First Quarter 2021 Earnings

April 29, 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, 2020.

Key Takeaways – First Quarter 2021

Performance & Outlook

Earnings above expectations; Aerospace demand gradually improving

- Consistently achieving targets
  - Q1 earnings driven by sequential revenue growth and raw material benefits
- Managing decisively on what we can control
  - Q1: 16% decremental margins vs. robust prior year quarter
- Financial performance improving
  - Strong sequential EPS improvement
  - Maintain positive 2021 FCF guidance

Strategic Progress

Leveraging capabilities to accelerate profitable growth; transforming AA&S segment

- Significant new business wins and extensions
  - Extended Boeing titanium LTA
  - S. American offshore pipeline win
- AA&S transformational project on track; exit standard stainless sheet products by YE 2021

Balance Sheet

Deploy capital to further strengthen balance sheet and fund long-term growth

- Liquidity remains healthy; Q1 cash usage inline with expectations
  - Total cash and available liquidity ~$900M
  - $542M cash on hand
- Lower pension cash contribution and expense YOY

ATI Strategic Markets & Diversified Applications

	Market	Q1 2021 Revenue	YoY % Change	Near-term Market Outlook	Comments
	Jet Engine	$106M	(61%)	(60%)	• Continued demand improvement pace; Q1’21 increased 29% vs. Q4’20; led by next generation forgings and initial increases in specialty materials • Next generation: ~41% of Q1 jet engine product sales, up from 27% in H2’20 • Continued modest forgings demand growth, improvement in materials from low levels
	Airframe	$58M	(57%)		• Ongoing international travel weakness driving extended widebody production recovery and creating excess customer inventory • Outlook remains negative due to continued customer destocking; driven by previously announced wide body build rate reductions; partial offset from new business in H2’21
	Defense	$90M	+5%		• Strong Q1 demand growth driven by military jet engine and rotorcraft production; partially offset by expected declines in armor plate and missiles • Ongoing demand growth expected in 2021; growth in rotorcraft, military engines and aircraft partially offset by ground vehicle armor; continued strong naval nuclear • Longer-term opportunities in advanced defense materials and in international markets
	Energy	$149M	(13%)		• Sales declines due to lower oil & gas demand partially offset by specialty energy growth in nuclear, pollution control products, and land-based gas turbine demand from China • Near-term Oil & Gas outlook remains negative, but moderating; optimism for H2’21 demand recovery related to increased travel and upstream investment activity • Expect continued growth in Specialty energy, led by civilian nuclear and pollution control
	Medical	$29M	(25%)		• Q1 demand decrease as expected across all sub-markets due to ongoing hospital access restrictions and fewer non-COVID medical procedures • Ongoing demand weakness likely in 2021; customers focused on a 2022 recovery
	Electronics	$56M	+68%		• Robust Q1 demand stemming from customer’s new products and specialty alloy powders; STAL operated through Lunar New Year holiday as China domestic travel was restricted • Expect sustained solid demand levels across 2021; slowing YOY growth pace

First Quarter 2021 Financial Results

$M (excl. EPS)	Q1 2021	Q1 2020	% Chg.
Revenue	$693	$955	(28%)
HPMC Segment	*$241*	*$420*	*(43%)*
AA&S Segment	*$452*	*$535*	*(16%)*
Segment EBITDA	$74	$118	(37%)
HPMC Segment	*$25*	*$77*	*(68%)*
AA&S Segment	*$49*	*$41*	*21%*
Adj. EBITDA (ex. special items)	$63	$99	(37%)
EPS*	($0.06)	$0.16	NM
Adj. EPS* (ex. special items)	($0.06)	$0.20	NM

HPMC Segment

Significant declines versus strong pre-pandemic prior year period, driven by lower commercial aerospace demand

- Revenue: Commercial Aerospace sales down 62%, driven by weak, but improving jet engine demand and ongoing airframe destocking, partially offset by Defense and Energy growth of 55% and 27%, respectively. Medical markets continue to lag due to COVID-related impacts.
- EBITDA: Steep decline in profitable Commercial Aerospace sales. Aggressive cost management actions continue to limit decremental margins; benefit from rapidly rising raw material prices.

AA&S Segment

Declines in Specialty Rolled Products (SRP) partially offset by Asian growth

- Revenue: U.S. Specialty Rolled Products (SRP) revenue down 25% with declines across all major markets, partially offset by significant growth in Precision Rolled Strip (PRS) in Asia (STAL) and more modest volume declines in Specialty Alloys & Components (SA&C).
- EBITDA: SRP revenue decreases and cost structure inefficiencies offset by transitory benefits from higher raw material costs. Record quarterly STAL earnings and prior year AT&S JV losses drove positive YOY comparison.

