

The Chemours Company Reports Third Quarter 2018 Results, Solid Earnings Improvement Across All Segments

Third Quarter 2018 Highlights

- Net Sales of \$1.6 billion, up 3%
- Net Income of \$275 million, up 33% with EPS of \$1.51, up 40%
- Adjusted Net Income of \$271 million, up 33% with Adjusted EPS of \$1.49, up 41%
- Adjusted EBITDA of \$435 million, up 14%
- Repurchased approximately \$136 million of stock during the quarter
- Expect full year 2018 Adjusted EBITDA in the lower half of our original guidance range of \$1.7 to \$1.85 billion on reduced Ti-Pure™ titanium dioxide volume
- Affirming three-year (2018-2020) financial targets

Wilmington, Del., November 1, 2018 – The Chemours Company (Chemours) (NYSE: CC), a global chemistry company with leading market positions in fluoroproducts, chemical solutions and titanium technologies, today announced its financial results for the third quarter 2018.

“I am proud of the results we delivered in the third quarter 2018, with solid performance across all our segments, despite lower than expected Ti-Pure™ titanium dioxide volume, driving top line and bottom line growth for the company,” said President and CEO Mark Vergnano. “Our results in the quarter reflect the disciplined execution of our strategy and we remain confident in our ability to deliver consistent growth and create value over the long-term.”

Third quarter net sales of \$1.6 billion increased 3 percent from the prior year quarter, driven primarily by higher global average selling prices in Titanium Technologies and strong demand in Fluoroproducts. Third quarter net income was \$275 million, or \$1.51 per diluted share, up 33 percent and 40 percent, respectively. Adjusted EBITDA for the third quarter 2018 increased 14 percent to \$435 million. This improvement was primarily a result of increased sales somewhat offset by higher raw material costs.

Fluoroproducts

Fluoroproducts segment sales in the third quarter of \$682 million rose 7 percent in comparison to the prior-year quarter. Higher volume versus last year's third quarter was driven by broad-based demand for Opteon™ and base refrigerants, and fluoropolymer products. Price was modestly favorable on a year-over-year basis driven by improved price for most fluoropolymer products, somewhat offset by seasonally lower base refrigerant pricing. Segment Adjusted EBITDA of \$182 million improved 15 percent versus the prior-year quarter, a result of higher sales partially offset by increased raw material expenses.

Chemical Solutions

In the third quarter 2018, Chemical Solutions segment sales were \$155 million, a 5 percent increase versus the prior-year quarter. Softer demand for performance chemicals and intermediates products in comparison to last year's third quarter drove lower volume. Price impact was favorable versus last year's third quarter, a result of price increases implemented in 2018 across mining solutions and performance chemicals and intermediates. Third quarter 2018 segment Adjusted EBITDA was \$24 million, a 33 percent increase in comparison to the prior year quarter reflecting higher prices, which was somewhat offset by increased raw material costs.

Titanium Technologies

Titanium Technologies segment sales in the third quarter were \$791 million versus \$799 million in the prior-year quarter. Volume was lower in comparison to robust demand in the prior-year quarter, a result of continued customer inventory destocking. Global average selling prices were higher in comparison to last year's third quarter due to previously communicated price announcements. On a sequential basis, average local price was modestly positive, partially offset by customer mix in comparison to the second quarter of 2018. Segment Adjusted EBITDA was \$268 million, an 8 percent year-over-year increase versus last year's third quarter. Results were driven by higher global average selling prices for Ti-Pure™ titanium dioxide, partially offset by higher raw material costs.

Corporate and Other

Corporate and Other represented a \$39 million offset to Adjusted EBITDA, \$5 million lower versus the prior-year quarter.

The company realized an adjusted effective tax rate of approximately 14 percent in the quarter. The company expects its effective tax rate for the full-year 2018 to be within a range of 18 to 20 percent, reflecting the company's anticipated geographic mix of earnings and the impact of US tax reform.

In the quarter, the company recorded a \$30 million non-cash charge in relation to Fayetteville, NC environmental matters.

Liquidity

As of September 30, 2018, gross consolidated debt was \$4.0 billion. Debt, net of \$1.3 billion cash, was \$2.7 billion, resulting in a net leverage ratio of approximately 1.5 times on a trailing twelve-month basis.

Cash provided by operating activities for the third quarter of 2018 was \$342 million, versus \$112 million, which included the \$320 million PFOA MDL settlement payment in the prior year quarter. Working capital for the quarter decreased by \$40 million.

Capital expenditures for the third quarter 2018 were \$116 million, versus \$108 million in last year's third quarter. The company expects its capital expenditures for the full-year 2018 to be approximately \$500 million. Free Cash Flow for the third quarter was \$226 million versus the prior-year quarter of \$324 million, excluding the PFOA MDL settlement payment made in the third quarter of 2017.

In the nine months of 2018, cash provided by operating activities was \$881 million, versus \$672 million in the first nine months of 2017, which excluded the PFOA MDL settlement payment made in 2017. Year-to-date 2018 Free Cash Flow of \$537 million represents a \$111 million improvement versus the prior-year Free Cash Flow of \$426 million, excluding the PFOA MDL settlement payment made in 2017.

