Second Quarter 2024 Earnings Call

John Plant: Executive Chairman and Chief Executive Officer
Ken Giacobbe: EVP and Chief Financial Officer

July 30, 2024

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Important Information

Forward–Looking Statements

This presentation 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," “envisions,” "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 Howmet Aerospace Inc.’s (“Howmet’s”) expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements, forecasts and outlook relating to: the condition of end markets; future financial results or operating performance; future strategic actions; Howmet's strategies, outlook, and business and financial prospects; and any future dividends, debt issuances, debt reduction and repurchases of its common stock. These statements reflect beliefs and assumptions that are based on Howmet’s perception of historical trends, current conditions and expected future developments, as well as other factors Howmet 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, which could cause actual results to differ materially from those indicated by these statements. Such risks and uncertainties include, but are not limited to: (a) deterioration in global economic and financial market conditions generally; (b) adverse changes in the markets served by Howmet; (c) the impact of potential cyber attacks and information technology or data security breaches; (d) the loss of significant customers or adverse changes in customers’ business or financial conditions; (e) manufacturing difficulties or issues that impact product performance, quality or safety; (f) inability of suppliers to meet obligations due to supply chain disruptions or otherwise; (g) failure to attract and retain a qualified workforce and key personnel, labor disputes or other employee relations issues; (h) the inability to achieve anticipated or targeted revenue growth, cash generation, restructuring plans, cost reductions, improvement in profitability, or strengthening of competitiveness and operations; (i) inability to meet increased demand, production targets or commitments; (j) competition from new product offerings, disruptive technologies or other developments; (k) geopolitical, economic, and regulatory risks relating to Howmet’s global operations, including geopolitical and diplomatic tensions, instabilities, conflicts and wars, as well as compliance with U.S. and foreign trade and tax laws, sanctions, embargoes and other regulations; (l) the outcome of contingencies, including legal proceedings, government or regulatory investigations, and environmental remediation, which can expose Howmet to substantial costs and liabilities; (m) failure to comply with government contracting regulations; (n) adverse changes in discount rates or investment returns on pension assets; and (o) the other risk factors summarized in Howmet’s Form 10-K for the year ended December 31, 2023 and other reports filed with the U.S. Securities and Exchange Commission. Market projections are subject to the risks discussed above and other risks in the market. Under its share repurchase program, Howmet may repurchase shares from time to time, in amounts, at prices, and at such times as it deems appropriate. Howmet is not obligated to repurchase any specific number of shares or to do so at any particular time. The declaration of any future dividends is subject to the discretion and approval of Howmet’s Board of Directors after consideration of all factors it deems relevant and subject to applicable law. Howmet may modify, suspend, or cancel its share repurchase program or its dividend policy in any manner and at any time that it may deem necessary or appropriate. Credit ratings are not a recommendation to buy or hold any Howmet securities, and they may be revised or revoked at any time at the sole discretion of the rating organizations. The statements in this presentation are made as of the date of this presentation, even if subsequently made available by Howmet on its website or otherwise. Howmet 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.

Important Information (continued)

Non-GAAP Financial Measures

Some of the information included in this presentation is derived from Howmet Aerospace's consolidated financial information but is not presented in Howmet Aerospace's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Certain of these data are considered "non-GAAP financial measures" under SEC rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. Reconciliations to the most directly comparable GAAP financial measures and management's rationale for the use of the non-GAAP financial measures can be found in the Appendix to this presentation. Howmet Aerospace has not provided reconciliations of any forward-looking non-GAAP financial measures (including Adjusted EBITDA, Adjusted EBITDA margin and Adjusted Earnings per Share, each excluding special items, and Free Cash Flow) to the most directly comparable GAAP financial measures because such reconciliations, as well as the directly comparable GAAP measures, are not available without unreasonable efforts due to the variability and complexity of the charges and other components excluded from the non-GAAP measures, such as the effects of foreign currency movements, gains or losses on sales of assets, taxes, and any future restructuring or impairment charges. These reconciling items are in addition to the inherent variability already included in the GAAP measures, which includes, but is not limited to, price/mix and volume. Howmet Aerospace believes such reconciliations of forward-looking non-GAAP financial measures would imply a degree of precision that would be confusing or misleading to investors.

Other Information

In this presentation: where values are denoted, M=USD millions and B=USD billions; YTD=year to date; YOY=year over year; FY=full year; Q=quarter; bps=basis points; Free Cash Flow Conversion=Free Cash Flow divided by Net Income excluding Special Items; and references to Howmet Aerospace performance that is "record" means its best result since April 1, 2020 when Howmet Aerospace Inc. (previously named Arconic Inc.) separated from Arconic Corporation.

Q2 2024 Highlights

Revenue and Profitability Excluding Special Items[1,2]	Q2 2023	Q1 2024	Q2 2024	Q2 YoY
Revenue	$1.648B	$1.824B	**$1.880B**	+14%
Adj EBITDA[1]	$368M	$437M	**$483M**	+31%
Adj EBITDA Margin[1]	22.3%	24.0%	**25.7%**	+340 bps
Adj Operating Income[1]	$301M	$370M	**$414M**	+38%
Adj Operating Income Margin[1]	18.3%	20.3%	**22.0%**	+370 bps
Adj Earnings Per Share[2]	$0.44	$0.57	**$0.67**	+52%

Q2 2024 Balance Sheet and Cash Flow

- Record Q2 Free Cash Flow[3] of $342M
- Repurchased $60M of Common Stock in Q2; $210M at ~$71 Avg Price per Share YTD
- Debt Reduction of $23M in Q2 and Redeemed $205M of 2024 Notes in July; Annualized Interest Expense savings ~$12M
- Net Debt-to-LTM EBITDA[4] improved to a record low 1.7x; All Long-Term Debt Unsecured at Fixed Rates

