



The Chemours Company

Quarterly Financial Information

February 14, 2019



Safe Harbor Statement

This presentation 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, 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.

Non-GAAP Financial Measures

We prepare our financial statements in accordance with Generally Accepted Accounting Principles ("GAAP"). Within this presentation, 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.



CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(Dollars in millions, except per share amounts)

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|--|------------|----------|----------|----------|----------|------------|----------|----------|----------|----------|------------|-----------|----------|-----------|----------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Net sales | \$ 6,638 | \$ 1,464 | \$ 1,628 | \$ 1,816 | \$ 1,730 | \$ 6,183 | \$ 1,575 | \$ 1,584 | \$ 1,588 | \$ 1,437 | \$ 5,400 | \$ 1,322 | \$ 1,398 | \$ 1,383 | \$ 1,297 |
| Cost of goods sold | 4,667 | 1,064 | 1,151 | 1,259 | 1,193 | 4,438 | 1,090 | 1,119 | 1,150 | 1,081 | 4,297 | 1,023 | 1,058 | 1,118 | 1,100 |
| Gross profit | 1,971 | 400 | 477 | 557 | 537 | 1,745 | 485 | 465 | 438 | 356 | 1,103 | 299 | 340 | 265 | 197 |
| Selling, general, and administrative expense | 657 | 190 | 163 | 161 | 143 | 626 | 165 | 153 | 164 | 150 | 946 | 480 | 151 | 178 | 135 |
| Research and development expense | 82 | 22 | 20 | 20 | 20 | 81 | 20 | 20 | 21 | 19 | 81 | 20 | 19 | 17 | 23 |
| Restructuring, asset-related, and other charges | 49 | 17 | 12 | 10 | 10 | 57 | 26 | 8 | 6 | 12 | 170 | 25 | 60 | 67 | 17 |
| Total other operating expenses | 788 | 229 | 195 | 191 | 173 | 764 | 211 | 181 | 191 | 181 | 1,197 | 525 | 230 | 262 | 175 |
| Equity in earnings of affiliates | 43 | 11 | 10 | 10 | 12 | 33 | 7 | 9 | 10 | 7 | 29 | 12 | 9 | 4 | 5 |
| Interest expense, net | (195) | (48) | (47) | (48) | (52) | (214) | (54) | (55) | (54) | (51) | (219) | (56) | (56) | (55) | (53) |
| (Loss) gain on extinguishment of debt | (38) | — | — | (38) | — | (1) | — | — | (1) | — | 6 | — | 5 | 5 | (4) |
| Other income (expense), net | 162 | 48 | 24 | 33 | 57 | 113 | 37 | 12 | 23 | 42 | 267 | (3) | 166 | 2 | 100 |
| Income (loss) before income taxes | 1,155 | 182 | 269 | 323 | 381 | 912 | 264 | 250 | 225 | 173 | (11) | (273) | 234 | (41) | 70 |
| Provision for (benefit from) income taxes | 159 | 40 | (6) | 41 | 84 | 165 | 36 | 43 | 64 | 22 | (18) | (43) | 30 | (23) | 19 |
| Net income (loss) | 996 | 142 | 275 | 282 | 297 | 747 | 228 | 207 | 161 | 151 | 7 | (230) | 204 | (18) | 51 |
| Less: Net income attributable to non-controlling interests | 1 | — | — | 1 | — | 1 | — | — | — | 1 | — | — | — | — | — |
| Net income (loss) attributable to Chemours | \$ 995 | \$ 142 | \$ 275 | \$ 281 | \$ 297 | \$ 746 | \$ 228 | \$ 207 | \$ 161 | \$ 150 | \$ 7 | \$ (230) | \$ 204 | \$ (18) | \$ 51 |
| Per share data | | | | | | | | | | | | | | | |
| Basic earnings (loss) per share of common stock | \$ 5.62 | \$ 0.83 | \$ 1.56 | \$ 1.58 | \$ 1.63 | \$ 4.04 | \$ 1.23 | \$ 1.12 | \$ 0.87 | \$ 0.82 | \$ 0.04 | \$ (1.26) | \$ 1.12 | \$ (0.10) | \$ 0.28 |
| Diluted earnings (loss) per share of common stock | 5.45 | 0.81 | 1.51 | 1.53 | 1.58 | 3.91 | 1.19 | 1.08 | 0.84 | 0.79 | 0.04 | (1.26) | 1.11 | (0.10) | 0.28 |
| Dividends per share of common stock | 0.67 | 0.25 | 0.25 | 0.17 | — | 0.29 | 0.20 | 0.03 | 0.03 | 0.03 | 0.12 | 0.03 | 0.03 | 0.03 | 0.03 |

