



First Quarter Conference Call

April 26, 2016

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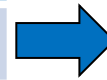
Forward-Looking Statements

This presentation contains forward-looking statements. Actual results may differ materially from results anticipated in the forward-looking statements. These and additional risk factors are described from time to time in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2015.

Diversified Markets – Commercial Aerospace Ramp

Percentage of ATI's Sales

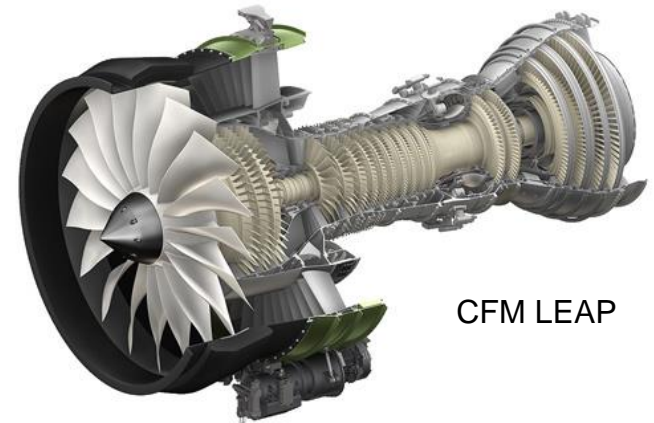
Key Market	Q1 2016	Full Year 2015
Aerospace and Defense	52%	41%
Electrical Energy	10%	10%
Oil & Gas/CPI and HPI	7%	14%
Automotive	7%	8%
Medical	7%	6%



Aerospace and Defense Q1 2016		+12%
Commercial Aerospace		+20%
Jet Engine	28%	+15%
Airframe	16%	+30%
Government Aero/Defense		(17)%

Sales Growth Q1 2016 vs Q4 2015

Direct International Sales of 40%



CFM LEAP

ATI High Performance Materials & Components

- Era of next-generation engines – momentum began in Q1
- HPMC sales increased by 8%; operating profit increased nearly 40%
 - Improved mill product mix – next-generation alloys
 - Improved shipments of legacy and next-generation forgings
- Aerospace and Defense 73% of segment sales in Q1 2016
- Operating profit improved Q1 2016 vs Q4 2015
 - Better asset utilization; richer product mix
 - Mill products and downstream
 - Benefits from segment consolidation and integration
 - Non-recurring costs due to USW-labor issue

ATI Flat Rolled Products

Challenging Markets Require Tough Decisions

- Fix FRP to return to profitability as soon as possible
 - Markets remained weak in Q1
 - Operations inefficient due to facility idling and labor return to work
 - Achieved significant changes in new labor agreements
 - HRPF integrated into daily operations – exceeding expectations
- Smaller, focused, more agile, streamlined, and efficient
 - Rightsizing and restructuring actions
 - Idled commodity stainless facility and GOES operations
 - Adjusted salaried headcount, aligned to strategy
- Stainless sheet and strip trade case – ITC preliminary determination

The “New” ATI Flat Rolled Products

- Strategy for sustainable long-term profitable growth
- Focus on markets and products that require technical and manufacturing leadership
- Expect annual revenue of approximately \$1.1 to \$1.3 billion
- Key markets ranked by revenue (strategy)

Market	2020	2015	
Oil & Gas/CPI & HPI	1	1	CPI & HPI growth and improved oil & gas
Aerospace and Defense	2	6	Titanium and nickel-based alloy growth
Automotive	3	2	Growth in high-temperature alloys and PRS
Electrical Energy	4	3	Power generation only
Construction & Mining	5	5	PRS
Food Equipment & Appliances	6	4	Stainless and specialty stainless

