Fourth Quarter and Full Year 2020 Earnings

January 28, 2021

Relentless Innovation®

Forward Looking Statements

This presentation contains forward-looking statements. Actual results may differ materially from results anticipated in the forward-looking statements due to various known and unknown risks, many of which we are unable to predict or control. 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, 2019.

Key Takeaways – Fourth Quarter and Full Year 2020

Performance & Outlook

Earnings and free cash flow[1] above expectations; Stabilized aerospace demand

- Consistently achieving targets
  - Q4 earnings & 2020 FCF above guidance
- Managing decisively on what we can control
  - Q4: 28% decremental margins[2]
  - Q4: $149M working capital release
- Financial performance stabilizing
  - Q1’21 EPS target in-line with Q3/Q4’20
  - Recovery signs on the horizon in 2H’21

Balance Sheet

Operating from a position of strength; Deploy capital for long-term growth

- Liquidity remains very healthy
  - Total cash and available liquidity >$950M
  - $646M cash on hand
- Significantly lower working capital % sales
  - ~1,000 basis point improvement vs. Q3’20
- Lower 2021 pension cash contributions and annual expense YOY

Strategic Progress

Exiting standard stainless products, Redeploying capital to high-return opportunities

- Announced exit from low-margin standard stainless sheet products in 2021
  - Intensifies focus on aero & defense markets
  - Improves AA&S segment margins
  - Streamlined footprint and lower asset base improves ROIC over time
- Two facilities closed in Q4’20

[1] See appendix for reconciliation of non-GAAP financial measures
[2] Excludes restructuring charges

Leadership Priorities

PRESERVE CASH & MAINTAIN LIQUIDITY

OPTIMIZE COST STRUCTURE TO MATCH NEW DEMAND EXPECTATIONS

KEEP EMPLOYEES SAFE

SUPPORT CUSTOMERS THROUGH CONTINUED STRONG EXECUTION

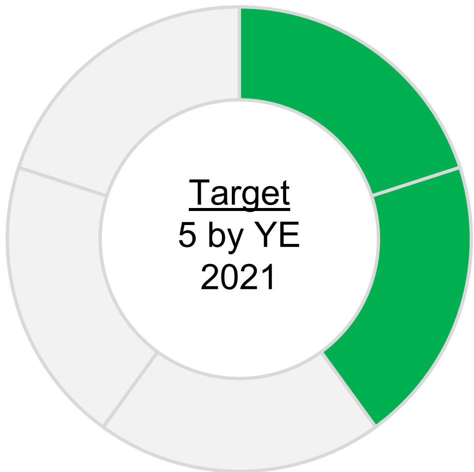
BE "RECOVERY READY," LEVERAGING SHARE GAINS FOR GROWTH

Maintain a Solid Foundation to Ensure Long-Term Profitability and Growth

Strategic Transformation Progress

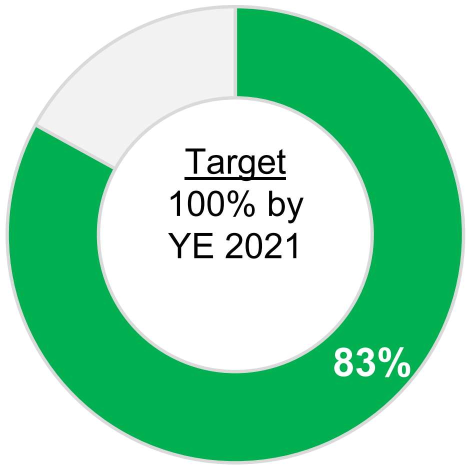
Tracking the leading indicators of success

