



First Quarter 2017 Conference Call

April 25, 2017

Relentless Innovation®

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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, 2016.

Q1 2017 Highlights – Profitable Financial Results

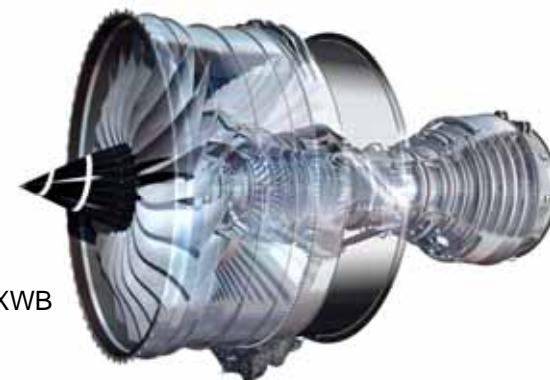
\$millions except EPS	Q1 2016	Q1 2017	
Revenue	\$757.5	\$865.9	14%
Net income	\$(101.2)	\$17.5	
EPS	\$(0.94)	\$0.16	

High Performance Materials & Components segment

- ✓ Commercial aerospace sales increased by 8% compared to Q4 2016
- ✓ Operating profit of 10%

Flat Rolled Products segment

- ✓ Revenue growth of 11% compared to Q4 2016
- ✓ Operating profit of 5%



RR Trent XWB

ATI High Performance Materials & Components

Aerospace & Defense Market growth drives performance

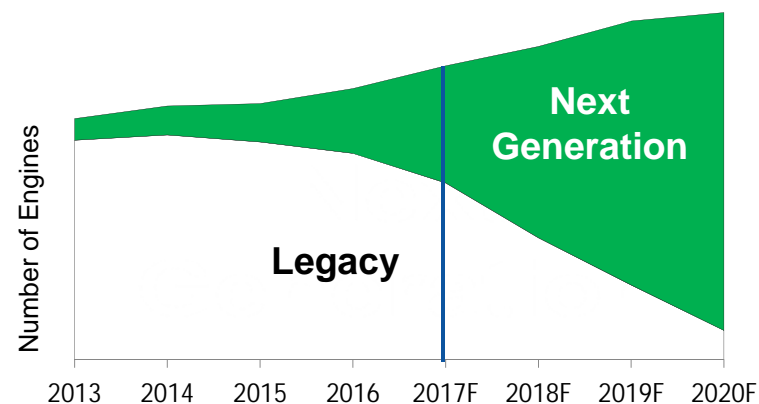
Segment (\$millions)	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Sales	\$457.3	\$493.0	\$498.4	\$461.8	\$477.2	\$510.4
Operating Profit	\$21.0	\$29.1	\$38.8	\$47.0	\$53.8	\$50.9
% of Sales	4.6%	5.9%	7.8%	10.2%	11.3%	10.0%

Markets – comparing Q1 2017 to Q4 2016

- Commercial jet engine sales increased 8%
- Oil & Gas sales increased 59%

Operating profit

- Operating profit of 10% - higher revenue with flat operating profit
 - Includes \$2 million start-up costs at powder facility
- Mix of more legacy than next-generation as compared to Q4 2016
 - **Expect mix to improve in Q2 2017**
- Supply chain balancing impacted Q1 mix
 - Differentiated alloys – 2nd best quarter
 - Next-gen forgings – 15% higher
 - Emergent demand
 - Legacy ATI 718TM higher



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ATI Flat Rolled Products

Flat Rolled Products segment was profitable in Q1 2017

Segment (\$millions)	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Sales	\$281.6	\$264.5	\$312.1	\$308.7	\$318.9	\$355.5
Operating Profit (Loss)	\$(120.1)	\$(109.6)	\$(31.8)	\$(20.8)	\$(0.8)	\$19.0
% Sales	(42.6)%	(41.4)%	(10.2)%	(6.7)%	(0.3)%	5.3%

Markets – comparing Q1 2017 to Q4 2016

- Oil & Gas sales increased 9%
- Automotive sales increased 20%
- Aerospace sales increased 10%

Operating profit

- Operating profit of \$19 million, or 5% of sales
- Includes \$6 million ferrochrome surcharge benefit
- Benefits of cost reductions