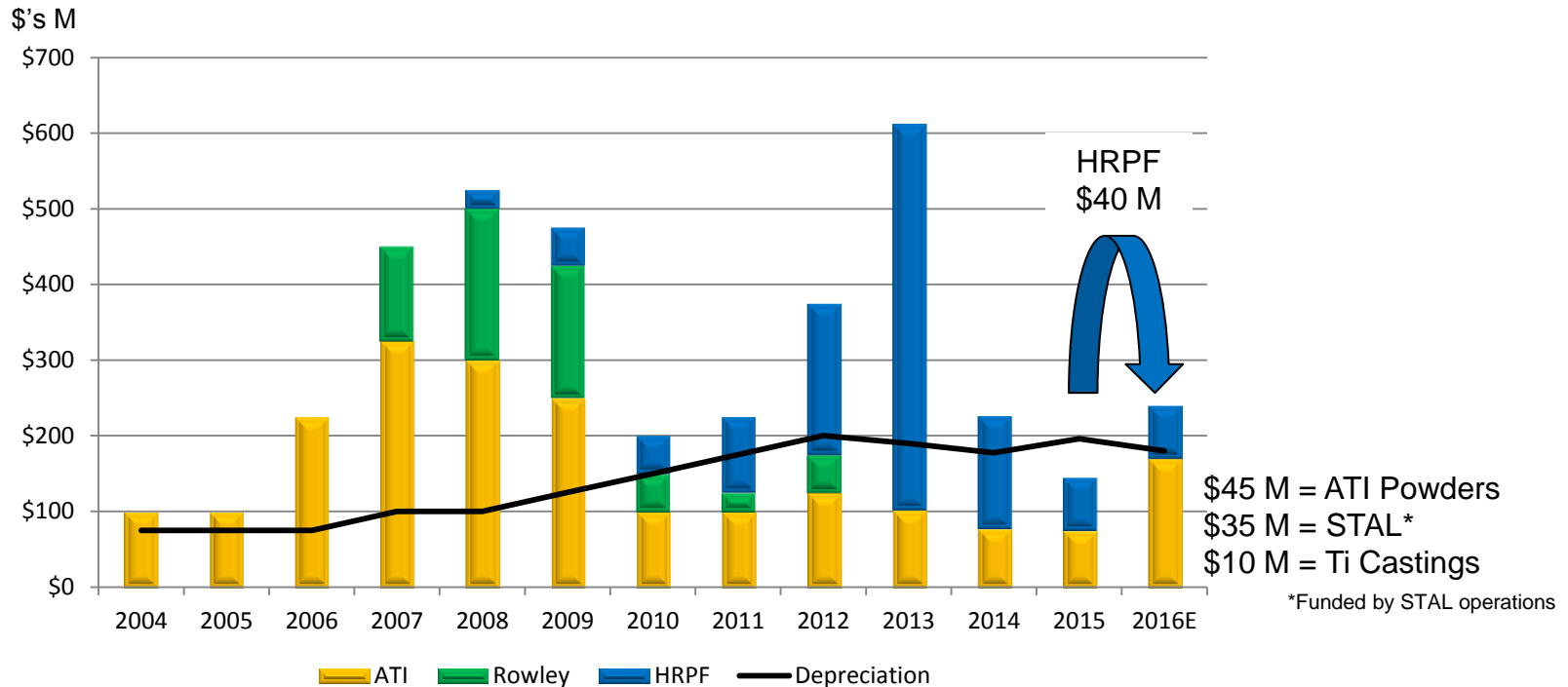
Liquidity & Retirement Benefit Liability Management

- \$157 million cash on hand at March 31, 2016
- \$200 million of liquidity under credit facility at March 31, 2016
 - Asset Based Lending (ABL) Revolving Credit Facility
- Managed working capital decrease \$22 million
- Retirement benefit liability management – goal to reduce defined benefit pension and postretirement medical (OPEB) expense
 - 2014 pension freeze for all non-represented employees
 - Shift to strongly market-competitive defined contribution plan
 - 2016 USW agreement – represented employee pension freeze for new hires
 - Shift to strongly market-competitive defined contribution plan
 - 2016 USW agreement – represented employee OPEB freeze for new hires
 - Additional funding to defined contribution plan in lieu of defined benefit medical coverage

Liquidity & Retirement Benefit Liability Management

- \$8 million of lower OPEB expense March – December 2016
 - Reflected in Flat Rolled Products segment results
- \$31 million currently projected as ATI Pension Plan minimum funding requirements through March 31, 2017
- Expect higher ongoing quarterly pension funding requirements in 2017 and subsequent years
 - Projections heavily dependent on asset returns and liability projections
- Actively evaluating several pension liability management strategies
 - Annuity buyouts to lower PBGC premium expenses
 - Voluntary contributions
 - Enhanced matching of asset and liability duration through investment strategies