Streamline Footprint



Metric: facilities closed within AA&S segment

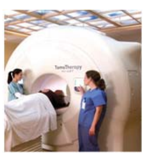
Improved Product Mix



Metric: high value products % sales within AA&S segment

Substantial Segment Margin Improvement and Higher Return on Capital Over Time

ATI Strategic Markets & Diversified Applications

	Market	Q4 2020 Revenue	YoY % Change	Near-term Market Outlook	Comments
	Jet Engine	$82M	(72%)	(64%)	• Demand stabilizing in Q4; increased forgings sales offset by continued destocking from specialty materials' customers • Next generation: ~35% of Q4 jet engine product sales, up from 19% in Q3 • Continued modest forgings demand growth, stabilization of materials at low levels
	Airframe	$79M	(49%)		• Continued lackluster global travel and excess customer inventory reducing demand for airframe materials; demand stable sequentially • Outlook remains negative; previously announced wide body build rate reductions and Covid-19 resurgence cause extended 2021 correction to align inventory with demand
	Defense	$95M	+18%		• Q4 demand growth across all sub-markets, led by naval nuclear and military aero • Ongoing demand growth expected in 2021; rate of increase slows primarily due to likely decrease in titanium armor reflecting pause between major programs • Longer-term opportunities in advanced defense materials and in international markets
	Energy	$150M	(24%)		• Continued weak demand in Q4 due to lower oil & gas end-market demand; specialty energy decreased modestly despite higher sales of pollution control and nuclear products • Near-term outlook remains negative due to Covid-19 resurgence; optimism for H2'21 demand recovery "post vaccine" • Specialty energy, including civilian nuclear and pollution control, remain relatively stable
	Medical	$23M	(46%)		• Q4 demand decrease expected across all sub-markets due to ongoing hospital access restrictions and fewer elective surgeries as a result of Covid-19 resurgence • Ongoing demand weakness likely in 2021 until vaccination programs reach critical mass
	Electronics	$59M	+27%		• Strong Q4 demand stemming from customer's new product launches, specialty alloy powders • Expect sustained demand levels in 2021; lower Q1 due to Lunar New Year holiday

Fourth Quarter and Full Year 2020 Financial Results

$M (excl. EPS)	Q4 2020	Q4 2019	% Chg.	FY 2020	FY 2019	% Chg.
Revenue	$658	$1,019	(35%)	$2,982	$4,123	(28%)
HPMC Segment	*$222*	*$497*	*(55%)*	*$1,165*	*$1,979*	*(41%)*
AA&S Segment	*$436*	*$522*	*(16%)*	*$1,817*	*$2,144*	*(15%)*
Segment EBITDA	$37	$141	(74%)	$245	$529	(54%)
HPMC Segment	*$8*	*$93*	*(92%)*	*$130*	*$356*	*(64%)*
AA&S Segment	*$29*	*$48*	*(39%)*	*$115*	*$173*	*(33%)*
Adj. EBITDA (ex. special items)	$23	$119	(81%)	$196	$439	(55%)
EPS*	($8.85)	$0.41	NM	($12.43)	$1.85	NM
Adj. EPS* (ex. special items)	($0.33)	$0.36	NM	($0.52)	$1.21	NM

Steep revenue declines resulting from global pandemic-related demand destruction, full year results moderated by strong Q1 demand

- AA&S: Aerospace (-47%) and Energy (-18%) weakness in Q4, partially offset by higher Electronics and Defense
- HPMC: Commercial Aerospace sales down 68% in Q4, partially offset by Defense growth of 26%. Energy and Medical markets declined significantly.

Segment earnings declines due to sharply lower industry volumes, partially offset robust cost controls

- AA&S: volume reductions and unfavorable mix due to nickel alloy and titanium declines related primarily to Commercial Aerospace and Energy market weakness. Aggressive cost management actions and strong STAL JV results partial offset the negative volume impact.
- HPMC: steep decline in profitable Commercial Aerospace products sales. Aggressive cost management actions limited decremental margins in H2 '20.