Financial

ATI generated positive cash flow from operations in Q1 2017, excluding the ATI Pension Plan contribution

Cash and liquidity at 3/31/2017

- \$160 million cash on hand
- \$230 million available on ABL
- MWC increased by \$11 million
 - 37% as % of annualized sales at 3-31-17 vs 40% at 12-31-16

Pension contribution of \$135 million

Capital expenditures

- \$25 in Q1 2017; \$125 million expected in 2017
 - Annual depreciation expected \$160 million in 2017; \$40 million in Q1
- Beyond 2017, annual capex expected to be no more than \$100 million

Debt

- \$100 million ABL term loan – expect extension to 2020

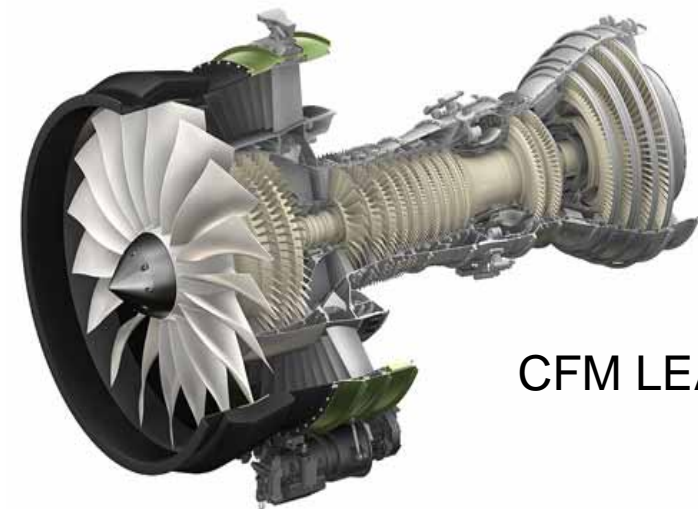
Diversified Markets – Percent of ATI Q1 2017 Sales

Key Market	Q1 2017
Aerospace and Defense	48%
Oil & Gas	11%
Automotive	9%
Electrical Energy	6%
Medical	6%

Aerospace and Defense	
Commercial Aerospace	41%
Jet Engine	26%
Airframe	15%
Government Aero/Defense	7%

Direct International Sales of 39%

Materials for knees, hips,
and MRI machines



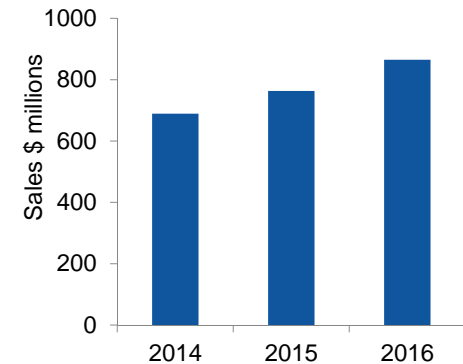
CFM LEAP

ATI is an aerospace and industrials company with small and important exposure to commodity products. We are focused on innovative technologies and the power of materials science.

Aerospace & Defense Market (48%) Trend

Jet Engines (26%)

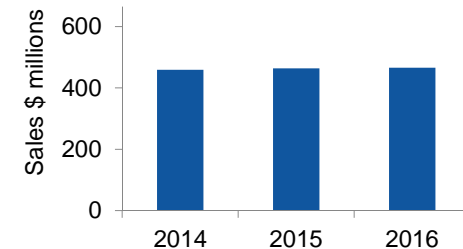
- Backlog – 23,224 + 3,918 TBD*
- ATI's content growth on next-generation narrowbody and widebody
- Trend is higher sales – current LTAs



Aerospace Jet Engine

Airframes (15%)

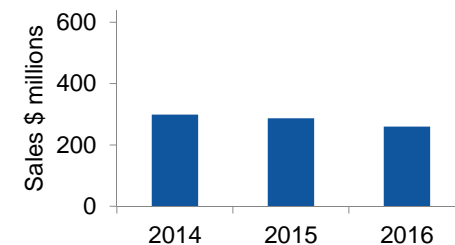
- Leading producer of titanium-based alloy mill products, forgings and castings
- Next-gen growth to offset legacy decline
- Trend is flat sales – current LTAs