Capital Expenditures 2004 – 2016E



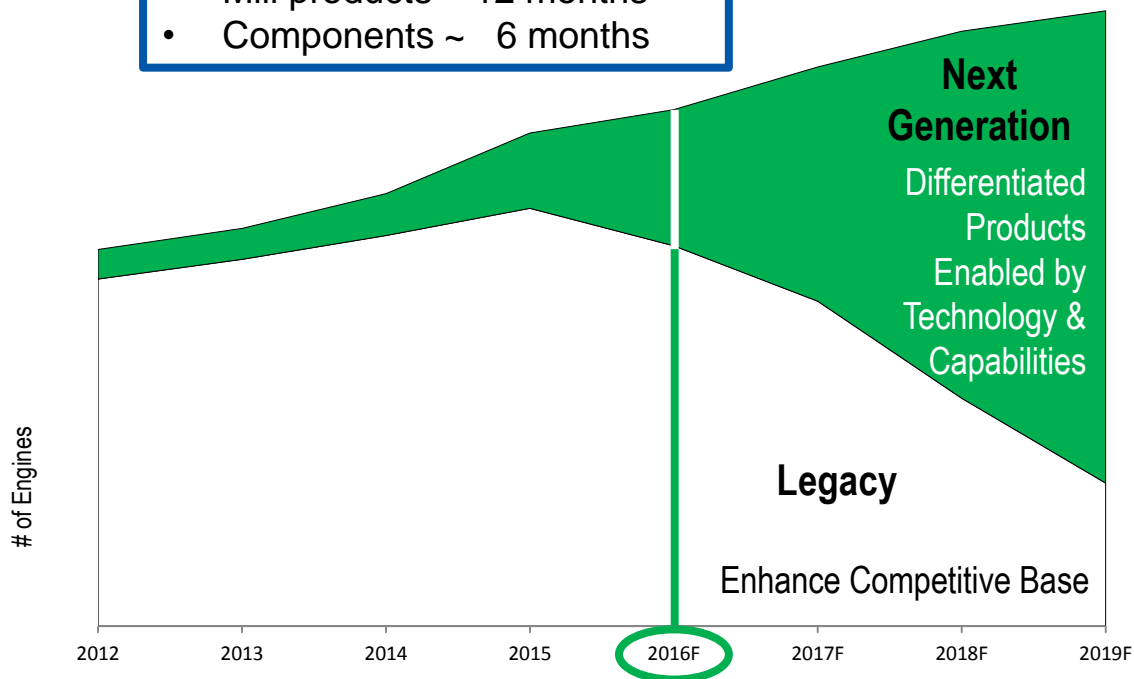
We Are Near the End of this Extraordinary Spending Cycle