* Note: Individual quarters may not sum to full year amounts due to rounding. Certain prior period amounts have been reclassified to conform to the current period presentation.



CONSOLIDATED BALANCE SHEETS
(Dollars in millions, except per share amounts)

| | December 31, 2018 | December 31, 2017 | December 31, 2016 |
|--|----------------------|----------------------|----------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 1,201 | \$ 1,556 | \$ 902 |
| Accounts and notes receivable, net | 861 | 919 | 807 |
| Inventories | 1,147 | 935 | 767 |
| Prepaid expenses and other | 84 | 83 | 77 |
| Total current assets | <u>3,293</u> | <u>3,493</u> | <u>2,553</u> |
| Property, plant, and equipment | 8,992 | 8,511 | 7,997 |
| Less: Accumulated depreciation | <u>(5,701)</u> | <u>(5,503)</u> | <u>(5,213)</u> |
| Property, plant, and equipment, net | <u>3,291</u> | <u>3,008</u> | <u>2,784</u> |
| Goodwill and other intangible assets, net | 181 | 166 | 170 |
| Investments in affiliates | 160 | 173 | 136 |
| Other assets | 437 | 453 | 417 |
| Total assets | <u>\$ 7,362</u> | <u>\$ 7,293</u> | <u>\$ 6,060</u> |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 1,137 | \$ 1,075 | \$ 884 |
| Current maturities of long-term debt | 13 | 15 | 15 |
| Other accrued liabilities | 559 | 558 | 872 |
| Total current liabilities | <u>1,709</u> | <u>1,648</u> | <u>1,771</u> |
| Long-term debt, net | 3,959 | 4,097 | 3,529 |
| Deferred income taxes | 217 | 208 | 132 |
| Other liabilities | 457 | 475 | 524 |
| Total liabilities | <u>6,342</u> | <u>6,428</u> | <u>5,956</u> |
| Commitments and contingent liabilities | | | |
| Equity | | | |
| Common stock (par value \$0.01 per share; 810,000,000 shares authorized) | 2 | 2 | 2 |
| Treasury stock at cost | (750) | (116) | — |
| Additional paid-in capital | 860 | 837 | 789 |
| Retained earnings (accumulated deficit) | 1,466 | 579 | (114) |
| Accumulated other comprehensive loss | <u>(564)</u> | <u>(442)</u> | <u>(577)</u> |
| Total Chemours stockholders' equity | <u>1,014</u> | <u>860</u> | <u>100</u> |
| Non-controlling interests | 6 | 5 | 4 |
| Total equity | <u>1,020</u> | <u>865</u> | <u>104</u> |
| Total liabilities and equity | <u>\$ 7,362</u> | <u>\$ 7,293</u> | <u>\$ 6,060</u> |



SEGMENT NET SALES (UNAUDITED)
(Dollars in millions)