Aerospace Airframe

Government Aerospace & Defense (7%)

- Ships, planes, helicopters, armor
- US DoD spending increase possible
- International demand growing
- Trend – stronger focus for ATI



Government Aerospace & Defense

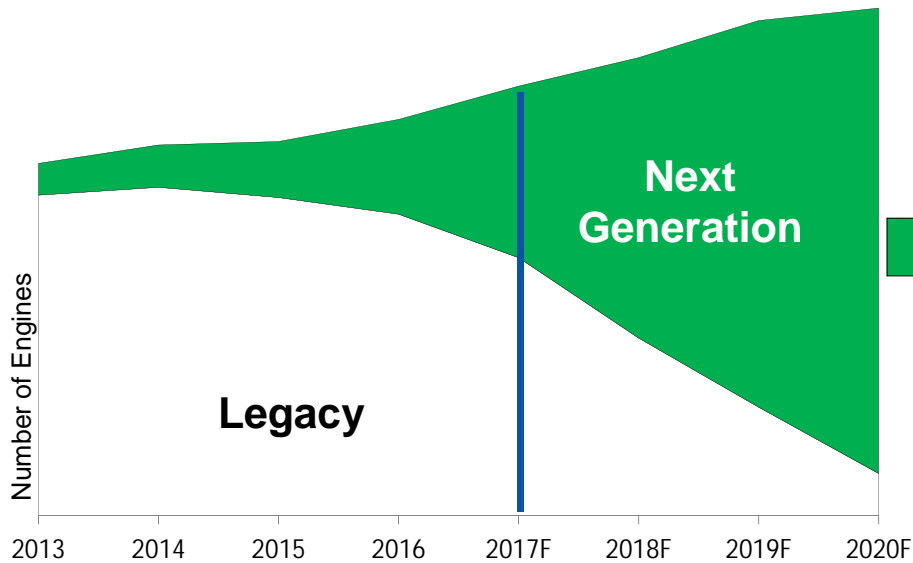
% of ATI 2017 sales

*Source: Aero Engine News 2/28/17

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Market Share Growth Thru Relentless Innovation

Next-Generation Uses Significantly More of our Products + Richer Product Mix



Q1 2017
 About 1/3 of ATI's Commercial Jet Engine market sales
 Differentiated mill products*
 + isothermal and hot-die forgings
 + titanium castings

Source: ATI Market Outlook, Airline Monitor, Forecast International

	Next-gen engine	2016	2017	2018	2019	2020
Narrowbody	CFM LEAP	58	268**	1,040	1,796	1,580
	P&W GTF	88	242	520	794	860
Widebody	RR Trent XWB	98	160	220	240	200
	GEnx	164	162	156	180	168
	Trent 1000	110	108	104	120	112

- *Differentiated Mill Products
- Nickel-based superalloys
 - ATI 718 Plus® Alloy
 - ATI 720 Alloy
 - Rene 65
 - Powder metal alloys

Deliveries Source: Airline Monitor February 2017

**GE expects 450-500 deliveries in 2017

Market Trends

Oil & Gas(11%)

- Directional drilling, deep water, EOR, LNG, chemical and hydrocarbon processing
- Trend is recovery

Automotive (9%)

