick restart nearing completion; all three potlines energized ▪ Announced U.S. and Canadian salaried employee pension plan freeze in January; completed annuitization of certain Canadian pensions in April ▪ U.S. Government trade actions, global supply disruptions impacting markets ▪ Deficits now projected for both alumina and aluminum markets in 2018 ▪ Raising FY18 adj. EBITDA excl. special items outlook to $3.5 to $3.7 billion[1]

1. Based on actual YTD 2018 results; outlook for unpriced sales at $2,300 LME, $500 API, $0.21 Midwest premium and updated regional premiums and currencies.

William Oplinger

Executive Vice President and Chief Financial Officer

Alcoa

Higher Midwest premium offsets lower alumina revenues

Quarterly income statement

M, Except realized prices and per share amounts	1Q17	4Q17	1Q18	Prior Year Change	Sequential Change
Realized primary aluminum price ($/mt)	$2,080	$2,365	**$2,483**	$403	$118
Realized alumina price ($/mt)	$325	$406	**$385**	$60	$(21)
Revenue	$2,655	$3,174	**$3,090**	$435	$(84)
Cost of goods sold	$2,023	$2,339	**$2,381**	$358	$42
SG&A and R&D expenses	$78	$78	**$75**	$(3)	$(3)
Adjusted EBITDA	$554	$757	**$634**	$80	$(123)
Depreciation, depletion and amortization	$179	$187	**$194**	$15	$7
Other expenses / (income), net	$(79)	$30	**$21**	$100	$(9)
Interest expense	$26	$27	**$26**	$-	$(1)
Restructuring and other charges	$10	$297	**$(19)**	$(29)	$(316)
Tax provision	$110	$272	**$138**	$28	$(134)
Net income (loss)	$308	$(56)	**$274**	$(34)	$330
Less: Net income attributable to noncontrolling interest	$83	$140	**$124**	$41	$(16)
Net income (loss) attributable to Alcoa Corporation	$225	$(196)	**$150**	$(75)	$346
Diluted earnings (loss) per share	$1.21	$(1.06)	**$0.80**	$(0.41)	$1.86
Diluted shares outstanding	186.3	185.1	**188.5**	2.2	3.4

Special items total $(5) million

Breakdown of special items by income statement classification – gross basis

M, Except per share amounts	**1Q17**	**4Q17**	**1Q18**	**Description of significant 1Q18 special items**
Net income (loss) attributable to Alcoa Corporation	$225	$(196)	**$150**	
Diluted earnings (loss) per share	$1.21	$(1.06)	**$0.80**	
Special items	$(108)	$391	**$(5)**	
Cost of goods sold	-	*$39*	***$19***	*Warrick smelter restart costs*
Selling, general administrative and other	-	-	**-**	
Restructuring and other charges	*$10*	*$297*	***$(19)***	*Pension and OPEB actions in U.S. and Canada*
Interest expense	-	-	**-**	
Other expenses / (income), net	*$(124)*	*$(1)*	***$(17)***	*Mark-to-market energy contracts*
Tax provision	*$3*	*$68*	***$12***	*Taxes on special items*
Noncontrolling interest	*$3*	*$(12)*	**-**	
Adjusted net income attributable to Alcoa Corporation	$117	$195	**$145**	
Adjusted diluted earnings per share	$0.63	$1.04	**$0.77**	

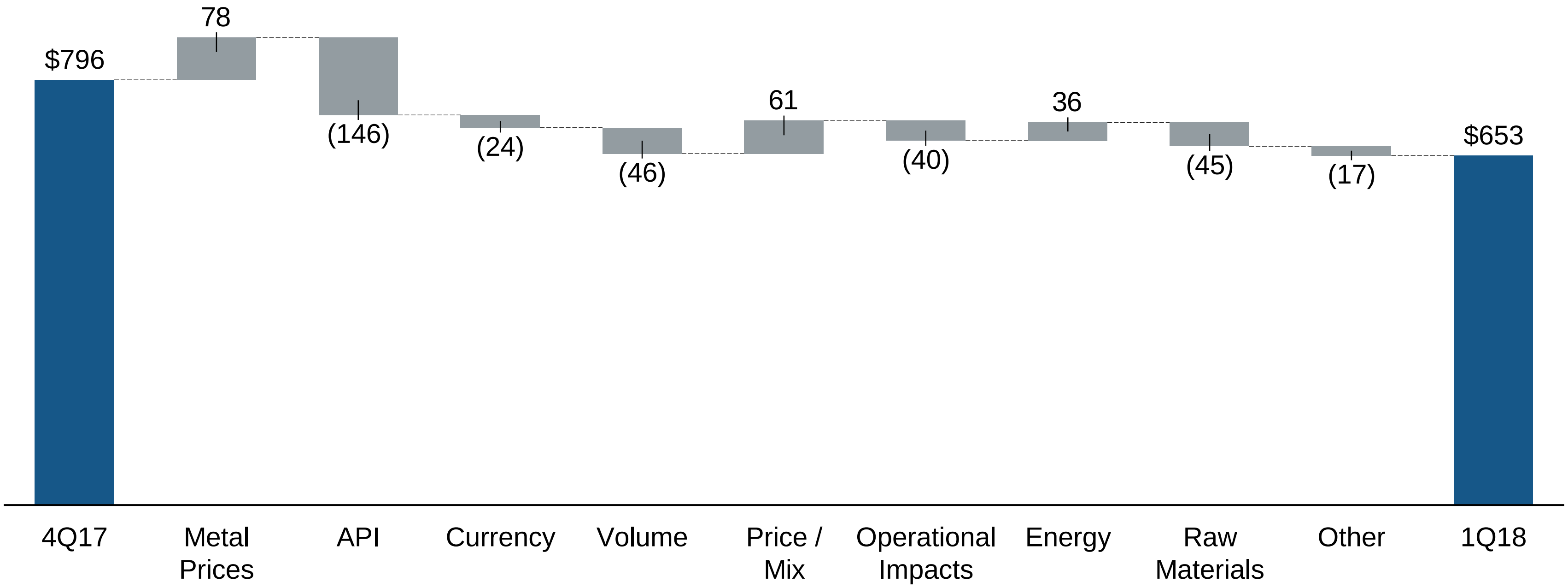
Adjusted EBITDA excluding special items of $653 million