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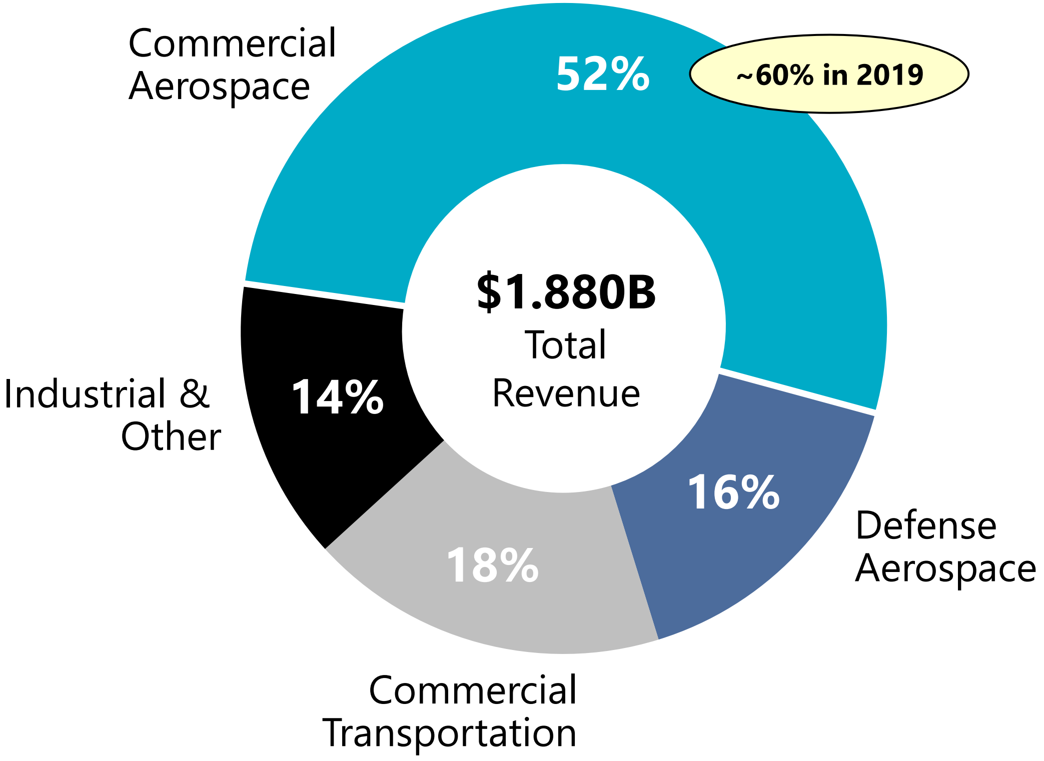
1) Net Income (GAAP): Q2 2023 = $193M, Q1 2024 = $243M, Q2 2024 = $266M; Operating income (GAAP): Q2 2023 = $285M, Q1 2024 = $369M, Q2 2024 = $398M; Operating income margin (GAAP): Q2 2023 = 17.3%, Q1 2024 = 20.2%, Q2 2024 = 21.2% 2) EPS (GAAP): Q2 2023 = $0.46, Q1 2024 = $0.59, Q2 2024 = $0.65 3) Q2 2024: Cash provided from operations = $397M, Cash used for financing activities = ($123M), Cash used for investing activities = ($54M) 4) Adjusted for special items; Last twelve months (LTM) Howmet adjusted EBITDA *See appendix for reconciliations*

Q2 2024 Revenue Up 14% YoY, Commercial Aerospace Up 27% YoY

Revenue by Market (% of total)



Revenue by Market (% change)	YoY	Sequential
Commercial Aerospace	27%	5%
Defense Aerospace	11%	4%
Commercial Transportation	(4%)	(2%)
Industrial & Other[1]	4%	1%
Total Revenue	14%	3%

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1) IGT represents ~45%, General Industrial represents ~30%, and Oil & Gas represents ~25% of total Industrial & Other

Q2 2024: Revenue Up 14% YoY, Adj EBITDA Margin[1] 25.7%, Adj EPS[2] Up 52% YoY

Enhanced Profitability

- Exceeded high-end of guidance on Revenue, Adj EBITDA[1], Adj EBITDA Margin[1] and Adj Earnings Per Share[2]
- Revenue up 14% YoY, driven by Commercial Aerospace up 27%
- Adj EBITDA[1] of $483M, up 31% YoY. Adj EBITDA Margin[1] of 25.7%, up ~340 bps YoY
- Adj Earnings Per Share[2] of $0.67, up 52% YoY

Strong Balance Sheet and Cash Flow

- Healthy Cash Balance of $752M; Used in July to fund early redemption of $205M for remaining 2024 Notes
- Record Q2 Free Cash Flow[3] of $342M
- Net Debt-to-LTM EBITDA[4] improved to a record low 1.7x

Capital Deployment

- Capital Deployment: ~$104M for Common Stock Repurchases, Debt Reduction, and Quarterly Dividends
- Repurchased $60M of Common Stock in Q2; $210M at ~$71 Avg Price per Share YTD
- Paid Quarterly Dividend at $0.05 per share of Common Stock in Q2

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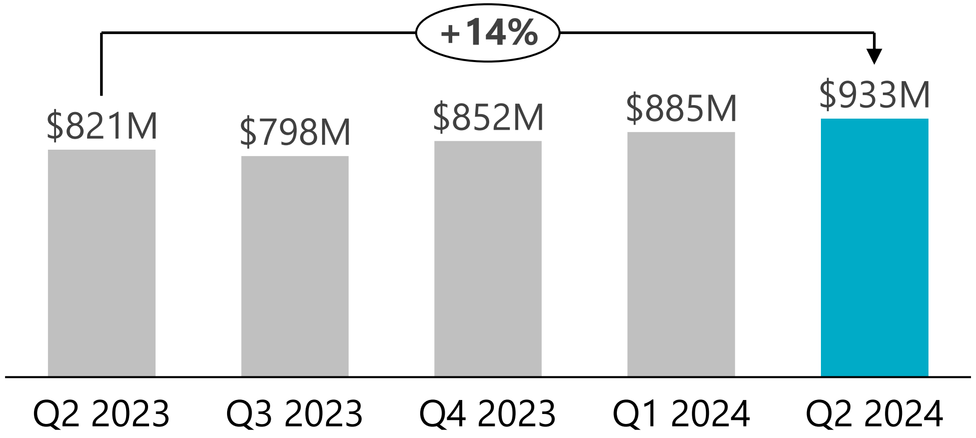
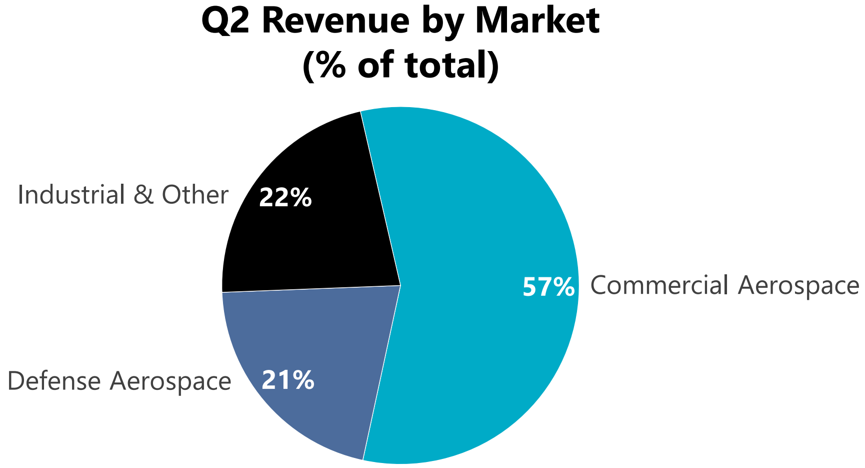
1) Adjusted EBITDA and EBITDA Margin excluding special items: Net Income (GAAP): Q2 2023 = $193M, Q2 2024 = $266M; Operating income (GAAP): Q2 2023 = $285M, Q2 2024 = $398M; Operating income margin (GAAP): Q2 2023 = 17.3%, Q2 2024 = 21.2% 2) Adjusted EPS excluding special items: EPS (GAAP): Q2 2023 = $0.46, Q2 2024 = $0.65 3) Q2 2024: Cash provided from operations = $397M, Cash used for financing activities = ($123M), Cash used for investing activities = ($54M) 4) Adjusted for special items; Last twelve months (LTM) Howmet adjusted EBITDA
See appendix for reconciliations