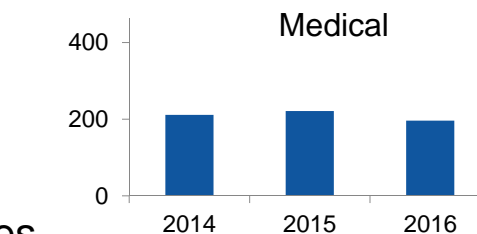
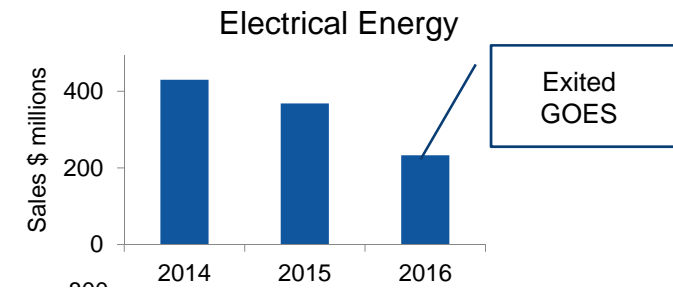
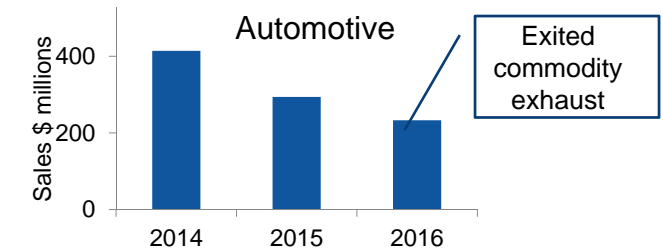
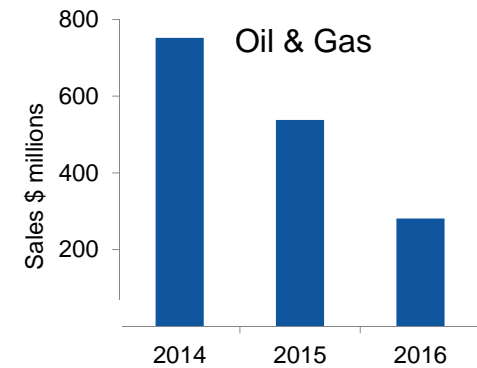
- Gaskets and connectors for hotter engines
- Gaskets in Asia
- Trend is greater than market growth

Electrical Energy (6%)

- Natural gas turbines, nuclear, pollution control, renewables
- Trend is international growth for gas turbines, pollution control, and renewables

Medical (6%)

- Knees, hips, MRI machines
- Trend is growth from aging demographic



% of ATI 2017 sales

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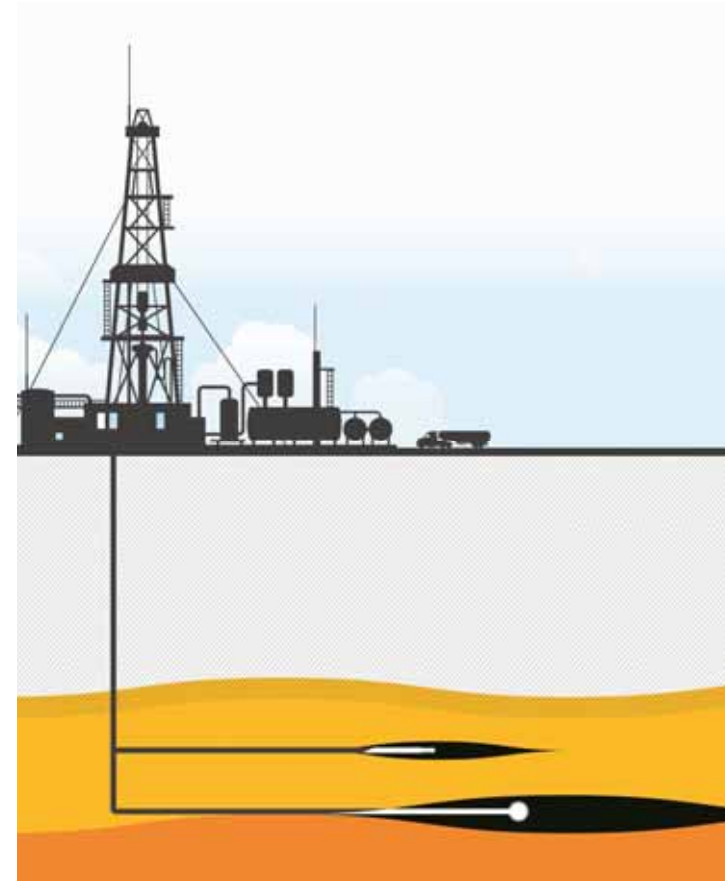
ATI High Performance Materials & Components

Oil & Gas

- Directional drilling for on shore and offshore
- Completion systems for deep water and HPHT (High Pressure/High Temperature) fields
- **Signs of improvement**
 - North America onshore drilling; completions to follow