Quarterly income statement excluding special items

M, Except realized prices and per share amounts	1Q17	4Q17	1Q18	Prior Year Change	Sequential Change
Realized primary aluminum price ($/mt)	$2,080	$2,365	**$2,483**	$403	$118
Realized alumina price ($/mt)	$325	$406	**$385**	$60	$(21)
Revenue	$2,655	$3,174	**$3,090**	$435	$(84)
Cost of goods sold	$2,023	$2,300	**$2,362**	$339	$62
COGS % revenue	76.2%	72.5%	**76.4%**	0.2% pts.	3.9% pts.
SG&A and R&D expenses	$78	$78	**$75**	$(3)	$(3)
SG&A and R&D % revenue	2.9%	2.5%	**2.4%**	(0.5)% pts.	(0.1)% pts.
Adjusted EBITDA	$554	$796	**$653**	$99	$(143)
Depreciation, depletion and amortization	$179	$187	**$194**	$15	$7
Other expenses / (income), net	$45	$31	**$38**	$(7)	$7
Interest expense	$26	$27	**$26**	$-	$(1)
Tax provision	$107	$204	**$126**	$19	$(78)
Operational tax rate	35.3%	37.1%	**31.9%**	(3.4)% pts.	(5.2)% pts.
Adjusted net income	$197	$347	**$269**	$72	$(78)
Less: Net income attributable to noncontrolling interest	$80	$152	**$124**	$44	$(28)
Adjusted net income attributable to Alcoa Corporation	$117	$195	**$145**	$28	$(50)
Adjusted diluted earnings per share	$0.63	$1.04	**$0.77**	$0.14	$(0.27)
Diluted shares outstanding	186.3	188.0	**188.5**	2.2	0.5

Alumina pricing is largest sequential impact in 1Q18

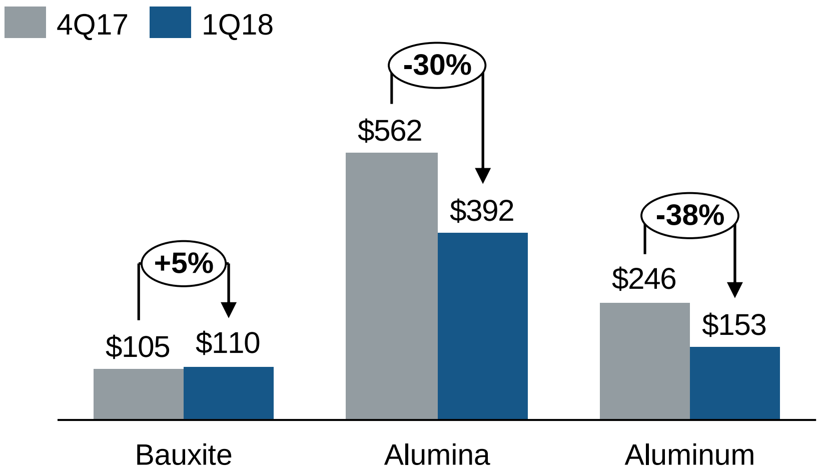
Adjusted EBITDA excluding special items sequential changes, $M



API impacts both Alumina and Aluminum segments

Adjusted EBITDA excluding special items breakdown

Segment information, $M



	Bauxite	Alumina	Aluminum
1Q18 Segment Adj. EBITDA Margin %	37.2%	28.7%	7.2%
Change vs. 4Q17, Margin %	2.9% pts.	-8.3% pts.	-4.3% pts.

Total adjusted EBITDA information, $M

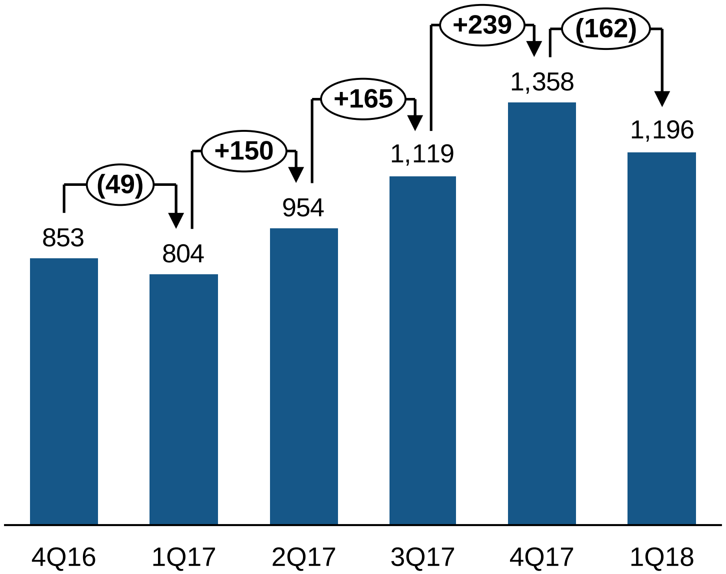
	4Q17	1Q18	Change
Segment total	$913	**$655**	$(258)
Transformation	10	**(2)**	(12)
Corporate inventory accounting[1]	(95)	**31**	126
Other corporate	(32)	**(31)**	1
Total adjusted EBITDA	$796	**$653**	$(143)

