

## ***Barclays Industrial Select Conference***

***Bob Wetherbee, President & CEO and Don Newman, SVP & CFO  
February 16, 2021***

**Relentless Innovation®**

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## Forward Looking Statements

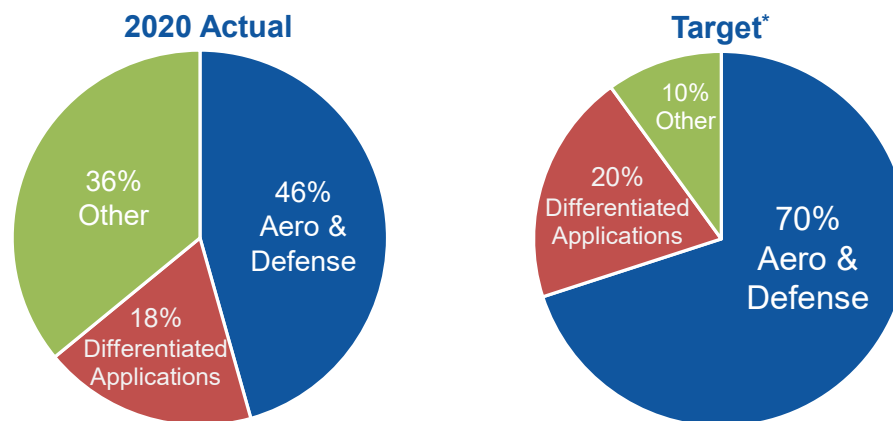
This presentation contains forward-looking statements. Actual results may differ materially from results anticipated in the forward-looking statements due to various known and unknown risks, many of which we are unable to predict or control. These and additional risk factors are described from time to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

# ATI Relentless Innovation®

## Overview

- Operating in two business segments:
  - High Performance Materials & Components (HPMC)
  - Advanced Alloys & Solutions (AA&S)
- Solving the world's challenges through materials science; primarily serving customers in the following markets:
  - Aerospace – Engines & Structures
  - Defense
- Other **differentiated applications** in markets with exacting requirements **reward our capabilities** and **diversify our portfolio**, including:
  - Specialty Energy
  - Medical
  - Consumer Electronics
- Our **unmatched materials science capabilities** and **advanced process technologies** enable us to supply products for our customers' most demanding requirements

## Revenue Mix



## Key Customers – Aerospace & Defense



*Aerospace & defense-focused portfolio, leveraging capabilities in specialty markets with aero-like margins*

# Why Invest in ATI Today?



Clear **transformation strategy**, recently **accelerated**

- **Leaner**, more competitive company
- Focused on **differentiated applications** in high-value markets, primarily **Aero & Defense**



Long runway for **EBITDA growth and margin expansion**

- **Cost reduction actions**; \$170M delivered in 2020, including \$100M structural
- **Strategic transformation** actions further reduce costs and improve product mix
- **Richer revenue mix**; targeting 70% Aero & Defense
- **Industry recovery** in key end-markets



Disciplined **capital allocation strategy**

- **Strong balance sheet** provides options to **increase shareholder value**
- Investing in **high-return growth opportunities**
- Proactive management to **minimize pension liabilities** over time



**Durable competitive advantage** built and reinforced over decades

*Significant profitability growth and increasing returns on capital deployed expected over time*

# Strategic Business Transformation Continues

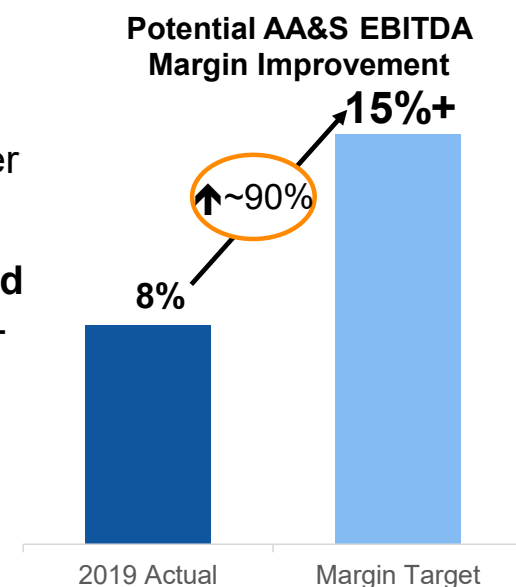
*Exiting Standard Stainless Sheet in 2021, Taking Action to Enhance Capabilities*

## Key Points

- **Exiting \$445 million of very low-margin standard stainless sheet products by year-end 2021**
  - Ceasing production at five facilities and consolidating finishing operations
- Actions **increase aerospace and defense focus** and improve profitability
- **Redeploying capital to higher-return opportunities**
  - Self-funded investment in specialty finishing capabilities **improves product lead times and expands portfolio breadth**

## Streamlined Footprint

- **Working capital releases largely self-fund incremental capital investment** of \$65-\$85 million, spent over three years
- **Delivers attractive returns** over time; ~3x the cost of capital
- **Dedicated flow path, optimized to improve lead times** for high-value plate and sheet products
- **Business unit headcount decreases by 40%**; from 2,000 to 1,200
- **ATI's Actions Position AA&S Segment for 15%+ Margins**