Electrical Energy

- Land-based gas turbines
 - Steady demand – ATI gaining share
- Nuclear energy
 - Plant refueling ongoing
 - Japan making progress with restarts



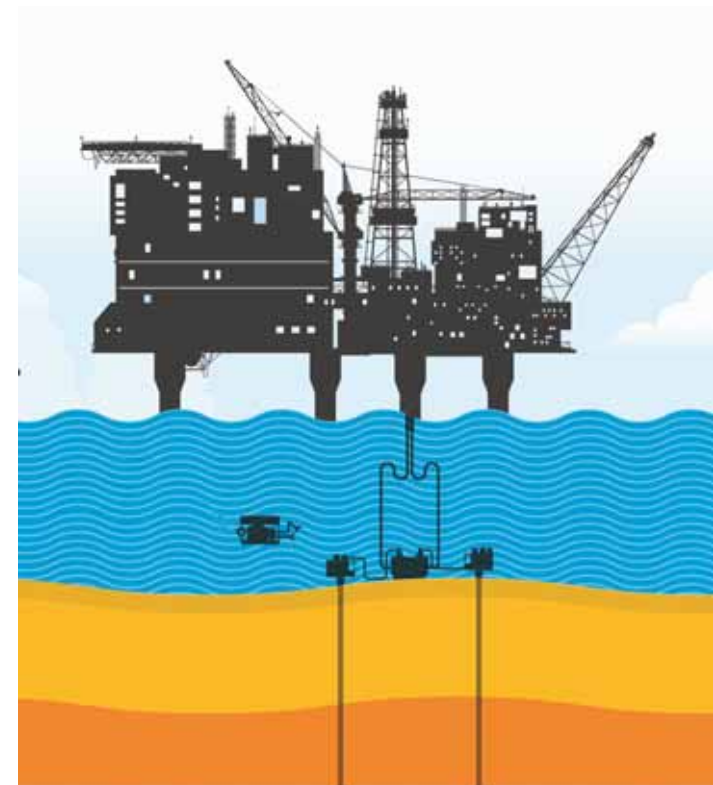
ATI Flat Rolled Products

Oil & Gas

- Deep water, EOR, LNG, chemical and hydrocarbon processing
 - LNG – liquefaction and regasification, transport vessel export and receiving terminals
 - Chemical Processing - Acid and alcohol plants
 - Hydrocarbon Processing - Oil refining and petrochemicals
 - **Signs of improvement**
 - Moderate activity in Q1; backlog improving
 - Customers remain cautious

Electrical Energy

- Land-based gas turbines
 - New HRPF-enabled products
- Health and sustainability
 - Renewables/alternative
 - Pollution control and conservation
 - Coal in Asia and marine scrubbers



Strategy & Outlook

High Performance Materials & Components segment

- 10% revenue growth in 2017 with low double-digit operating margins
- Higher aerospace sales and richer next-generation product mix in Q2
- Oil & Gas and Electrical Energy markets – showing signs of improvement
- Cost improvement from titanium sponge and other restructuring actions

Flat Rolled Products segment

- Limited visibility for the second half, remain cautious
 - Oil & Gas and Electrical Energy Markets are improving
 - Conditions remain challenging
- Low-single digit operating profit as a % of sales for 2017
 - Adjust for \$6 million operating profit ferrochrome benefit in Q1
- Continue to improve competitive cost structure



ATI

Relentless Innovation[®]

Creating Value Thru Relentless Innovation™

ATI is a global manufacturer of technically advanced specialty materials and complex components. With revenue of \$3.2 billion for the twelve-month period ending March 31, 2017, our largest market is aerospace & defense, particularly jet engines. We also serve the oil & gas, electrical energy, medical, automotive, and other industrial markets. ATI is a market leader in manufacturing differentiated specialty alloys and forgings that require our unique manufacturing and precision machining capabilities and our innovative new product development competence. ATI produces nickel-based alloys and superalloys, titanium alloys, specialty alloys, stainless steels, and zirconium and other related alloys in many mill product forms. We also are a leader in producing nickel-based alloy and titanium-based alloy powders for use in next-generation jet engine forgings and 3D-printed products.