*Attributable to ATI

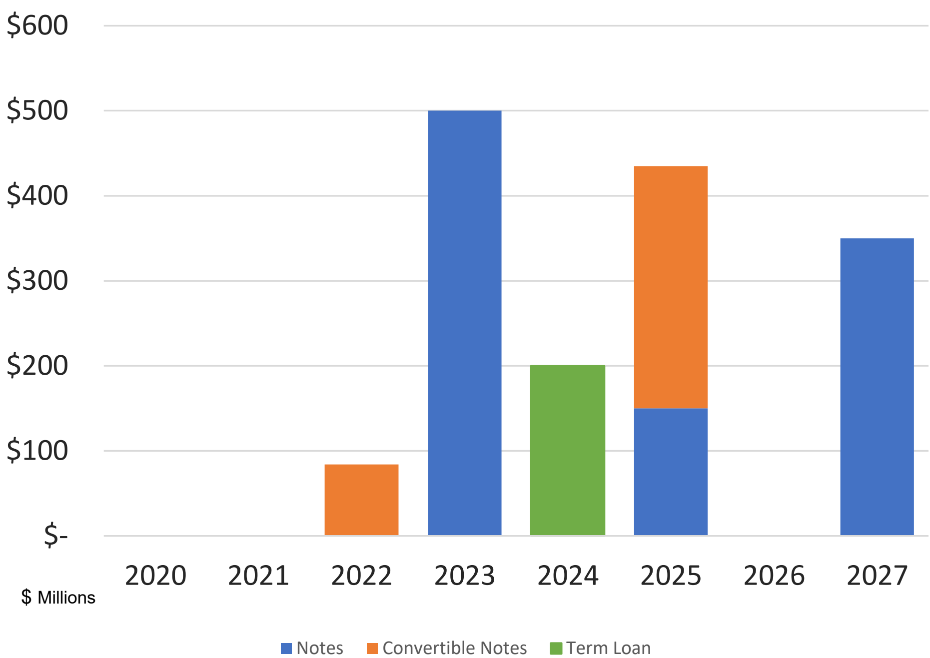
note: see appendix for reconciliation of non-GAAP financial measures

ATI

Cash and Liquidity Update

Debt Maturity Schedule

Net Debt/Adj. EBITDA[(1)] Ratio: 5.0x



(1) EBITDA based on LTM Q4'20 financials as adjusted for special items.
(2) See appendix for definition and reconciliations to the nearest GAAP measures

Balance Sheet and Cash Flow

Cash and liquidity

- Liquidity >$950 million, including $646 million cash on hand at YE
- Positive cash from operations in 2020
  - Reduced inventory by $145 million
- Free Cash Flow[(2)] of $168 million, exceeding annual guidance
  - Capital expenditures of $137 million
- Strong 2020 pension asset returns drive lower 2021 pension contribution and expense (vs. prior year)

Capital structure

- Strong balance sheet and liquidity at YE due to proactive efforts in 2020 to ensure stability in challenging market conditions
  - Next significant debt maturity in Q3 2023
  - Ample liquidity available through ABL and cash on hand
- Net debt ratio of 5.0x at the end of Q4 2020

note: see appendix for reconciliation of non-GAAP financial measures

First Quarter and Full Year 2021 Outlook

First Quarter 2021

EPS

($0.23) – ($0.30)

Full Year 2021

EPS	FCF[1]
Unable to accurately predict due to aerospace demand uncertainty	$20M - $60M

Key Assumptions

Earnings Drivers

- Aerospace demand stabilization in H1'21; modest growth in H2'21
  - Narrow body production increases across 2021
  - Continued airframe destocking across 2021
- Ongoing significant global impact from COVID-19 pandemic until vaccines significantly reduce risk of infection worldwide
- 2021 incremental cost savings: ~$100 million
- 2021 cash taxes paid: $10 - $15 million

Cash Flow Drivers

- Capex in the range of $150 - $170 million
- Managed working capital: modest source of cash
- U.S. pension contribution of $87 million