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Fluoroproducts | \$ 2,862 | \$ 649 | \$ 682 | \$ 801 | \$ 732 | \$ 2,654 | \$ 656 | \$ 637 | \$ 710 | \$ 652 | \$ 2,264 | \$ 569 | \$ 591 | \$ 573 | \$ 531 |
| Chemical Solutions | 602 | 149 | 155 | 153 | 144 | 571 | 134 | 148 | 149 | 139 | 772 | 130 | 182 | 214 | 245 |
| Titanium Technologies | 3,174 | 666 | 791 | 862 | 854 | 2,958 | 785 | 799 | 729 | 646 | 2,364 | 623 | 625 | 596 | 521 |
| TOTAL CHEMOURS | \$ 6,638 | \$ 1,464 | \$ 1,628 | \$ 1,816 | \$ 1,730 | \$ 6,183 | \$ 1,575 | \$ 1,584 | \$ 1,588 | \$ 1,437 | \$ 5,400 | \$ 1,322 | \$ 1,398 | \$ 1,383 | \$ 1,297 |

SEGMENT ADJUSTED EBITDA (UNAUDITED)
(Dollars in millions)

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|-----------------------|-----------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Fluoroproducts | \$ 783 | \$ 164 | \$ 182 | \$ 230 | \$ 206 | \$ 669 | \$ 159 | \$ 158 | \$ 197 | \$ 155 | \$ 445 | \$ 111 | \$ 143 | \$ 105 | \$ 85 |
| Chemical Solutions | 64 | 14 | 24 | 16 | 11 | 57 | 20 | 18 | 7 | 12 | 39 | 9 | 9 | 11 | 10 |
| Titanium Technologies | 1,055 | 199 | 268 | 295 | 294 | 862 | 261 | 249 | 193 | 159 | 466 | 157 | 144 | 111 | 54 |
| Corporate and Other | (162) | (36) | (39) | (44) | (43) | (166) | (46) | (44) | (36) | (41) | (128) | (38) | (28) | (40) | (21) |
| TOTAL CHEMOURS | \$ 1,740 | \$ 341 | \$ 435 | \$ 497 | \$ 468 | \$ 1,422 | \$ 394 | \$ 381 | \$ 361 | \$ 285 | \$ 822 | \$ 239 | \$ 268 | \$ 187 | \$ 128 |

SEGMENT ADJUSTED EBITDA MARGIN (UNAUDITED)

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Fluoroproducts | 27.4% | 25.3% | 26.7% | 28.7% | 28.1% | 25.2% | 24.2% | 24.8% | 27.7% | 23.8% | 19.7% | 19.5% | 24.2% | 18.3% | 16.0% |
| Chemical Solutions | 10.6% | 9.4% | 15.5% | 10.5% | 7.6% | 10.0% | 14.9% | 12.2% | 4.7% | 8.6% | 5.1% | 6.9% | 4.9% | 5.1% | 4.1% |
| Titanium Technologies | 33.2% | 29.9% | 33.9% | 34.2% | 34.4% | 29.1% | 33.2% | 31.2% | 26.5% | 24.6% | 19.7% | 25.2% | 23.0% | 18.6% | 10.4% |
| Corporate and Other | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| TOTAL CHEMOURS | 26.2% | 23.3% | 26.7% | 27.4% | 27.1% | 23.0% | 25.0% | 24.1% | 22.7% | 19.8% | 15.2% | 18.1% | 19.2% | 13.5% | 9.9% |

* Note: Individual quarters may not sum to full year amounts due to rounding.



SEGMENT NET ASSETS

(Dollars in millions)

| | Full Year 2018 | Full Year 2017 | Full Year 2016 |
|-----------------------|-------------------|-------------------|-------------------|
| Fluoroproducts | \$ 2,309 | \$ 1,842 | \$ 1,400 |
| Chemical Solutions | 506 | 460 | 292 |
| Titanium Technologies | 1,487 | 1,785 | 1,513 |
| Corporate and Other | <u>(3,282)</u> | <u>(3,222)</u> | <u>(3,101)</u> |
| | | | |
| TOTAL CHEMOURS | <u>\$ 1,020</u> | <u>\$ 865</u> | <u>\$ 104</u> |



RECONCILIATION OF NON-GAAP MEASURES (UNAUDITED)

(Dollars in millions, except per share amounts)