1. Includes intercompany eliminations, and impact from both LIFO and metal price lag.

Cash balance at $1.2 billion

Quarterly cash comparison and cash flows, $M

Quarter ending cash balance



Free cash flow and change in cash

	1Q17	2Q17	3Q17	4Q17	1Q18
Cash provided from operations	$74	$311	$384	$455	$55
Capital expenditures	(71)	(88)	(96)	(150)	(74)
Free cash flow	**$3**	**$223**	**$288**	**$305**	**$(19)**

	1Q17	2Q17	3Q17	4Q17	1Q18
Cash provided from operations	$74	$311	$384	$455	$55
Cash used for financing	(260)	(78)	(115)	(53)	(147)
Cash provided from (used for) investing[1]	131	(87)	(100)	(170)	(74)
Effect of exchange rate changes on cash[1]	6	4	(4)	7	4
Net change in cash[1]	**$(49)**	**$150**	**$165**	**$239**	**$(162)**

1. On January 1, 2018, Alcoa adopted changes issued by the Financial Accounting Standards Board to the presentation of restricted cash in the statement of cash flows. For these three line items, there was no impact to the 1Q18 and 4Q17 amounts. The impact to these three line items for 1Q17, 2Q17, and 3Q17 was not material. As a result, the amounts reflected in the table for 1Q17, 2Q17, and 3Q17 are as previously reported.

Capital allocation, strengthening balance sheet: on track

Capital allocation and key financial metrics as of March 31, 2018

Maintain liquidity
Greater than $1B cash balance

Sustain the operations
~$300M in sustaining capital expenditures

Drive value creation
~$150M in return-seeking capital expenditures

Optimize liabilities
~$300M plus 50% excess cash above $1B

Return cash to stockholders
50% excess cash above $1B

Funded $95 million to facilitate annuitization of certain Canadian pension benefits in April

Cash	1Q18 Days working capital
$1,196M	18 Days
1Q18 Capital expenditures[1]	**1Q18 Annualized return on capital**
$74M	8.4%
Net debt-to-LTM adjusted EBITDA	**Pension & OPEB net liability[2]**
0.11x	$3.3B

1. $18M in return-seeking capital expenditures and $56M in sustaining capital expenditures
2. U.S. and Canadian salaried pension plans and U.S. salaried OPEB plan remeasured as of January 31, 2018 due to retirement benefit changes.

2018 Outlook

FY18 Key metrics

Total shipments

	1Q18 Actual	FY18 Outlook
Bauxite (Mdmt)	11.5	47.5 – 48.5
Alumina (Mmt)	3.5	13.8 – 14.0
Aluminum (Mmt)	0.8	3.1 – 3.3

Cash flow impacts

	1Q18 Actual	FY18 Outlook
Minimum required pension/OPEB funding	$67M	~ $450M
Additional pension funding	–	~ $300M
Return-seeking capital expenditures[2]	$18M	~ $150M
Sustaining capital expenditures[2]	$56M	~ $300M
DOJ / SEC (final payment January 2018)	$74M	$74M
Environmental and ARO payments[3]	$25M	$110M – $130M

Adjusted EBITDA excl. special items impacts

	1Q18 Actual	FY18 Outlook
Adjusted EBITDA excl. special items	$0.7B	$3.5 – $3.7B[1]
Transformation EBITDA impacts	$(2)M	~ $(30)M
Corporate inventory EBITDA impacts	$31M	~ $(60)M
Other corporate EBITDA impacts	$(31)M	~ $(140)M

Other income statement excl. special items impacts

	1Q18 Actual	FY18 Outlook
Non-operating pension/OPEB expense	$38M	~ $160M
Depreciation, depletion and amortization	$194M	~ $775M
Interest expense	$26M	~ $110M
Operational tax rate	31.9%	~ 35%
Net income of noncontrolling interest	$124M	40% of AWAC NI

1. Based on actual YTD 2018 results; outlook for unpriced sales at $2,300 LME, $500 API, $0.21 Midwest premium and updated regional premiums and currencies.
2. AWAC portion of FY18 Outlook: ~55% of return-seeking capital expenditures, and ~60% of sustaining capital expenditures.
3. Environmental remediation reserve balance of $284M at March 31, 2018. Carrying value of ARO liability as of March 31, 2018 was $732M.