Outlook

"We expect each of our segments to deliver solid year-over-year top and bottom line growth. In Fluoroproducts, we believe continued adoption of Opteon™ refrigerants and strong demand for fluoropolymers products will drive improved results. We anticipate Chemical Solutions to continue to deliver improved performance, given robust demand for mining solutions products. Finally, we are committed to Ti-Pure™ Value Stabilization and expect the Titanium Technologies segment to show year-over-year improvement, despite anticipated volume loss due to customer destocking," Vergnano commented.

"With additional visibility into the balance of the year, we now expect Adjusted EBITDA within the lower half of our original guidance range of \$1.70 to \$1.85 billion. We expect 2018 Free Cash Flow to be approximately \$650 million, with Adjusted EPS of between \$5.10 and \$5.85 per share. We remain committed to meeting or exceeding our three-year financial targets, including our previously announced targets for capital allocation," Vergnano concluded.

Conference Call

As previously announced, Chemours will hold a conference call and webcast on Friday, November 2, 2018 at 8:30 AM EDT. The webcast and additional presentation materials can be accessed by visiting the *Events & Presentations* page of Chemours' investor website, investors.chemours.com. A webcast replay of the conference call will be available on the Chemours investor website.

About The Chemours Company

The Chemours Company (NYSE: CC) helps create a colorful, capable and cleaner world through the power of chemistry. Chemours is a global leader in fluoroproducts, chemical solutions, and titanium technologies, providing its customers with solutions in a wide range of industries with market-defining products, application expertise and chemistry-based innovations. Chemours ingredients are found in refrigeration and air conditioning, mining and general industrial manufacturing, plastics and coatings. Our flagship products include prominent brands such as Teflon™, Ti-Pure™, Krytox™, Viton™, Opteon™, Freon™ and Nafion™. Chemours has approximately 7,000 employees and 26 manufacturing sites serving approximately 4,000 customers in North America, Latin America, Asia-Pacific and Europe. Chemours is headquartered in Wilmington, Delaware and is listed on the NYSE under the symbol CC. For more information please visit chemours.com, or follow us on Twitter @Chemours, or LinkedIn.

Non-GAAP Financial Measures

We prepare our financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Within this press release, we may make reference to Adjusted Net Income (Loss), Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Return on Invested Capital (ROIC) and Net Leverage Ratio which are non-GAAP financial measures. The company includes these non-GAAP financial measures because management believes they are useful to investors in that they provide for greater transparency with respect to supplemental information used by management in its financial and operational decision making.

Management uses Adjusted Net Income (Loss), Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, ROIC and Net Leverage Ratio to evaluate the company's performance excluding the impact of certain noncash charges and other special items which we expect to be infrequent in occurrence in order to have comparable financial results to analyze changes in our underlying business from quarter to quarter.

Accordingly, the company believes the presentation of these non-GAAP financial measures, when used in conjunction with GAAP financial measures, is a useful financial analysis tool that can assist investors in assessing the company's operating performance and underlying prospects. This analysis should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. This analysis, as well as the other information in this press release, should be read in conjunction with the company's financial statements and footnotes contained in the documents that the company files with the U.S. Securities and Exchange Commission. The non-GAAP financial measures used by the company in this press release may be different from the methods used by other companies. For more information on the non-GAAP financial measures, please refer to the attached schedules or the table, "Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measures" and materials posted to the company's website at investors.chemours.com.

Forward-Looking Statements

This press release contains forward-looking statements, within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, which involve risks and uncertainties. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to a historical or current fact. The words "believe," "expect," "will," "anticipate," "plan," "estimate," "target," "project" and similar expressions, among others, generally identify "forward-looking statements," which speak only as of the date such statements were made. These forward-looking statements may address, among other things, the outcome or resolution of any pending or future environmental liabilities, the commencement, outcome or resolution of any regulatory inquiry, investigation or proceeding, the initiation, outcome or settlement of any litigation, changes in environmental regulations in the U.S. or other jurisdictions that affect demand for or adoption of our products, anticipated future operating and financial performance, business plans, prospects, targets, goals and commitments, capital investments and projects, plans for dividends or share repurchases, sufficiency or longevity of intellectual property protection, cost savings targets, plans to increase profitability and growth, our ability to make acquisitions, integrate acquired businesses or assets into our operations, and achieve anticipated synergies or cost savings, and our outlook for net sales, Adjusted EBITDA, Adjusted EPS, Free Cash Flow, and Return on Invested Capital (ROIC), all of which are subject to substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Forward-looking statements are based on certain assumptions and expectations of future events that may not be accurate or realized. These statements are not guarantees of future performance. Forward-looking statements also involve risks and uncertainties that are beyond Chemours' control. Additionally, there may be other risks and uncertainties that Chemours is unable to identify at this time or that Chemours does not currently expect to have a material impact on its business. Factors that could cause or contribute to these differences include the risks, uncertainties and other factors discussed in our filings with the U.S. Securities and Exchange Commission, including in our Annual Report on Form 10-K for the year ended December 31, 2017. Chemours assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law.

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