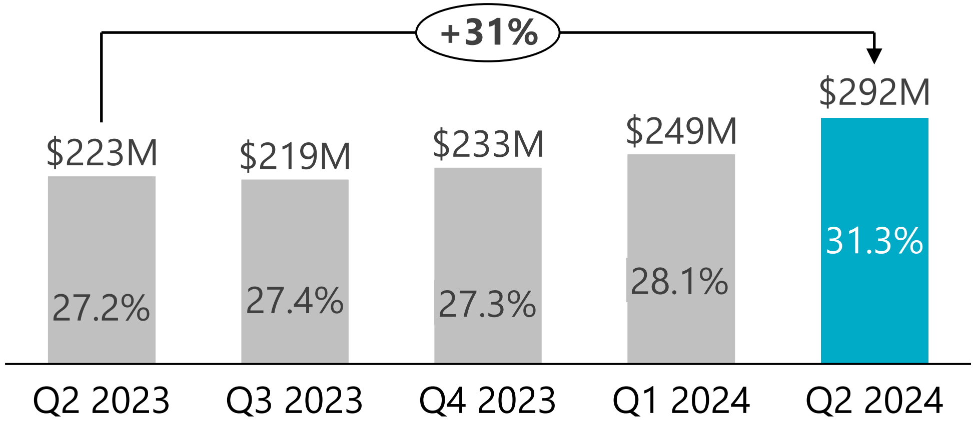
Engine Products: Revenue Up 14% Q2 YoY; Record Adj EBITDA Margin 31.3%

3rd Party Revenue





Segment Adjusted EBITDA and Margin

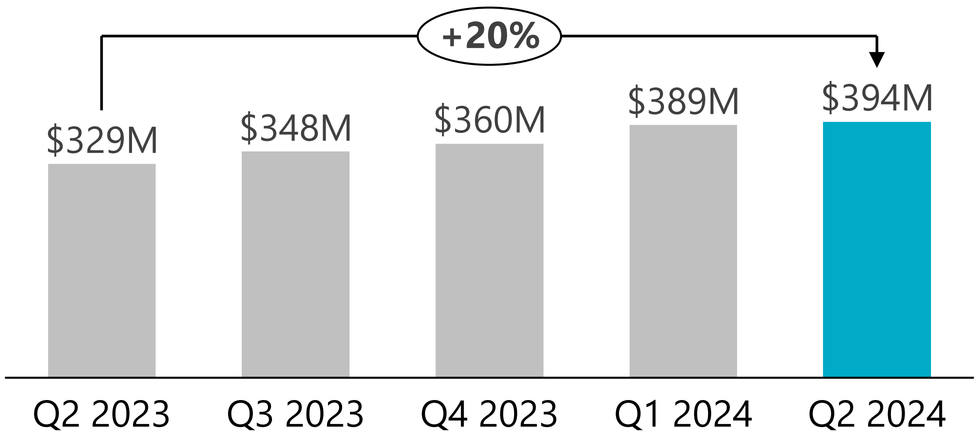


Q2 2024 YoY

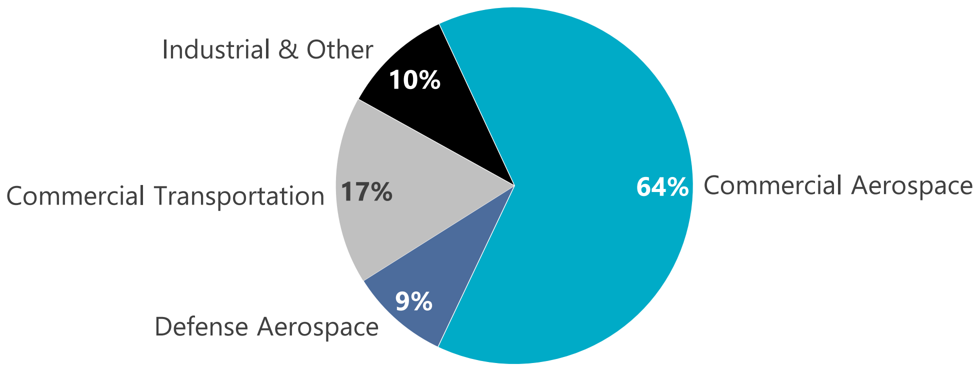
- \+ Commercial Aero Growth
- \+ Defense Aero Growth
- \+ Oil & Gas / Industrial Gas Turbine Growth
- \+ Spares Growth across all markets

Fastening Systems: Revenue Up 20% Q2 YoY; Adj EBITDA Margin 25.6%

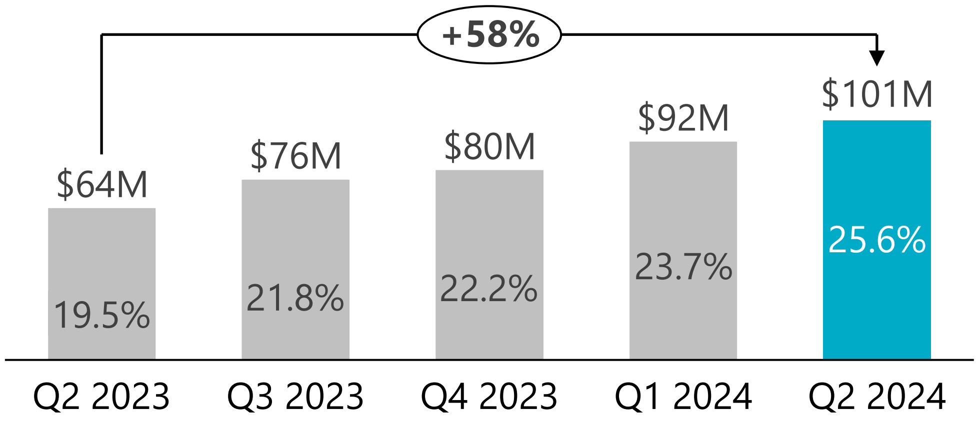
3rd Party Revenue



Q2 Revenue by Market (% of total)