Roy Harvey

President and Chief Executive Officer

Alcoa

Significant, but positive volatility in our markets

Recent price trends, $/mt

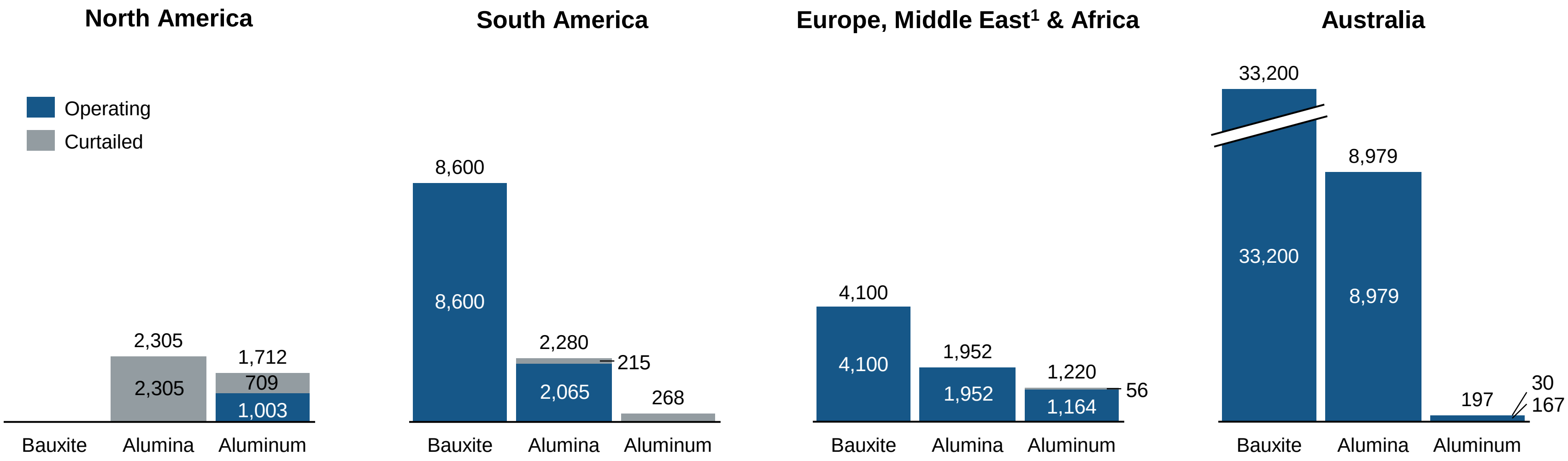
Weighted average aluminum transaction price[1]

Platts FOB Western Australia alumina price

1. Weighted average aluminum transaction price based on LME Aluminum daily cash price plus 45% Midwest Premium, 45% Rotterdam Duty Paid and 10% CIF Japan. Closing prices as of April 13, 2018. Source: Alcoa analysis of market prices.

Alcoa uniquely positioned across products, geographies

2017 Bauxite production, and refining and smelting capacity, kmt



- Well-balanced global portfolio with long positions across all three segments
- Globally diverse, very large, first quartile bauxite portfolio; advantaged in a high caustic price environment
- World's largest third-party alumina business with a first quartile cost position
- Cost competitive, global network of smelters with optionality to restart capacity in each region

1. Includes Alcoa's equity share of alumina refining and aluminum smelting capacity for our Saudi Arabian joint venture.

Alcoa has opportunities amidst market uncertainties

Alcoa impacts & opportunities by market

Tariffs | Sanctions | Alumina supply disruptions | Chinese regulatory reforms

Market	Impacts & opportunities
U.S. Metal market	▪ 45% of primary aluminum shipments exposed to the MWP ▪ Annualized EBITDA sensitivity: $106M for +$100/mt MWP ▪ 341 kmt of curtailed smelting capacity in U.S. after partial restart of 161 kmt at Warrick is completed
LME Aluminum	▪ Annualized EBITDA sensitivity: $203M for +$100/mt LME ▪ 268 kmt of curtailed smelting capacity in Brazil, where restart could accelerate monetization of VAT receivables; global curtailed smelting capacity of 1,063 kmt
3rd Party alumina market	▪ ~95% of 3rd party smelter-grade alumina shipments priced on API/spot ▪ Annualized EBITDA sensitivity: $80M for +$10/mt API ▪ 2,519 kmt of curtailed refining capacity globally
3rd Party bauxite market	▪ Potential disruption to growth of 3rd party bauxite business ▪ Optionality to consume internally if conditions warrant restart of curtailed refining capacity

Source: Alcoa analysis.

Deficit now projected for both alumina and aluminum

Projected 2018 market balances

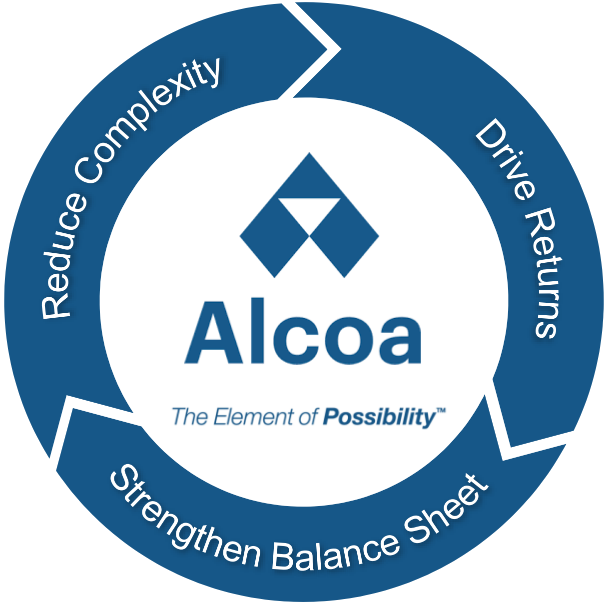
	Bauxite (3rd-party seaborne)	Alumina (smelter grade)	Aluminum (primary)
2018 Outlook	**Balanced**	**Deficit**	**Deficit**
2018 Supply/Demand Balance, Mmt			
Global	**1 to 6; stockpile growth**	**-1.1 to -0.3; deficit**	**-1.0 to -0.6; deficit**
China	-70 to -67; deficit	-2.5 to -2.1; deficit	1.0 to 1.2; surplus
World ex-China	68 to 73; surplus	1.4 to 1.8; surplus	-2.0 to -1.8; deficit
2018 Notes	Stockpile growth; Indonesia and Guinea supply growth	Balances before Chinese alumina imports of 1.5 Mmt	Demand growth, 2018 vs. 2017 • Global = 4.25 to 5.25% • China = 5.75 to 6.25% • World ex-China = 3.25 to 3.75%

Source: Alcoa analysis, CRU, Wood Mackenzie, CM Group, IAI, CNIA, NBS, Aladdiny, Bloomberg. Pre-trade balances.