RECONCILIATION OF NET INCOME (LOSS) ATTRIBUTABLE TO CHEMOURS TO ADJUSTED NET INCOME AND ADJUSTED EBITDA

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|---|--------------|------------|------------|------------|------------|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Net income (loss) attributable to Chemours | \$ 995 | \$ 142 | \$ 275 | \$ 281 | \$ 297 | \$ 746 | \$ 228 | \$ 207 | \$ 161 | \$ 150 | \$ 7 | \$ (230) | \$ 204 | \$ (18) | \$ 51 |
| Non-operating pension and other post-retirement employee benefit income | (27) | (9) | (4) | (7) | (7) | (34) | (10) | (7) | (10) | (8) | (20) | (1) | (5) | (7) | (7) |
| Exchange (gains) losses, net | (1) | (5) | 6 | (2) | — | (3) | — | 4 | (2) | (5) | 57 | 20 | 17 | 14 | 6 |
| Restructuring, asset-related, and other charges | 49 | 18 | 12 | 10 | 10 | 57 | 26 | 8 | 6 | 12 | 170 | 25 | 60 | 67 | 17 |
| Loss (gain) on extinguishment of debt | 38 | — | — | 38 | — | 1 | — | — | 1 | — | (6) | — | (5) | (5) | 4 |
| (Gain) loss on sales of assets or businesses | (45) | — | — | (3) | (42) | (22) | (8) | — | 2 | (16) | (254) | 3 | (169) | 1 | (89) |
| Transaction costs | 9 | — | — | 9 | — | 3 | — | 1 | 2 | — | 19 | 1 | 2 | 12 | 3 |
| Legal charges | 82 | 36 | 33 | 9 | 4 | 9 | — | 3 | 2 | 3 | 343 | 336 | 2 | 5 | — |
| Other charges | 1 | 1 | 1 | 1 | — | 12 | — | 5 | 10 | 4 | 21 | — | 3 | 13 | 5 |
| Adjustments made to income taxes | (41) | 13 | (41) | (8) | (5) | (25) | (3) | (11) | (3) | (10) | 18 | 18 | — | — | — |
| Benefit from income taxes relating to reconciling items | (26) | (11) | (11) | (14) | 9 | (14) | (4) | (7) | (5) | 1 | (148) | (139) | (5) | (5) | 1 |
| Adjusted Net Income | 1,034 | 185 | 271 | 314 | 266 | 730 | 229 | 203 | 164 | 131 | 207 | 33 | 104 | 77 | (9) |
| Net income attributable to non-controlling interests | 1 | — | — | 1 | — | 1 | — | — | — | 1 | — | — | — | — | — |
| Interest expense, net | 195 | 47 | 47 | 48 | 52 | 214 | 54 | 55 | 54 | 51 | 219 | 56 | 56 | 55 | 53 |
| Depreciation and amortization | 284 | 71 | 71 | 71 | 70 | 273 | 69 | 62 | 71 | 71 | 284 | 72 | 73 | 73 | 66 |
| All remaining provision for income taxes | 226 | 38 | 46 | 63 | 80 | 204 | 42 | 61 | 72 | 31 | 112 | 78 | 35 | (18) | 18 |
| Adjusted EBITDA | 1,740 | 341 | 435 | 497 | 468 | 1,422 | 394 | 381 | 361 | 285 | 822 | 239 | 268 | 187 | 128 |
| Adjusted basic earnings per share of common stock | \$ 5.85 | \$ 1.08 | \$ 1.54 | \$ 1.77 | \$ 1.46 | \$ 3.95 | \$ 1.23 | \$ 1.09 | \$ 0.89 | \$ 0.72 | \$ 1.17 | \$ 0.18 | \$ 0.60 | \$ 0.45 | \$ (0.07) |
| Adjusted diluted earnings per share of common stock | 5.67 | 1.05 | 1.49 | 1.71 | 1.41 | 3.82 | 1.19 | 1.06 | 0.86 | 0.70 | 1.16 | 0.18 | 0.59 | 0.45 | (0.07) |

* Note: Individual quarters may not sum to full year amounts due to rounding. Certain prior period amounts have been reclassified to conform to the current period presentation.