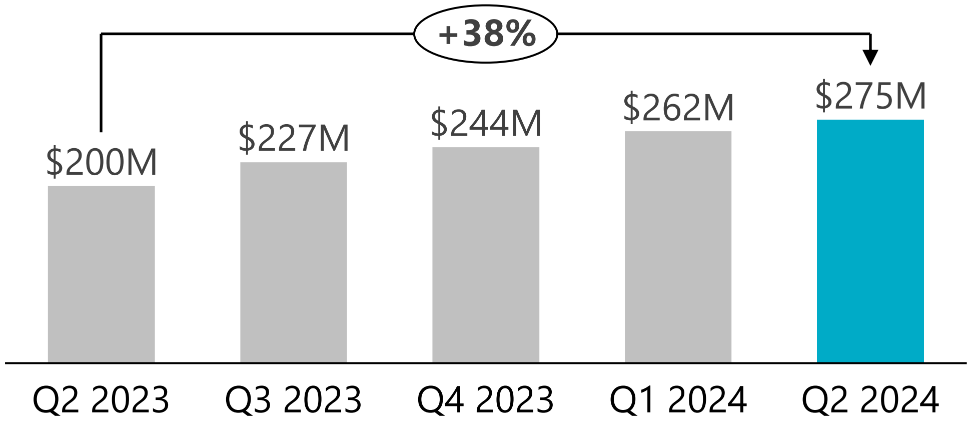
Segment Adjusted EBITDA and Margin



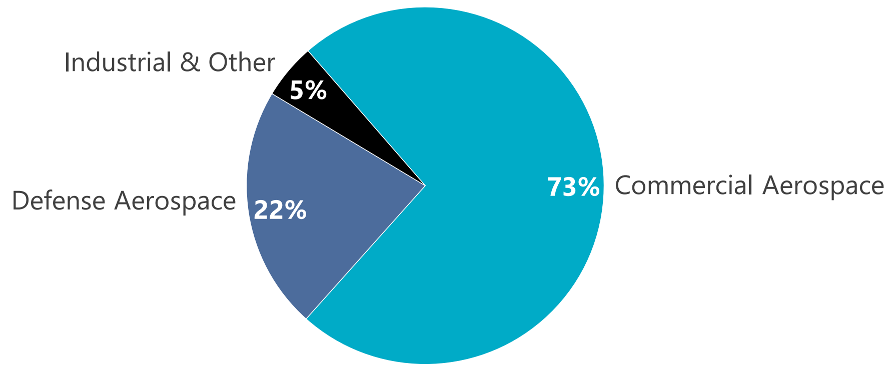
Q2 2024 YoY
+ Commercial Aero Growth
+ Wide Body Recovery
+ Labor Productivity

Engineered Structures: Revenue Up 38% Q2 YoY; Adj EBITDA Margin 14.5%

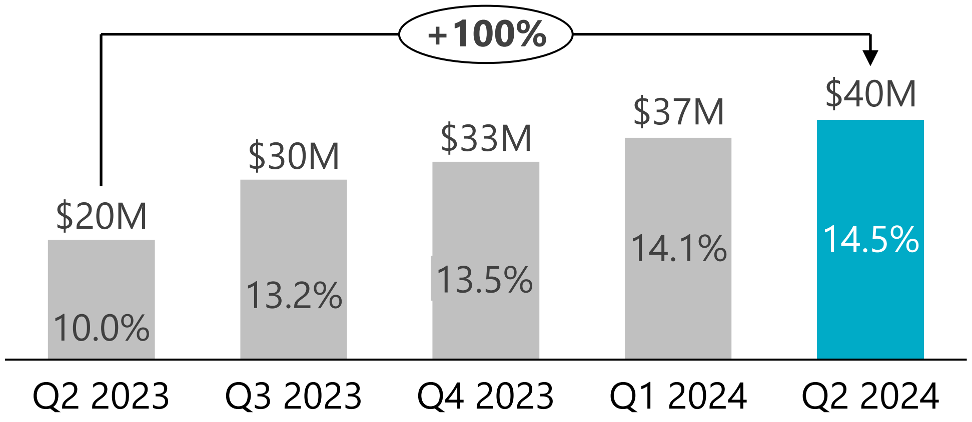
3rd Party Revenue



Q2 Revenue by Market (% of total)



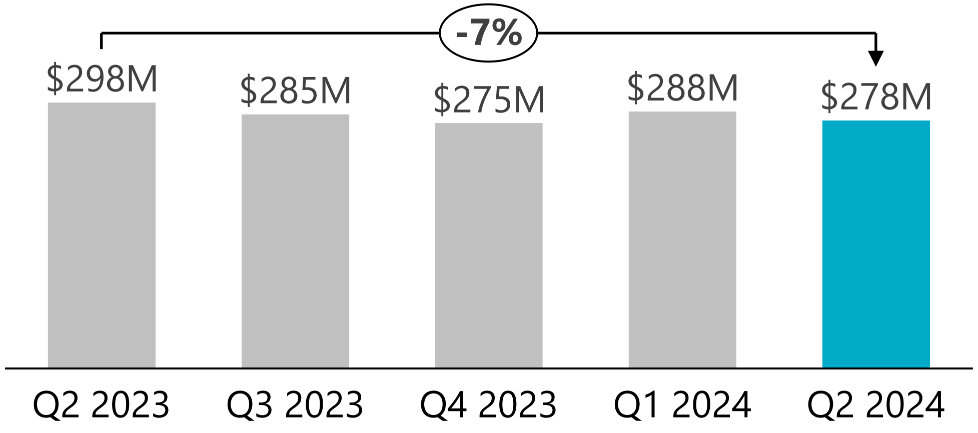
Segment Adjusted EBITDA and Margin



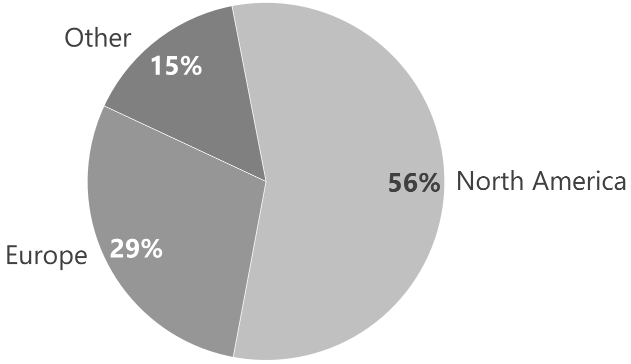
Q2 2024 YoY
+ Commercial Aero Growth
+ Wide Body Recovery
+ Defense Aero Growth

Forged Wheels: Volume Down 4% Q2 YoY; Adj EBITDA Margin 27.0%

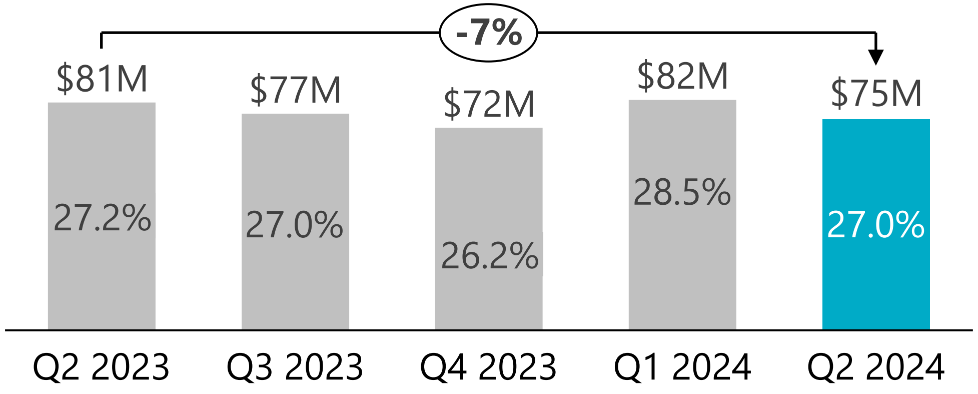
3rd Party Revenue



Q2 Revenue by Region (% of total)