Good start to 2018; focused on executing priorities

1Q18 Summary

Strategic priorities



Keys to Alcoa

Global network of world-class assets; well-positioned across market events

FY18 adjusted EBITDA outlook excluding special items of \$3.5 to \$3.7B[1]

Improving balance sheet; pension and OPEB actions aligned to capital allocation framework

1. Based on actual YTD 2018 results; outlook for unpriced sales at \$2,300 LME, \$500 API, \$0.21 Midwest premium and updated regional premiums and currencies.

Questions?

Alcoa Corporation

Alcoa

Appendix

1Q18 Financial summary

Three months ending March 31, 2018, excluding special items

$M	Bauxite	Alumina	Aluminum[4,5]	Transformation	Corporate inventory accounting	Other corporate	Total
Total revenue[1]	$296	$1,368	$2,115	$19	$(708)	-	$3,090
Third-party revenue	$47	$914	$2,111	$18	-	-	$3,090
Adjusted EBITDA[2]	$110	$392	$153	$(2)	$31	$(31)	$653
Adjusted EBITDA margin %	*37.2%*	*28.7%*	*7.2%*	-	-	-	*21.1%*
Depreciation, depletion and amortization	$29	$53	$106	$1	-	$5	$194
Other expenses / (income), net[3]	-	$1	-	-	-	$37	$38
Interest expense							$26
Provision for income taxes							$126
Adjusted net income							$269
Net income attributable to noncontrolling interest							$124
Adjusted net income attributable to Alcoa Corp.							$145

1. Intersegment eliminations included in Corporate inventory accounting.
2. Includes the Company's proportionate share of earnings from equity investments in certain bauxite mines, hydroelectric generation facilities, and an aluminum smelter located in Brazil, Canada, and/or Guinea.
3. Amounts for Alumina and Aluminum represent the Company's proportionate share of earnings from its equity investment in the Saudi Arabian joint venture.
4. Flat rolled aluminum shipments, revenue, and adjusted EBITDA were 0.13 Mmt, $429M and $11M, respectively.
5. Third-party energy sales volume, revenue and adjusted EBITDA in Brazil were 885 GWh, $45M and $25M, respectively.

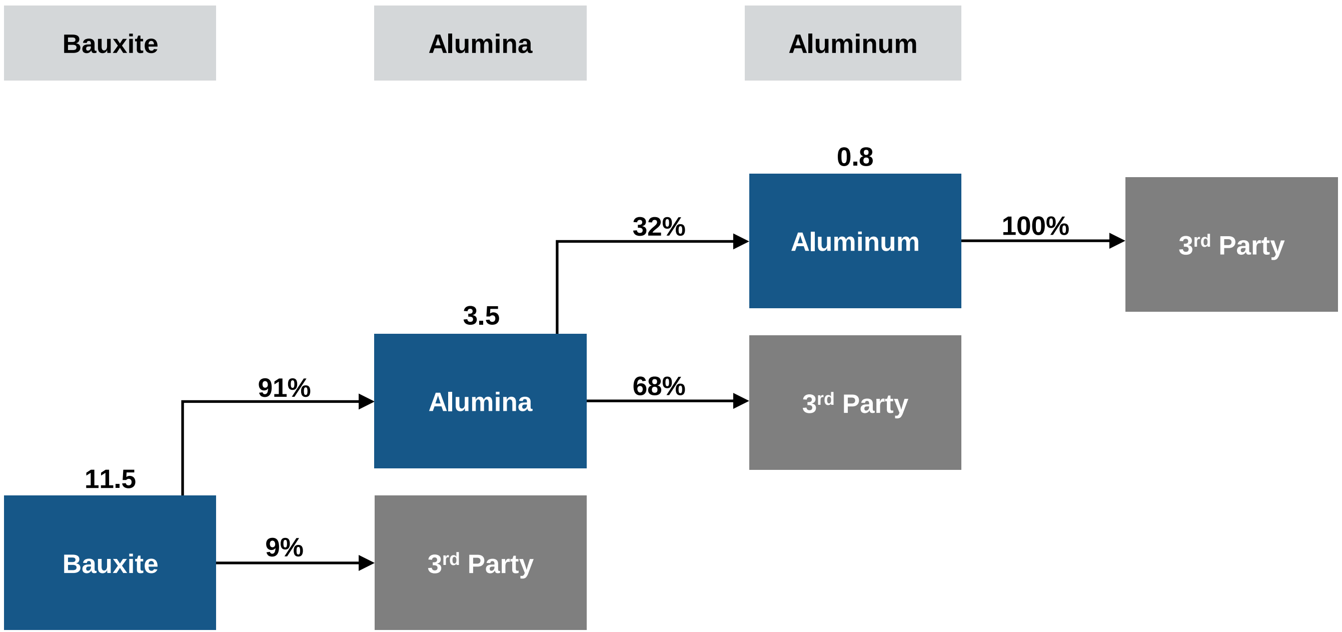
1Q18 Adjusted EBITDA drivers by segment

Sequential adjusted EBITDA excl. special items change impacts by segment vs. 4Q17, $M