Commercial Aircraft Build Rates

Next-Generation vs Legacy

ATI Shipments Lead Build Rates

- Mill products ~ 12 months
- Components ~ 6 months



Differentiated products

- Complex titanium alloys
- Advanced nickel-based superalloys

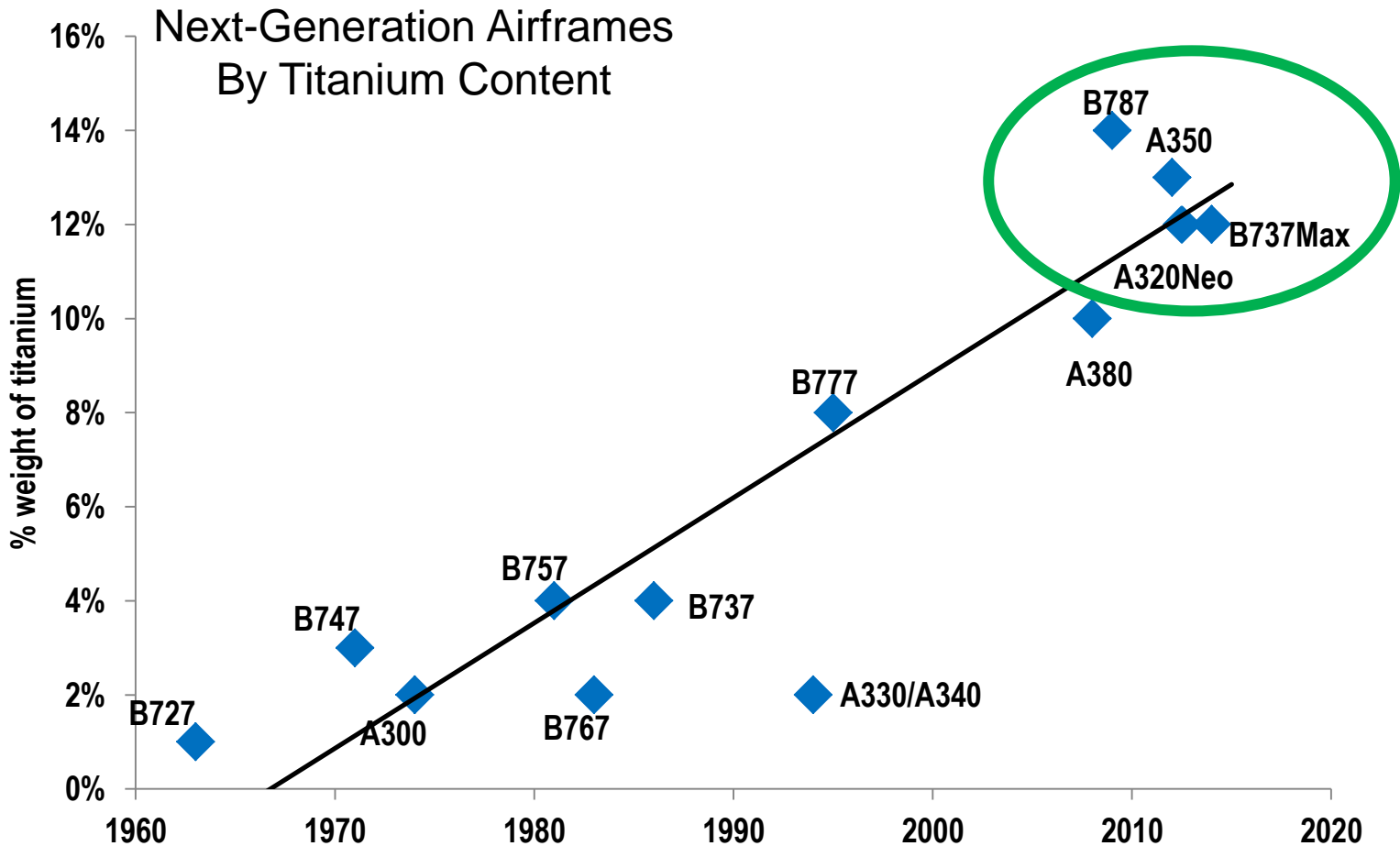
– Wrought and powders

Enabling technology & capabilities

- PAM titanium melt
- TSAF – Press Forge and GFM
- Powder facilities
- Hot die and iso-thermal forge

Next-Generation Uses Significantly More of our Products

Structural Change Drives ATI Growth - Airframe

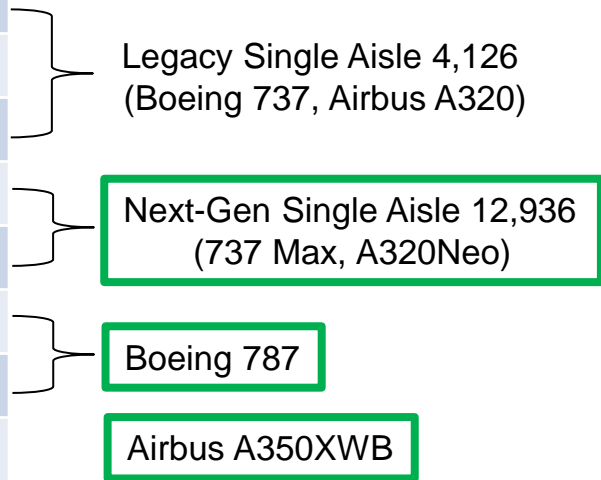


Source: Roskill Economics of Titanium, Goldman Sachs
 Note: Titanium content per Airframe (engine not included)

Structural Change Drives ATI Growth – Jet Engine

Engine Program	Firm Order Book
CFM56 - 5B	942
CFM56 – 7B	2,610
V2500	574
CFM LEAP	9,816
PW 1000G	3,120
GEEnx	756
Trent 1000	536
Trent XWB	1,522
Trent 7000	372
GE 90	426
GE 9X	612
Trent 900	300

Major Engine Programs - Firm Order Book (February 29, 2016)



New Firm Order Book Record!

Source: Aero Engine News 4-16

Over 22,110 Large Jet Engines on Firm Order

Precision forgings, castings & components

- \$508 million sales in 2015
- ✓ LTAs secure significant growth on both legacy and next-generation aircraft
 - 300 new parts represent over \$1 billion of new business 2016-2020



**Isothermal
Forge**



**Titanium Forged
Fan Disc**



**Fan Frame Titanium
Investment Casting**



Leverage ATI's Strategic Relationships & Vertical Integration

Strategy and Outlook

- We expect High Performance Materials & Components segment operating profit as % of sales to return to double-digit level in 2H 2016
- We expect Flat Rolled Products segment to be modestly profitable in 2H 2016
- Extraordinary capital expenditure cycle is nearly behind us

Align and integrate ATI
Enhance our competitive position
Continuously improve our cost structure



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Questions & Answers

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ATI

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