[1] See appendix for reconciliation of non-GAAP financial measures

Additional Materials Appendix

Non-GAAP Financial Measures

Allegheny Technologies Incorporated and Subsidiaries
Non-GAAP Financial Measures
(Unaudited, dollars in millions, except per share amounts)

The Company reports its financial results in accordance with accounting principles generally accepted in the United States of America ("GAAP"). However, management believes that certain non-GAAP financial measures, used in managing the business, may provide users of this financial information with additional meaningful comparisons between current results and results in prior periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. The following table provides the calculation of the non-GAAP financial measures discussed in the Company's earnings release on January 28, 2021:

	Three Months Ended		Fiscal Year Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Net income (loss) attributable to ATI	$ (1,121.0)	$ 56.5	$ (1,572.6)	$ 257.6
Adjust for special items, net of tax:				
Impairment of goodwill (a)	-	-	281.4	-
Restructuring and other charges (b)	1,105.1	4.3	1,129.3	4.3
Debt extinguishment charge (c)	-	20.5	21.1	20.5
Joint venture restructuring and impairment charge (d)	-	10.8	2.4	10.8
Gain on sale of oil & gas rights (e)	-	-	-	(87.8)
Loss on sale of industrial forgings business (f)	-	-	-	7.6
Gain on sale of cast products business (g)	-	-	-	(6.0)
Net change in deferred taxes and valuation allowance (h)	(26.0)	(41.9)	73.0	(41.9)
Net income (loss) attributable to ATI excluding special items	$ (41.9)	$ 50.2	$ (65.4)	$ 165.1

	Per Diluted Share *		Per Diluted Share *	
Net income (loss) attributable to ATI	$ (8.85)	$ 0.41	$ (12.43)	$ 1.85
Adjust for special items, net of tax:				
Impairment of goodwill (a)	-	-	2.22	-
Restructuring and other charges (b)	8.73	0.03	8.93	0.03
Debt extinguishment charge (c)	-	0.14	0.17	0.14
Joint venture restructuring and impairment charge (d)	-	0.07	0.02	0.07
Gain on sale of oil & gas rights (e)	-	-	-	(0.60)
Loss on sale of industrial forgings business (f)	-	-	-	0.05
Gain on sale of cast products business (g)	-	-	-	(0.04)
Net change in deferred taxes and valuation allowance (h)	(0.21)	(0.29)	0.57	(0.29)
Net income (loss) attributable to ATI excluding special items	$ (0.33)	$ 0.36	$ (0.52)	$ 1.21

Non-GAAP Financial Measures

Earnings before interest, taxes, depreciaiton and amortization (EBITDA)

	Three Months Ended		Fiscal Year Ended		Three Months Ended
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	September 30, 2020
Net income (loss)	$ (1,116.3)	$ 60.0	$ (1,559.6)	$ 270.1	$ (47.0)
(+) Depreciation and Amortization	35.0	36.5	143.3	151.1	35.4
(+) Interest Expense	25.7	24.1	94.4	99.0	25.1
(+/-) Income Tax Provision (Benefit)	(26.5)	(38.8)	77.7	(28.5)	0.8
(+) Debt extinguishment charge (c)	-	21.6	21.5	21.6	-
(+) Impairment of goodwill (a)	-	-	287.0	-	-
(+) Restructuring and other charges (b)	1,105.1	4.5	1,132.1	4.5	2.3
(+) Joint venture restructuring and impairment charge (d)	-	11.4	2.4	11.4	-
(-) Gain on asset sales, net (e,f,g)	-	-	(2.5)	(89.8)	-
Total ATI Adjusted EBITDA	$ 23.0	$ 119.3	$ 196.3	$ 439.4	$ 16.6
Total debt (i)			$ 1,629.1		
Less: Cash			(645.9)		
Net Debt			$ 983.2		
Net Debt to Adjusted EBITDA			5.0		

Non-GAAP Financial Measures

* Presentation of adjusted results per diluted share includes the effects of convertible debt, if dilutive.

