



ARCONIC
Innovation, engineered.

FOR IMMEDIATE RELEASE

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Arconic Divests its Latin America Extrusions Business

Transaction includes Arconic locations in Utinga and Tubarão, Brazil

NEW YORK, December 8, 2017 – Arconic Inc. (NYSE: ARNC) today announced the divestiture of its Latin America Extrusions (LAE) business, which operates primarily in Brazil. The business is part of the Company’s Transportation and Construction Solutions segment. Following customary regulatory and anti-trust reviews, the ownership of LAE will be transferred to a subsidiary of Hydro Extruded Solutions AS. The deal is expected to close in the first half of 2018.

The divestiture is part of Arconic’s continued drive to streamline its business portfolio, reduce complexity and further focus on its higher-margin products and continuous profitable growth.

Under the terms of the agreement, Arconic will receive approximately \$10 million in cash for the LAE business, subject to working capital and other adjustments. As a result of the transaction, Arconic will recognize a restructuring-related charge representing the loss on sale of approximately \$40 million after-tax, or \$0.08 per diluted share, in the fourth quarter of 2017, as referenced in the Company’s third quarter Form 10-Q filing. The charge primarily relates to the non-cash impairment of the net book value of the business. The charge is a special item and will not impact adjusted earnings per share.

About Arconic

Arconic (NYSE: ARNC) creates breakthrough products that shape industries. Working in close partnership with our customers, we solve complex engineering challenges to transform the way we fly, drive, build and power. Through the ingenuity of our people and cutting-edge advanced manufacturing techniques, we deliver these products at a quality and efficiency that ensure

customer success and shareholder value. For more information: www.arconic.com. Follow @arconic: [Twitter](#), [Instagram](#), [Facebook](#), [LinkedIn](#) and [YouTube](#).

Dissemination of Company Information

Arconic intends to make future announcements regarding Company developments and financial performance through its website on www.arconic.com

About Hydro

Hydro is a fully integrated aluminium company with 35,000 employees in 40 countries, combining local expertise and worldwide reach. In addition to production of primary aluminium, rolled and extruded products and recycling, Hydro also extracts bauxite, refines alumina and generates energy to be the only 360° company of the global aluminium industry. The extrusion business, former Sapa, was fully acquired by Hydro in October 2017, and is a world leader in innovative aluminium solutions. For more information: www.hydro.com

Forward-Looking Statements

This release 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," "guidance," "intends," "may," "outlook," "plans," "projects," "seeks," "sees," "should," "targets," "will," "would," or other words of similar meaning. All statements that reflect Arconic's expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements and guidance regarding future financial results or operating performance, and expectations regarding the transaction closing. These statements reflect beliefs and assumptions that are based on Arconic's perception of historical trends, current conditions and expected future developments, as well as other factors 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 Arconic 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) deterioration in global economic and financial market conditions generally; (b) unfavorable changes in the markets served by Arconic; (c) 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 or targeted; (d) changes in discount rates or investment returns on pension assets; (e) Arconic's inability to realize expected benefits, in each case as planned and by targeted completion dates, from acquisitions, divestitures, facility closures, curtailments, expansions, or joint ventures; (f) the impact of cyber attacks and potential information technology or data security breaches; (g) any manufacturing

difficulties or other issues that impact product performance, quality or safety; (h) political, economic, and regulatory risks in the countries in which Arconic operates or sells products; (i) material adverse changes in aluminum industry conditions, including fluctuations in London Metal Exchange-based aluminum prices; (j) the impact of changes in foreign currency exchange rates on costs and results; (k) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation, which can expose Arconic to substantial costs and liabilities; and (l) the other risk factors summarized in Arconic's Form 10-K for the year ended December 31, 2016, Arconic's Form 10-Q for the quarter ended June 30, 2017 and other reports filed with the U.S. Securities and Exchange Commission (SEC). Arconic disclaims any intention or 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.