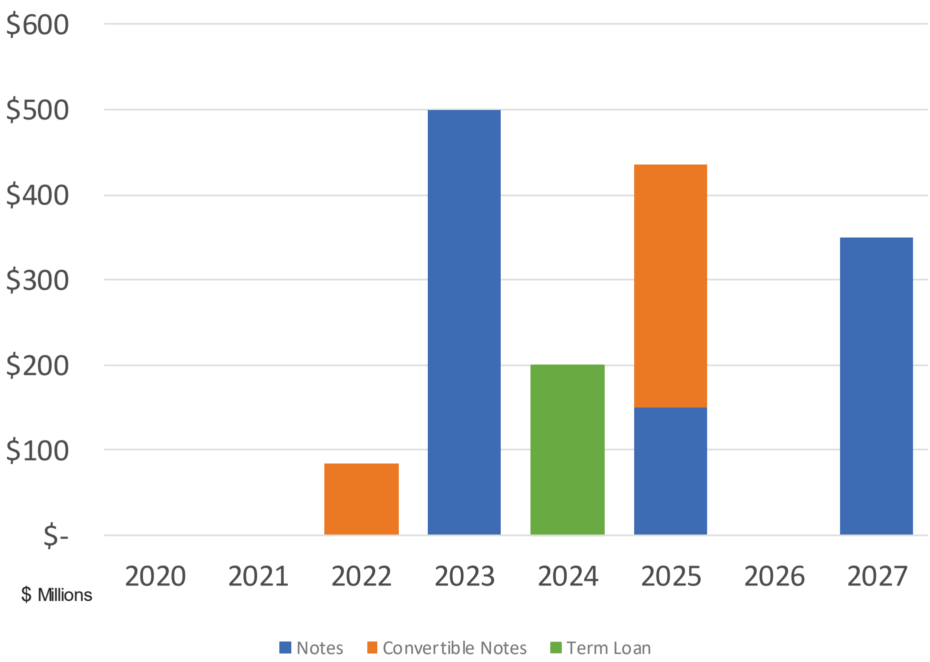
*Attributable to ATI

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

Cash and Liquidity Update

Debt Maturity Schedule

Net Debt/Adj. EBITDA[(1)] Ratio: 6.8x



(1) EBITDA based on LTM Q1'21 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 ~$900 million, including $542 million cash on hand
- Managed working capital
  - Q1: 41.5% of sales, slight increase from YE 2020 levels
  - Continued focus on inventory efficiency as volumes return
- Free Cash Flow[(2)] usage of ($76) million
  - Capital expenditures of $26 million
  - Lower YOY pension contributions in Q1
    - Expect to forgo planned Q2 contribution as part of U.S. pension relief legislation

Capital structure

- Strong balance sheet and liquidity provides optionality to reduce debt and improve pension funding levels
  - Next significant debt maturity in Q3 2023
  - Rising interest rates help to increase pension funding level
- Net debt ratio of 6.8x at the end of Q1 2021

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

Second Quarter and Full Year 2021 Outlook

Second Quarter 2021

EPS

Unable to accurately predict due to uncertain strike duration

Full Year 2021

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

Key Assumptions

Initial Earnings Drivers & Current Status

- ✓ 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
- ▪ USW strike at several SRP operations (new)

Initial Cash Flow Drivers & Current Status

- ✓ Capex in the range of $150 - $170 million
- ✓ Managed working capital: modest source of cash
- ▪ Required 2021 U.S. pension contribution now significantly lower than $87 million due to American Rescue Plan Act (updated)

[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 April 29, 2021:

	Three Months Ended March 31, 2020	
Net income attributable to ATI	$	21.1
Adjust for special items, net of tax:		
Restructuring and other charges (a)		5.5
Net income attributable to ATI excluding special items	$	26.6
	Per Diluted Share *	
Net income attributable to ATI	$	0.16
Adjust for special items, net of tax:		
Restructuring and other charges (a)		0.04
Net income attributable to ATI excluding special items	$	0.20

Non-GAAP Financial Measures

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

	Three Months Ended		Latest Twelve Months
	March 31, 2021	March 31, 2020	March 31, 2021
Net income (loss)	$ (2.4)	$ 23.6	$ (1,585.6)
(+) Depreciation and Amortization	36.1	37.3	142.1
(+) Interest Expense	23.4	21.9	95.9
(+) Income Tax Provision	5.5	10.8	72.4
(+) Debt extinguishment charge (b)	-	-	21.5
(+) Impairment of goodwill (c)	-	-	287.0
(+) Restructuring and other charges (a)	-	8.0	1,124.1
(+) Joint venture restructuring and impairment charge (d)	-	-	2.4
(-) Gain on asset sales, net (e)	-	(2.5)	-
Total ATI Adjusted EBITDA	$ 62.6	$ 99.1	$ 159.8
LIFO and net realizable value reserves	-	-	
Corporate expenses	12.2	12.3	
Closed operations and other expense (income)	(0.5)	6.3	
Total segment EBITDA	$ 74.3	$ 117.7	
Total debt (f)			$ 1,629.2
Less: Cash			(541.7)
Net Debt			$ 1,087.5
Net Debt to Adjusted EBITDA			6.8

Non-GAAP Financial Measures

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

(a) First quarter 2020 results include an $8.0 million pre-tax restructuring charge for a voluntary retirement incentive program. The latest twelve months results as of March 31, 2021 include $1,124.1 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, $52.5 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.

(b) The latest twelve months results as of March 31, 2021 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.

(c) The latest twelve months results as of March 31, 2021 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.

(d) The latest twelve months results as of March 31, 2021 include a $2.4 million pre-tax charge for ATI's 50% portion of severance charges recorded by the Allegheny & Tsingshan Stainless joint venture.

(e) First quarter 2020 results include a $2.5 million pre-tax gain on the sale of oil & gas rights in New Mexico.

(f) Excludes debt issuance costs.

Non-GAAP Financial Measures

Free Cash Flow

	Three Months Ended March 31, 2021
Cash used in operating activities	$ (68.1)
Cash used in investing activities	(25.1)
Add back: cash contributions to U.S. qualified defined pension pl	17.5
Free Cash Flow as defined	$ (75.7)

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.