Segment Adjusted EBITDA and Margin



Q2 2024 YoY

– Volume down 4%

– Commercial Transport. Market Softening

+ Maintained Adj EBITDA Margin

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2024 Guidance

	Q3 2024 Guidance			FY 2024 Guidance		
	Low	**Baseline**	**High**	**Low**	**Baseline**	**High**
Revenue	**$1.845B**	**$1.855B**	**$1.865B**	**$7.400B**	**$7.440B**	**$7.480B**
				Baseline Change	+$140M	
Adj EBITDA[1]	**$460M**	**$465M**	**$470M**	**$1.855B**	**$1.865B**	**$1.875B**
Adj EBITDA Margin[1]	*24.9%*	*25.1%*	*25.2%*	*25.1%*	*25.1%*	*25.1%*
				Baseline Change	+$115M *+110 bps*	
Adj Earnings per Share[1,2]	**$0.63**	**$0.64**	**$0.65**	**$2.53**	**$2.55**	**$2.57**
				Baseline Change	+$0.20	
Free Cash Flow				**$840M**	**$870M**	**$900M**
				Baseline Change	+$70M	

What we expect in 2024

- FY 2024 Revenue up ~12% vs. FY 2023
- FY 2024 Adj EBITDA[1] up ~24% vs. FY 2023
- FY 2024 Adj EPS[1,2] up ~39% vs. FY 2023
- Capex of $310M - $330M
- Free Cash Flow Conversion ~85%

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1) Excluding special items 2) Assumes ~$15M of miscellaneous other expenses in FY 2024

Summary

Revenue / Profit Q2 2024	▪ Revenue of ~$1.88B, up 14% YoY, driven by Commercial Aerospace up 27% ▪ Adj EBITDA[1] of $483M, up 31% YoY ▪ Adj EBITDA Margin[1] of 25.7%, up ~340 bps YoY ▪ Adj Earnings Per Share[2] of $0.67, up 52% YoY
Cash Generation / Deployment Q2 2024	▪ Record Q2 Free Cash Flow[3] of $342M ▪ Repurchased $60M of Common Stock in Q2; $210M at ~$71 Avg Price per Share YTD ▪ Net Debt-to-LTM EBITDA[4] improved to record low 1.7x
Guidance Expectations	▪ Expect FY 2024 Revenue up ~12% YoY, Adj EBITDA[1] up ~24% YoY, Adj Earnings Per Share[2] up ~39% YoY ▪ Expect FY 2024 Free Cash Flow of ~$870M, up ~28% YoY, with Free Cash Flow Conversion of ~85% ▪ Share Repurchase Authorization increased by $2B to $2.487B[5] ▪ Increasing Common Stock Dividend by 60% to $0.08 per Share in Q3 2024 ▪ Establishing 2025 Dividend Policy[6] on Common Stock of 15% +/- 5% of Net Income excluding special items

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1) Adjusted EBITDA and EBITDA Margin excluding special items: Net Income (GAAP): Q2 2023 = $193M, Q2 2024 = $266M; Operating income (GAAP): Q2 2023 = $285M, Q2 2024 = $398M; Operating income margin (GAAP): Q2 2023 = 17.3%, Q2 2024 = 21.2% 2) Adjusted EPS excluding special items: EPS (GAAP): Q2 2023 = $0.46, Q2 2024 = $0.65 3) Q2 2024: Cash provided from operations = $397M, Cash used for financing activities = ($123M), Cash used for investing activities = ($54M) 4) Adjusted for special items; Last twelve months (LTM) Howmet adjusted EBITDA 5) The Company is not obligated to repurchase any specific number of shares or to do so at any particular time 6) Future dividends are subject to the discretion and approval of the Board of Directors *See appendix for reconciliations*

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Appendix

2024 Assumptions

	Full Year 2024	2024 Comments
Corporate Overhead[1]	**~$95M** *Previous: ~$83M*	▪ Included in Adj EBITDA[1]
Depreciation and Amortization	~$270M	
Interest Expense	**~$190M** *Previous: ~$200M*	▪ Excludes future potential debt issuance, breakage, and tender fees
Operational Tax Rate	21.0% – 22.0%	▪ Cash Tax Rate ~15%
Pension / OPEB Expense	~$40M	▪ ~$5M Service Costs (included in Adj EBITDA[1]) ▪ ~$35M Non-Service Costs (excluded from Adj EBITDA[1]) ▪ Up ~$5M YoY
Miscellaneous Other Expenses	**~$15M** *Previous: ($5M) – $15M*	▪ Included in Other expense (income), net ▪ Examples are deferred compensation and foreign currency impacts
Post-Tax Pension / OPEB Liability	~$525M Pension Liability; ~$80M OPEB Liability	▪ Applied U.S. federal corporate tax rate of 21%
Pension / OPEB Contributions	~$65M	▪ Up ~$15M YoY
Capex	**$310M – $330M** *Previous: $275M – $305M*	▪ Increase driven by Engine Products Capacity Expansion
Diluted Share Count Average	~411M	▪ Q2 2024 Diluted shares exit rate of ~410M ▪ $210M common share buyback YTD ▪ Excludes any potential additional common stock repurchases

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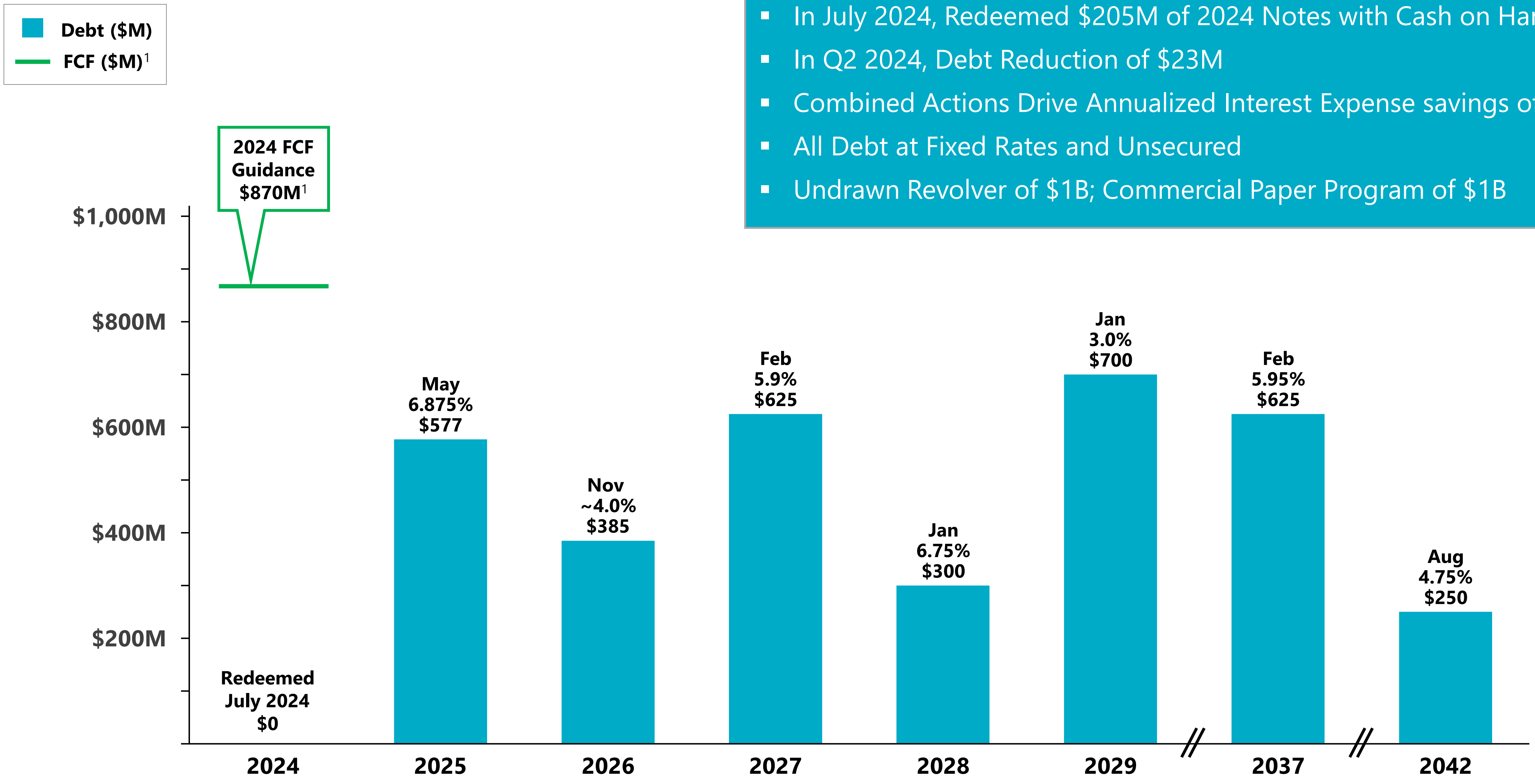
1) Excluding special items