Segment	Adj. EBITDA 4Q17	Metal Prices	API	Currency	Volume	Price/Mix	Op. Impacts	Energy	Raw Materials	Other	Adj. EBITDA 1Q18
Bauxite	$105	-	-	(3)	(16)	3	(1)	(1)	-	23	$110
Alumina	$562	-	(144)	(9)	(22)	55	(22)	(1)	(14)	(13)	$392
Aluminum	$246	64	(113)	(12)	(8)	3	(17)	38	(31)	(17)	$153
Segment Total	**$913**	**64**	**(257)**	**(24)**	**(46)**	**61**	**(40)**	**36**	**(45)**	**(7)**	**$655**

Aluminum value chain

1Q18 Alcoa product shipments by segment, Mmt

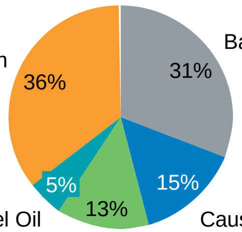


Composition of alumina and aluminum production costs

Alcoa

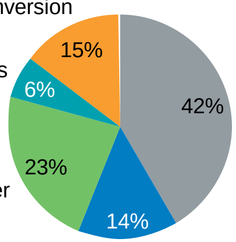
Alcoa 1Q18 production cash costs

Alumina refining



Input Cost	Inventory Flow	Pricing Convention	Estimated Annual Cost Sensitivity
Caustic Soda	5 - 6 Months	Quarterly	\$9M per \$10/dmt
Natural Gas[1]	N/A	N/A	N/A
Fuel Oil	1 - 2 Months	Prior Month	\$3M per \$1/bbl

Aluminum smelting



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

1. Australia is priced on a rolling 16 quarter average.

2018 Business information

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		119				(16)	6		(1)		
Aluminum	203	(39)	106	102	24	(1)	(3)	3	(4)	6	3
Total	203	80	106	102	24	(20)	7	3	(5)	6	3

Pricing conventions

Segment	**3rd-Party Revenue**
Bauxite	• Negotiated prices
Alumina	• ~95% of third-party smelter-grade alumina priced on API/Spot • API based on prior month average of spot prices
Aluminum	• LME + Regional Premium + Product Premium • Primary aluminum 15-day lag; flat rolled aluminum 30-day lag • Brazilian hydroelectric sales at market prices

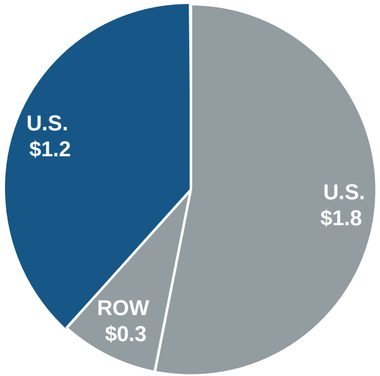
Regional premium breakdown

Regional premiums	**Primary aluminum % of 2018 shipments**
Midwest	~45%
Rotterdam Duty Paid	~45%
CIF Japan	~10%

Pension and OPEB summary

Pension and OPEB net liability and financial impacts

Net liability as of March 31, 2018[1]



Pension funding status as of December 31, 2017

- U.S. ERISA **~83%**
- GAAP Worldwide **~70%**

U.S. pension contributions currently not tax deductible

Estimated financial impacts, $M

Expense impact	2018
Segment pension	~85%
Segment OPEB	~5%
Corporate	~10%
Total adj. EBITDA impact	**~$65M**
Non-operating	~$160M
Special items[2] (curtailment/settlement)	~$152M
Total expense impact	**~$377M**

Cash flow impact	2018
Minimum required pension funding	~40%
Additional pension funding	~40%
OPEB payments	~20%
Total cash impact	**~$750M**

1. U.S. and Canadian salaried pension plans and U.S. OPEB plan remeasured as of January 31, 2018 due to plan changes. All other pension and OPEB valuations as of December 31, 2017.
2. Includes impacts previously announced U.S. and Canadian pension and OPEB plan changes, and impact from annuitization of certain Canadian pension plan benefits.

Investments summary

Investee	Country	Nature of Investment[4]	Ownership Interest	Carrying Value as of March 31, 2018	P&L Location of Equity Earnings
Ma'aden Aluminum Company[1]	Saudi Arabia	Aluminum smelter	25.1%		
Ma'aden Bauxite and Alumina Company[1]	Saudi Arabia	Bauxite mine and Alumina refinery	25.1%[5]		
Ma'aden Rolling Company[1]	Saudi Arabia	Aluminum rolling mill	25.1%		
Subtotal Ma'aden				***$885M***	***Other Expenses / (Income)***
Halco Mining, Inc.[2]	Guinea	Bauxite mine	45%[5]		
Energetica Barra Grande S.A.	Brazil	Hydroelectric generation facility	42.18%		
Mineração Rio do Norte S.A.	Brazil	Bauxite mine	18.2%[5]		
Pechiney Reynolds Quebec, Inc.[3]	Canada	Aluminum smelter	50%		
Consorcio Serra do Facão	Brazil	Hydroelectric generation facility	34.97%		
Manicouagan Power Limited Partnership	Canada	Hydroelectric generation facility	40%		
Subtotal other				***$528M***	***COGS***
Total investments				**$1,413M**	