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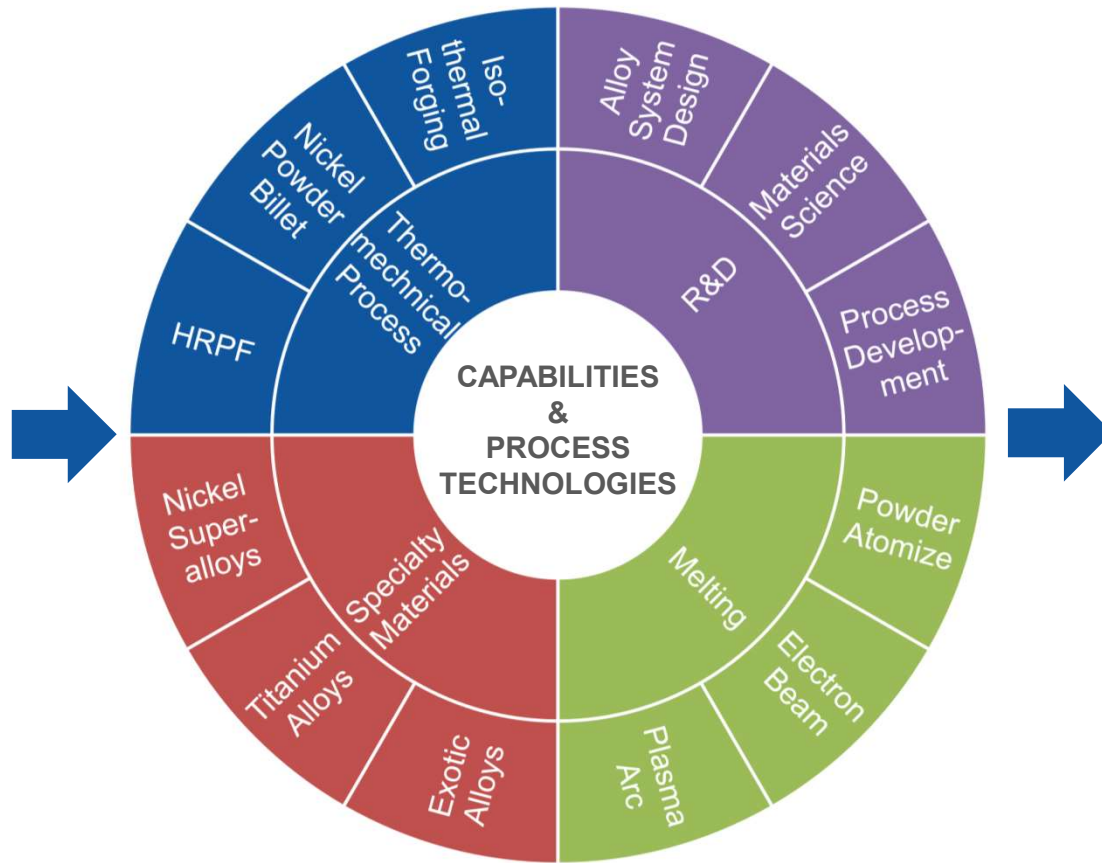
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# ATI's Durable Competitive Advantage

*Derived from a Unique Combination of Capabilities and Advanced Process Technologies*

## Keys to Success

- Long-Term Customer Partnerships
- Intellectual Property Protection
- Customer-driven Capability Investments
- Operational Excellence



## Benefits

- Increasing Share on Desired Products
- Proprietary Suite of Products & Processes
- Difficult to Replicate Asset Base
- Repeatable & Reliable Execution

*Built on a Foundation of Relentlessly Innovative ATI People*

# Accelerating Our Future:

*Focus on Specialty Markets to Create Shareholder Value through Materials Science and Advanced Process Technologies*



## **Realigned business segments** *(January 2020)*

- Accelerated synergies
- Streamlined structure drives organizational focus, de-emphasizes stainless

## **Exit Standard Stainless Sheet Products** *(Year-End 2021)*

- Right-sizing capacity
- Enhancing efficiency
- Upgrading capabilities

## **Sharper focus on differentiated products**

- Leverages unique capabilities in high-value products
- Ensures company emerges stronger, better positioned for the future
- Supplier of choice, solving customers' challenges through materials science

## **Create Significant Shareholder Value**

- Deploy capital to high-value markets
  - Aerospace
  - Defense
  - Differentiated applications within:
    - Specialty Energy
    - Medical
    - Consumer Electronics

# Our Vision

## Solving the World's Challenges through Materials Science

ATI competes by serving customers in:

### Strategic Markets

Aerospace | Defense | Energy

### Diversified Applications

Medical | Electronics

Materials Science

Advanced, Integrated  
Process Technologies

Relentless,  
Innovative People

## Our Commitment

Creating long-term shareholder value through Relentless Innovation®

## Our Values

- **Integrity:** We do the right things the right way; it's the cornerstone of our relationships with every stakeholder.
- **Safety & Sustainability:** We are committed to a Zero Injury Culture, protecting our people and the planet through our products and the way we operate.
- **Accountability:** We do what we say we are going to do. We set a standard for excellence and hold ourselves and our team accountable for our actions, results and delivering value for our customers.
- **Teamwork and Respect:** We seek and celebrate diverse views, capabilities and experiences to power our collaborative work environment.
- **Innovation:** We embrace change and unique perspectives to create sustainable value, acting with urgency and taking calculated risks to learn and continuously improve.



**Thank you for your interest in ATI.**

**Investor Contact:  
Scott Minder: 412.395.2720**

**Relentless Innovation<sup>®</sup>**

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