Bold denotes changes from previous Full Year 2024 assumptions

Robust Liquidity; Each Debt Tower Below 2024 Free Cash Flow Expectations

- In July 2024, Redeemed $205M of 2024 Notes with Cash on Hand
- In Q2 2024, Debt Reduction of $23M
- Combined Actions Drive Annualized Interest Expense savings of ~$12M
- All Debt at Fixed Rates and Unsecured
- Undrawn Revolver of $1B; Commercial Paper Program of $1B



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1) Free Cash Flow – 2024 Guidance Baseline

Reconciliation of Net Income and Diluted EPS Excluding Special Items

($ in millions, except per-share amounts)	Q2 2023	Q1 2024	Q2 2024	YTD 2024
Net income	**$193**	**$243**	**$266**	**$509**
Diluted EPS	**$0.46**	**$0.59**	**$0.65**	**$1.23**
Special items:				
Restructuring and other charges[(1)]	$3	$—	$22	**$22**
Plant fire reimbursements, net	(4)	—	(6)	(6)
Collective bargaining agreement negotiations	7	—	—	—
Settlement from legal proceeding	(24)	—	—	—
Costs associated with closures, supply chain disruptions, and other items	9	1	—	1
Subtotal: Pre-tax special items	$(9)	$1	$16	$17
Tax impact of Pre-tax special items[(2)]	2	—	—	—
Subtotal	$(7)	$1	$16	$17
Discrete and other tax special items[(3)]	$(5)	$(6)	$(6)	$(12)
Total: After-tax special items	$(12)	$(5)	$10	$5
Net income excluding Special items	**$181**	**$238**	**$276**	**$514**
Diluted EPS excluding Special items	**$0.44**	**$0.57**	**$0.67**	**$1.25**

Net income excluding Special items and Diluted EPS excluding Special items are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management reviews the operating results of the Company excluding the impacts of Restructuring and other charges, Discrete tax items, and Other special items (collectively, "Special items"). There can be no assurances that additional Special items will not occur in future periods. To compensate for this limitation, management believes that it is appropriate to consider both Net income and Diluted EPS determined under GAAP as well as Net income excluding Special items and Diluted EPS excluding Special items.

(1) Q2 2024 includes non-cash Special items of a loss on sale of a small manufacturing facility in Engineered Structures $14 and other exit costs, including accelerated depreciation $1.

(2) The Tax impact of Pre-tax special items is based on the applicable statutory rates whereby the difference between such rates and the Company's consolidated estimated annual effective tax rate is itself a Special item.

(3) Discrete tax items for Q2 2024 and Q2 YTD 2024 are discussed further in the Reconciliation of the Operational Tax Rate. Discrete tax items for Q2 2023 included an excess benefit for stock compensation ($8) and a net charge for other small items $1. Discrete tax items for Q1 2024 included a benefit to release a valuation allowance related to U.S. foreign tax credits ($6), and a net benefit for other small items ($1).

Reconciliation of Operational Tax Rate

($ in millions)	Quarter ended June 30, 2024			Six months ended June 30, 2024		
	Effective tax rate, as reported	Special items[(1)(2)]	Operational tax rate, as adjusted	Effective tax rate, as reported	Special items[(1)(2)]	Operational tax rate, as adjusted
Income before income taxes	$334	$16	$350	$637	$17	$654
Provision for income taxes	$68	$6	$74	$128	$12	$140
Tax rate	20.4%		21.1%	20.1%		21.4%

Operational tax rate is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews the operating results of the Company excluding the impacts of Special items. There can be no assurances that additional Special items will not occur in future periods. To compensate for this limitation, management believes that it is appropriate to consider both the Effective tax rate determined under GAAP as well as the Operational tax rate.

(1) Pre-tax special items for the quarter ended June 30, 2024 included Restructuring and other charges $22 offset by Plant fire reimbursements ($6). Pre-tax special items for the six months ended June 30, 2024 included Restructuring and other charges $22, Costs associated with closures, supply chain disruptions and other items $1 offset by Plant fire reimbursements ($6).

(2) Tax Special items includes discrete tax items, the tax impact on Special items based on the applicable statutory rates, the difference between such rates and the Company's consolidated estimated annual effective tax rate and other tax related items. Discrete tax items for each period included the following:

- for the quarter ended June 30, 2024, an excess benefit for stock compensation ($5); and
- for the six months ended June 30, 2024, an excess benefit for stock compensation ($7), a benefit to release a valuations allowance related to U.S. foreign tax credits ($6), and a net charge for other small items $1.

Calculation of Segment Markets Revenue

($ in millions)	Engine Products	Fastening Systems	Engineered Structures	Forged Wheels	Total Segment
Second quarter ended June 30, 2023					
Aerospace - Commercial	$446	$184	$141	$—	$771
Aerospace - Defense	$174	$46	$42	$—	$262
Commercial Transportation	$—	$62	$—	$298	$360
Industrial and Other	$201	$37	$17	$—	$255
Third-party sales market revenue	**$821**	**$329**	**$200**	**$298**	**$1,648**
First quarter ended March 31, 2024					
Aerospace - Commercial	$492	$244	$192	$—	$928
Aerospace - Defense	$185	$39	$56	$—	$280
Commercial Transportation	$—	$66	$—	$288	$354
Industrial and Other	$208	$40	$14	$—	$262
Third-party sales market revenue	**$885**	**$389**	**$262**	**$288**	**$1,824**
Second quarter ended June 30, 2024					
Aerospace - Commercial	$528	$251	$200	$—	$979
Aerospace - Defense	$192	$37	$61	$—	$290
Commercial Transportation	$—	$68	$—	$278	$346
Industrial and Other	$213	$38	$14	$—	$265
Third-party sales market revenue	**$933**	**$394**	**$275**	**$278**	**$1,880**

Differences between the total segment and consolidated totals are in Corporate.