1. Alcoa Corporation has an investment in a joint venture related to the ownership and operation of an integrated aluminum complex (bauxite mine, alumina refinery, aluminum smelter, and rolling mill) in Saudi Arabia. The joint venture is owned 74.9% by the Saudi Arabian Mining Company (known as "Ma'aden") and 25.1% by Alcoa Corporation.
2. Halco Mining, Inc. owns 100% of Boké Investment Company, which owns 51% of Compagnie des Bauxites de Guinée.
3. Pechiney Reynolds Quebec, Inc. owns a 50.1% interest in the Bécancour smelter in Quebec, Canada thereby entitling Alcoa Corporation to a 25.05% interest in the smelter. Through two wholly-owned Canadian subsidiaries, Alcoa Corporation also owns 49.9% of the Bécancour smelter.
4. Each of the investees either owns the facility listed or has an ownership interest in an entity that owns the facility listed.
5. A portion or all of each of these ownership interests are held by wholly-owned subsidiaries that are part of AWAC.

Production and capacity information

Alcoa Corporation annual consolidated amounts

Bauxite production, Mdmt

Mine	Country	2017 Production
Darling Range	Australia	33.2
Juruti	Brazil	5.6
Poços de Caldas	Brazil	0.2
Trombetas	Brazil	2.7
Boké	Guinea	3.2
Al Ba'itha[1]	Saudi Arabia	0.9
Total		**45.8**

Alumina refining, kmt

Facility	Country	Capacity	Curtailed
Kwinana	Australia	2,190	-
Pinjarra	Australia	4,234	-
Wagerup	Australia	2,555	-
Poços de Caldas	Brazil	390	214
São Luís	Brazil	1,890	-
San Ciprián	Spain	1,500	-
Point Comfort	U.S.	2,305	2,305
Total		**15,064**	**2,519**
Ras Al Khair[1]	*Saudi Arabia*	*452*	-

Aluminum smelting, kmt

Facility	Country	Capacity	Curtailed
Portland	Australia	197	30
São Luís	Brazil	268	268
Baie Comeau	Canada	280	-
Bécancour	Canada	310	207
Deschambault	Canada	260	-
Fjarðaál	Iceland	344	-
Lista	Norway	94	-
Mosjøen	Norway	188	-
Avilés	Spain	93	32
La Coruña	Spain	87	24
San Ciprián	Spain	228	-
Intalco	U.S.	279	49
Massena West	U.S.	130	-
Warrick[2]	U.S.	269	269
Wenatchee	U.S.	184	184
Total		**3,211**	**1,063**
Ras Al Khair[1]	*Saudi Arabia*	*186*	-

1. The Company's proportionate share of earnings from its equity investment in the Saudi Arabian joint venture does not impact adjusted EBITDA.
2. Restarting 161 kmt of curtailed capacity to be completed in the second quarter of 2018.

Adjusted EBITDA structure and information

4Q17 Adjusted EBITDA excluding special items comparison

Adjusted EBITDA excl. special items, $M	Prior structure	Adjusted EBITDA excl. special items, $M	New structure	Notes
Bauxite	$106	Bauxite	$105	▪ Adjusted for pension/OPEB accounting change
Alumina	$562	Alumina	$562	▪ Adjusted for pension/OPEB accounting change
Aluminum	$234	Aluminum	$246	▪ Adjusted for pension/OPEB accounting change
Segment total	**$902**	**Segment total**	**$913**	
Transformation & legacy pension/OPEB	$(4)	Transformation	$10	▪ Adjusted for pension/OPEB accounting change
Impact of LIFO and metal price lag	$(51)	Corporate inventory accounting	$(95)	▪ Combined intercompany eliminations with impact of LIFO and metal price lag
Other corporate expense	$(72)	Other corporate	$(32)	▪ Adjusted for pension/OPEB accounting change; Reclassed intercompany eliminations
Alcoa Corporation Total	**$775**	**Alcoa Corporation Total**	**$796**	

Adjusted EBITDA reconciliation

$M	1Q17	4Q17	1Q18	LTM
Net income (loss) attributable to Alcoa Corporation	**$225**	**$(196)**	**$150**	**$142**
Add:				
Net income attributable to noncontrolling interest	83	140	124	383
Provision for income taxes	110	272	138	628
Other expenses / (income), net	(79)	30	21	127
Interest expense	26	27	26	104
Restructuring and other charges	10	297	(19)	280
Depreciation, depletion and amortization	179	187	194	765
Adjusted EBITDA	554	757	634	2,429
Special items before tax and noncontrolling interest	-	39	19	107
Adjusted EBITDA excl. special items	**$554**	**$796**	**$653**	**$2,536**

Alcoa Corporation's definition of Adjusted EBITDA 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.

Special items detail, net of tax and noncontrolling interest

$M	**1Q17**	**4Q17**	**1Q18**	**P&L classification**
Special items	$(108)	$391	$(5)	
Warrick restart costs	-	29	16	Cost of goods sold
Rockdale inventory writedown	-	6	-	Cost of goods sold
Becancour labor negotiation costs	-	3	2	Cost of goods sold
Mark-to-market energy contracts	4	2	(17)	Other expenses / (income), net
Gain on asset sales	(120)	(2)	-	Other expenses / (income), net
Restructuring-related items	9	290	(20)	Restructuring and other charges
Income tax items	(1)	63	14	Tax provision

Free Cash Flow reconciliation

$M	**1Q17**	**2Q17**	**3Q17**	**4Q17**	**1Q18**
Cash from operations	$74	$311	$384	$455	$55
Capital expenditures	(71)	(88)	(96)	(150)	(74)
Free cash flow	$3	$223	$288	$305	$(19)

Free Cash Flow is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures, which are both considered necessary to maintain and expand Alcoa Corporation's asset base, and expected to generate future cash flows from operations. It is important to note that Free Cash Flow does not represent the residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure.