(a) Full year 2020 results include a $287.0 million pre-tax goodwill impairment charge to write-off a portion of the Company's goodwill related to its Forged Products reporting unit.

(b) Q4 2020 results include $1,105.1 million in pre-tax restructuring and other charges, including $1,041.5 of long-lived asset impairment charges primarily related to the AA&S segment's Brackenridge, PA operations, which include the Hot-Rolling and Processing Facility, as well as stainless melting and finishing operations, $33.5 million of severance-related costs for hourly and salary employees, $12.7 million of other costs related to facility idlings including asset retirement obligations and inventory valuation reserves, and $17.4 million in pre-tax charges for termination benefits for pension and postretirement medical obligations related to facility closures. Full year 2020 results include $1,132.1 million in pre-tax restructuring and other charges consisting of the $1,105.1 million of Q4 2020 restructuring and other charges previously discussed in addition to $27.0 million of severance charges for involuntary reductions and voluntary retirement incentive programs recorded during the first nine months of 2020 ($2.3 million in Q3 2020). Full year and Q4 2019 results include a $4.5 million pre-tax restructuring charge to streamline ATI's salaried workforce primarily to improve the cost competitiveness of the U.S.-based Flat Rolled Products business.

(c) Full year 2020 results include a $21.5 million pre-tax debt extinguishment charge for the partial redemption of the $287.5 million, 4.75% Convertible Notes due 2022. Full year and Q4 2019 results include a $21.6 million pre-tax debt extinguishment charge for the full redemption of the $500 million, 5.95% Senior Notes due 2021.

(d) Full year 2020 results include a $2.4 million pre-tax charge for ATI's 50% portion of severance charges recorded by the Allegheny & Tsingshan Stainless joint venture. Full year and Q4 2019 results include an $11.4 million pre-tax joint venture impairment charge for the Allegheny & Tsingshan Stainless joint venture, which included ATI's 50% share of the JV's impairment charge on the carrying value of long-lived assets at the Midland, PA production facility.

(e) Full year 2019 results include a $91.7 million pre-tax gain on the sale of oil & gas rights in New Mexico.

(f) Full year 2019 results include an $8.1 million pre-tax loss on the sale of the industrial forgings business, including $10.4 million of allocated goodwill.

(g) Full year 2019 results include a $6.2 million pre-tax net gain on the sale of the cast products business, which includes a $10.2 million write-down of the carrying value of long-lived assets of the retained Salem operations.

(h) Q4 2020 results include a $26.0 million benefit associated with fourth quarter tax impacts of the long-lived asset impairments and other restructuring charges. Full year 2020 results include a $73.0 million tax charge resulting from a $99.0 million discrete tax charge recorded in the second quarter 2020 related to deferred tax valuation allowances due to re-entering a three-year cumulative loss condition for U.S. Federal and state jurisdictions, partially offset by the $26.0 million Q4 2020 tax benefit previously discussed. Full year and Q4 2019 results include a $41.9 million discrete tax benefit primarily related to the reversal of a portion of deferred tax valuation allowances due to exiting the three-year cumulative loss condition for U.S. Federal and state jurisdictions at year-end 2019.

(i) Excludes debt issuance costs and includes $46.8 million for the unamortized balance of the portion of the 2025 Convertible Notes recorded in stockholders' equity due to the flexible settlement feature of the notes.

Non-GAAP Financial Measures

Free Cash Flow

	Fiscal Year Ended December 31, 2020
Cash provided by operating activities	$ 166.9
Cash used in investing activities	(128.7)
Add back: cash contributions to U.S. qualified defined pensior	130.2
Free Cash Flow as defined	$ 168.4

Free cash flow as defined by ATI includes the total of cash provided by (used in) operating activities and investing activities as presented on the consolidated statements of cash flows, adjusted to exclude cash contributions to the Company's U.S. qualified defined benefit pension plans.