Revenue includes impacts of foreign currency and material and other inflationary cost pass through.

Calculation of Segment Information

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Engine Products							
Third-party sales	$ 795	$ 821	$ 798	$ 852	$ 3,266	$ 885	$ 933
Inter-segment sales	$ 2	$ 5	$ 5	$ 1	$ 13	$ 2	$ 1
Provision for depreciation and amortization	$ 32	$ 32	$ 33	$ 33	$ 130	$ 33	$ 33
Segment Adjusted EBITDA	$ 212	$ 223	$ 219	$ 233	$ 887	$ 249	$ 292
Segment Adjusted EBITDA Margin	26.7 %	27.2 %	27.4 %	27.3 %	27.2 %	28.1 %	31.3 %
Depreciation and amortization % of Revenue	4.0 %	3.9 %	4.1 %	3.9 %	4.0 %	3.7 %	3.5 %
Restructuring and other credits	$ —	$ (1)	$ —	$ (1)	$ (2)	$ —	$ (1)
Capital expenditures	$ 33	$ 21	$ 30	$ 28	$ 112	$ 55	$ 33
Fastening Systems							
Third-party sales	$ 312	$ 329	$ 348	$ 360	$ 1,349	$ 389	$ 394
Provision for depreciation and amortization	$ 11	$ 12	$ 12	$ 11	$ 46	$ 11	$ 13
Segment Adjusted EBITDA	$ 58	$ 64	$ 76	$ 80	$ 278	$ 92	$ 101
Segment Adjusted EBITDA Margin	18.6 %	19.5 %	21.8 %	22.2 %	20.6 %	23.7 %	25.6 %
Depreciation and amortization % of Revenue	3.5 %	3.6 %	3.4 %	3.1 %	3.4 %	2.8 %	3.3 %
Restructuring and other charges	$ —	$ —	$ 1	$ —	$ 1	$ —	$ 2
Capital expenditures	$ 9	$ 5	$ 9	$ 8	$ 31	$ 7	$ 5

Calculation of Segment Information (continued)

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Engineered Structures							
Third-party sales	$ 207	$ 200	$ 227	$ 244	$ 878	$ 262	$ 275
Inter-segment sales	$ —	$ 1	$ —	$ 2	$ 3	$ 1	$ 3
Provision for depreciation and amortization	$ 12	$ 12	$ 12	$ 11	$ 47	$ 11	$ 11
Segment Adjusted EBITDA	$ 30	$ 20	$ 30	$ 33	$ 113	$ 37	$ 40
Segment Adjusted EBITDA Margin	14.5 %	10.0 %	13.2 %	13.5 %	12.9 %	14.1 %	14.5 %
Depreciation and amortization % of Revenue	5.8 %	6.0 %	5.3 %	4.5 %	5.4 %	4.2 %	4.0 %
Restructuring and other charges	$ 1	$ 5	$ 1	$ 14	$ 21	$ —	$ 14
Capital expenditures	$ 10	$ 5	$ 6	$ 5	$ 26	$ 6	$ 5
Forged Wheels							
Third-party sales	$ 289	$ 298	$ 285	$ 275	$ 1,147	$ 288	$ 278
Provision for depreciation and amortization	$ 9	$ 10	$ 10	$ 10	$ 39	$ 10	$ 10
Segment Adjusted EBITDA	$ 79	$ 81	$ 77	$ 72	$ 309	$ 82	$ 75
Segment Adjusted EBITDA Margin	27.3 %	27.2 %	27.0 %	26.2 %	26.9 %	28.5 %	27.0 %
Depreciation and amortization % of Revenue	3.1 %	3.4 %	3.5 %	3.6 %	3.4 %	3.5 %	3.6 %
Capital expenditures	$ 9	$ 7	$ 9	$ 11	$ 36	$ 12	$ 9

Calculation of Total Segment Adj. EBITDA and Adj. EBITDA Margin

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Third-party sales – Engine Products	$795	$821	$798	$852	$3,266	$885	$933
Third-party sales – Fastening Systems	$312	$329	$348	$360	$1,349	$389	$394
Third-party sales – Engineered Structures	$207	$200	$227	$244	$878	$262	$275
Third-party sales – Forged Wheels	$289	$298	$285	$275	$1,147	$288	$278
Total Segment third-party sales	**$1,603**	**$1,648**	**$1,658**	**$1,731**	**$6,640**	**$1,824**	**$1,880**
Total Segment Adjusted EBITDA[1]	$379	$388	$402	$418	$1,587	$460	$508
Total Segment Adjusted EBITDA margin	23.6%	23.5%	24.2%	24.1%	23.9%	25.2%	27.0%

Total Segment Adjusted EBITDA and Total Segment Adjusted EBITDA margin are non-GAAP financial measures. Management believes that these measures are meaningful to investors because Total Segment Adjusted EBITDA and Total Segment Adjusted EBITDA margin provide additional information with respect to the operating performance and the Company's ability to meet its financial obligations. The Total Segment Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. Howmet's definition of Total Segment Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation and amortization. Special items, including Restructuring and other charges, are excluded from net margin and Segment Adjusted EBITDA.

Differences between the total segment and consolidated totals are in Corporate.

(1) See Reconciliation of Total Segment Adjusted EBITDA to Consolidated Income Before Income Taxes.

Reconciliation of Total Segment Adj. EBITDA to Income Before Income Taxes

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Income before income taxes	$220	$243	$242	$270	$975	$303	$334
Loss on debt redemption	1	—	—	1	2	—	—
Interest expense	57	55	54	52	218	49	49
Other expense (income), net	7	(13)	11	3	8	17	15
Operating income	$285	$285	$307	$326	$1,203	$369	$398
Segment provision for depreciation and amortization	64	66	67	65	262	65	67
Unallocated amounts:							
Restructuring and other charges	1	3	4	15	23	—	22
Corporate expense[1]	29	34	24	12	99	26	21
Total Segment Adjusted EBITDA	$379	$388	$402	$418	$1,587	$460	$508

Total Segment Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because Total Segment Adjusted EBITDA provides additional information with respect to the Company's operating performance and the Company's ability to meet its financial obligations. The Total Segment Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. Howmet's definition of Total Segment Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation and amortization. Special items, including Restructuring and other charges, are excluded from net margin and Segment Adjusted EBITDA. Differences between the total segment and consolidated totals are in Corporate.