Net Debt reconciliation

$M	**4Q17**	**1Q18**
Short-term borrowings	$8	$-
Long-term debt due within one year	16	15
Long-term debt, less amount due within one year	1,388	1,445
Total debt	1,412	1,460
Less: Cash and cash equivalents	1,358	1,196
Net debt	$54	$264

Net debt is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management assesses Alcoa Corporation's leverage position after considering available cash that could be used to repay outstanding debt.

Days Working Capital

$M	**4Q16**	**1Q17**	**2Q17**	**3Q17**	**4Q17**	**1Q18**
Receivables from customers	$668	$708	$789	$840	$811	$814
Add: Inventories	1,160	1,294	1,287	1,323	1,453	1,630
Less: Accounts payable, trade	1,455	1,434	1,508	1,618	1,898	1,813
DWC working capital	$373	$568	$568	$545	$366	$631
Sales	$2,537	$2,655	$2,859	$2,964	$3,174	$3,090
Number of days in the quarter	92	90	91	92	92	90
Days Working Capital[1]	14	19	18	17	11	18

1. Days Working Capital = DWC working capital divided by (sales / number of days in the quarter).

Annualized Return on Capital (ROC)

Reconciliation and calculation information

$M	1Q17	1Q18
Numerator:		
Net income attributable to Alcoa Corporation	225	150
Add: Net income attributable to noncontrolling interest	83	124
Add: Provision for income taxes	110	138
Profit before taxes (PBT)	**418**	**412**
Add: Interest expense	26	26
Less: Interest income	2	4
Add: Special items[1]	(114)	(17)
ROC earnings before taxes	**328**	**417**
ROC earnings before taxes multiplied by four[2]	**1,312**	**1,668**
ROC earnings after fixed tax rate of 35%	**853**	**1,084**
Denominator[2]:		
Total assets	17,076	17,096
Less: Cash, cash equivalents, restricted cash and short-term investments	824	1,204
Less: Current liabilities	2,623	2,976
Add: Long-term debt due within one year and short-term borrowings	23	15
Average capital base[2]	**13,652**	**12,931**
ROC	**6.2%**	**8.4%**

$$\text{ROC \%} = \frac{(\text{PBT} + \text{net interest}^3 + \text{special items}) \times 4 \times (1 - \text{fixed tax rate}^4)}{(\text{Assets} - \text{cash} - \text{current liabilities} + \text{short term debt})} \times 100$$

$$\text{1Q17 ROC \%} = \frac{(\$418 + \$24 - \$114) \times 4) \times (1 - 0.35)}{(\$17{,}076 - \$824 - \$2{,}623 + \$23)} \times 100 = 6.2\%$$

$$\text{1Q18 ROC \%} = \frac{(\$412 + \$22 - \$17) \times 4) \times (1 - 0.35)}{(\$17{,}096 - \$1{,}204 - \$2{,}976 + \$15)} \times 100 = 8.4\%$$

1. Special items are before taxes and noncontrolling interest.
2. Denominator calculated using quarter ending balances.
3. Interest expense less interest income.
4. Fixed tax rate of 35%.

Glossary of terms

Alcoa

Abbreviations listed in alphabetical order

Abbreviation	Description
% pts	Percentage points
1Q##	Three months ending March 31
2Q##	Three months ending June 30
3Q##	Three months ending September 30
4Q##	Three months ending December 31
Adj.	Adjusted
API	Alumina Price Index
Approx.	Approximately
ARO	Asset retirement obligations
AUD	Australian dollar
AWAC	Alcoa World Alumina and Chemicals
B	Billion
bbl	Barrel
BRL	Brazilian real
CAD	Canadian dollar
CIF	Cost, insurance and freight
COGS	Cost of goods sold
dmt	Dry metric ton
DOJ	Department of Justice
DWC	Days working capital
EBITDA	Earnings before interest, taxes, depreciation and amortization
EPS	Earnings per share
ERISA	Employee Retirement Income Security Act of 1974
EUR	Euro
excl.	Excluding
FOB	Free on board
FY##	Twelve months ending December 31
GAAP	Accounting principles generally accepted in the United States of America

Abbreviation	Description
ISK	Icelandic Krona
kmt	Thousand metric tons
LIFO	Last in first out method of inventory accounting
LME	London Metal Exchange
LTM	Last twelve months
M	Million
Mdmt	Million dry metric tons
Mmt	Million metric tons
mt	Metric ton
Mmtpa	Million metric tons per annum
MWP	Midwest premium
N/A	Not applicable
NA	North America
NCI	Noncontrolling interest
NI	Net income
NOK	Norwegian Krone
OPEB	Other postretirement employee benefits
PBT	Profit before taxes
R&D	Research and development
ROC	Return on capital
ROW	Rest of world
SEC	Securities and Exchange Commission
SG&A	Selling, general administrative and other
U.S.	United States of America
USD	United States dollar
VAT	Value-added tax
WA	Western Australia
YTD	Year to date

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