[1] **Pre-tax special items included in Corporate expense**	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Plant fire costs (reimbursements), net	$4	$(4)	$1	$(13)	$(12)	$—	$(6)
Collectively bargaining agreement negotiation	—	7	1	—	8	—	—
Costs associated with closures, supply chain disruptions, and other items	1	9	1	2	13	1	—
Total Pre-tax special items included in Corporate expense	$5	$12	$3	$(11)	$9	$1	$(6)

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Reconciliation of Adj. Corporate Exp. Excluding Depreciation and Special Items

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Corporate expense	$29	$34	$24	$12	$99	$26	$21
Provision for depreciation and amortization	5	1	1	3	10	2	2
Adjusted Corporate expense excluding depreciation	$24	$33	$23	$9	$89	$24	$19
Special items:							
Plant fire costs (reimbursements), net	$4	$(4)	$1	$(13)	$(12)	$—	$(6)
Collective bargaining agreement negotiations	—	7	1	—	8	—	—
Costs associated with closures, supply chain disruptions, and other items	1	10	1	2	14	1	—
Adjusted Corporate expense excluding depreciation and Special items	$19	$20	$20	$20	$79	$23	$25

Adjusted Corporate expense excluding depreciation and Adjusted Corporate expense excluding depreciation and Special items are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management reviews the operating results of the Company excluding the impacts of Special items. There can be no assurances that additional Special items will not occur in future periods. To compensate for this limitation, management believes that it is appropriate to consider both Corporate expense determined under GAAP as well as Adjusted Corporate expense excluding depreciation and Adjusted Corporate expense excluding depreciation and Special items.

Reconciliation of Adj. EBITDA and Adj. EBITDA Margin Excluding Special Items and Incremental Margin

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Third-party sales	$1,603	$1,648	$1,658	$1,731	$6,640	$1,824	$1,880
Operating income	$285	$285	$307	$326	$1,203	$369	$398
Operating income margin	17.8%	17.3%	18.5%	18.8%	18.1%	20.2%	21.2%
Net income	$148	$193	$188	$236	$765	$243	$266
Add:							
Provision for income taxes	$72	$50	$54	$34	$210	$60	$68
Other expense (income), net	7	(13)	11	3	8	17	15
Loss on debt redemption	1	—	—	1	2	—	—
Interest expense, net	57	55	54	52	218	49	49
Restructuring and other charges	1	3	4	15	23	—	22
Provision for depreciation and amortization	69	67	68	68	272	67	69
Adjusted EBITDA	$355	$355	$379	$409	$1,498	$436	$489
Add:							
Plant fire costs (reimbursements), net	$4	$(4)	$1	$(13)	$(12)	$—	$(6)
Collective bargaining agreement negotiations	—	7	1	—	8	—	—
Costs associated with closures, supply chain disruptions, and other items	1	10	1	2	14	1	—
Adjusted EBITDA excluding Special items	$360	$368	$382	$398	$1,508	$437	$483
Adjusted EBITDA margin excluding Special items	22.5%	22.3%	23.0%	23.0%	22.7%	24.0%	25.7%

	Q2 2023	Q2 2024	Q2 2024 YoY
Third-party sales (b)	$1,648	$1,880	$232
Adjusted EBITDA excluding Special items (a)	$368	$483	$115
Incremental margin (a)/(b)			50%

Adjusted EBITDA, Adjusted EBITDA excluding Special items, Adjusted EBITDA margin excluding Special items, Third-party and Incremental margin are non-GAAP financial measures. Management believes that these measures are meaningful to investors because they provide additional information with respect to the Company's operating performance and the Company's ability to meet its financial obligations. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies. The Company's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold, Selling, general administrative, and other expenses, Research and development expenses, and Provision for depreciation and amortization. Special items, including Restructuring and other charges, are excluded from Adjusted EBITDA.

Reconciliation of Adj. Operating Income and Margin Both Excluding Special Items

($ in millions)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024
Third-party sales	$1,603	$1,648	$1,658	$1,731	$6,640	$1,824	$1,880
Operating income	$285	$285	$307	$326	$1,203	$369	$398
Operating income margin	17.8%	17.3%	18.5%	18.8%	18.1%	20.2%	21.2%
Add:							
Restructuring and other charges	$1	$3	$4	$15	$23	$—	$22
Plant fire costs (reimbursements), net	4	(4)	1	(13)	(12)	—	(6)
Collective bargaining agreement negotiations	—	7	1	—	8	—	—
Costs associated with closures, supply chain disruptions, and other items	1	10	1	2	14	1	—
Adjusted operating income excluding Special items	$291	$301	$314	$330	$1,236	$370	$414
Adjusted operating income margin excluding Special items	18.2%	18.3%	18.9%	19.1%	18.6%	20.3%	22.0%

Adjusted operating income excluding Special items and Adjusted operating income margin excluding Special items are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management reviews the operating results of the Company excluding the impacts of Special items. There can be no assurances that additional Special items will not occur in future periods. To compensate for this limitation, management believes that it is appropriate to consider both Operating income and Operating Income margin determined under GAAP as well as Adjusted operating income excluding Special items and Adjusted operating income margin excluding Special items.

Reconciliation of Free Cash Flow

($ in millions)	Q1 2024	Q2 2024	YTD 2024
Cash provided from operations	$177	$397	$574
Capital expenditures	(82)	(55)	(137)
Free cash flow	$95	$342	$437

The Accounts Receivable Securitization program remains unchanged at $250 outstanding.

Free cash flow is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures (due to the fact that these expenditures are considered necessary to maintain and expand the Company's asset base and are expected to generate future cash flows from operations). It is important to note that Free cash flow does not represent the residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure.

Reconciliation of Net Debt and Net Debt to Adjusted EBITDA Excluding Special Items

($ in millions)	Trailing-12 months ended March 31, 2024	Trailing-12 months ended June 30, 2024
Net income	$860	$933
Add:		
Provision for income taxes	$198	216
Other expense, net	18	46
Loss on debt redemption	1	1
Interest expense, net	210	204
Restructuring and other charges	22	41
Provision for depreciation and amortization	270	272
Adjusted EBITDA	**$1,579**	**$1,713**
Add:		
Plant fire reimbursements, net	$(16)	(18)
Collective bargaining agreement negotiation	8	1
Costs associated with closures, supply chain disruptions, and other items	14	4
Adjusted EBITDA excluding Special items	**$1,585**	**$1,700**
Long-term debt due within one year	$206	$782
Long-term debt, less amount due within one year	3,486	$2,877
Total Debt, at period end	**$3,692**	**$3,659**
Less: Cash, cash equivalents, and restricted cash, at period end	$534	$752
Net Debt, at period end	**$3,158**	**$2,907**
Net Debt to Adjusted EBITDA excluding Special items	**2.0**	**1.7**

Net debt, Net debt to Adjusted EBITDA, Adjusted EBITDA, and Adjusted EBITDA excluding Special items are non-GAAP financial measures. The Company's definition of Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) is net margin plus an add-back for depreciation and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation and amortization. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

Management believes that these measures are meaningful to investors because management assesses the Company's leverage position after factoring in cash that could be used to repay outstanding debt, and also because they provide additional information with respect to the Company’s operating performance and the Company’s ability to meet its financial obligations.

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