RECONCILIATION OF FREE CASH FLOWS

| | Full Year* | | | | | Full Year* | | | | | Full Year* | | | | |
|---|------------|------------|------------|------------|-----------|------------|------------|----------|------------|-------------|------------|------------|------------|-----------|-------------|
| | 2018 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 2017 | 4Q17 | 3Q17 | 2Q17 | 1Q17 | 2016 | 4Q16 | 3Q16 | 2Q16 | 1Q16 |
| Cash provided by operating activities | \$ 1,140 | \$ 259 | \$ 342 | \$ 343 | \$ 196 | \$ 640 | \$ 303 | \$ 112 | \$ 184 | \$ 41 | \$ 594 | \$ 269 | \$ 199 | \$ 90 | \$ 36 |
| Less: Purchases of property, plant, and equipment | (498) | (154) | (116) | (126) | (102) | (411) | (165) | (108) | (69) | (69) | (338) | (103) | (67) | (79) | (89) |
| Free Cash Flows (1) | 642 | 105 | 226 | 217 | 94 | 229 | 138 | 4 | 115 | (28) | 256 | 166 | 132 | 11 | (53) |

* Note: Individual quarters may not sum to full year amounts due to rounding.



ADJUSTED NET INCOME AND ADJUSTED EBITDA RECONCILING ITEMS BY FINANCIAL STATEMENT LINE ITEM (UNAUDITED)
(Dollars in millions)

| Reconciling Items | Statements of Operations Categories (1) | Full Year 2018 | | | | Full Year 2017 | | | | Full Year 2016 | | | |
|---|---|----------------|---------------|---------------|---------------|----------------|---------------|--------------|---------------|----------------|---------------|---------------|---------------|
| | | Total | COGS | SG&A | Other | Total | COGS | SG&A | Other | Total | COGS | SG&A | Other |
| Non-operating pension and other post-retirement employee benefit income | Other income, net | \$ (27) | \$ — | \$ — | \$ (27) | \$ (34) | \$ — | \$ — | \$ (34) | \$ (20) | \$ — | \$ — | \$ (20) |
| Exchange (gains) losses, net | Other income, net | (1) | — | — | (1) | (3) | — | — | (3) | 57 | — | — | 57 |
| Restructuring, asset-related, and other charges | Restructuring | 49 | — | — | 49 | 57 | — | — | 57 | 170 | — | — | 170 |
| Loss (gain) on extinguishment of debt | Loss (gain) on extinguishment of debt | 38 | — | — | 38 | 1 | — | — | 1 | (6) | — | — | (6) |
| (Gain) loss on sales of assets or businesses | Other income, net | (45) | — | — | (45) | (22) | — | — | (22) | (254) | — | — | (254) |
| Transaction costs | SG&A | 9 | — | 9 | — | 3 | — | 3 | — | 19 | — | 19 | — |
| Legal charges | SG&A | 82 | — | 82 | — | 9 | — | 9 | — | 343 | — | 343 | — |
| Other charges | SG&A | 1 | — | 1 | — | 12 | — | 12 | — | 21 | — | 21 | — |
| Adjustments made to income taxes | Provision for (benefit from) income taxes | (41) | — | — | (41) | (25) | — | — | (25) | 18 | — | — | 18 |
| Benefit from income taxes relating to reconciling items | Provision for (benefit from) income taxes | (26) | — | — | (26) | (14) | — | — | (14) | (148) | — | — | (148) |
| Total Adjusted Net Income reconciling items | | 39 | — | 92 | (53) | (16) | — | 24 | (40) | 200 | — | 383 | (183) |
| Net income attributable to non-controlling interests | NCI | 1 | — | — | 1 | 1 | — | — | 1 | — | — | — | — |
| Interest expense, net | Interest expense, net | 195 | — | — | 195 | 214 | — | — | 214 | 219 | — | — | 219 |
| Depreciation and amortization | COGS / SG&A | 284 | 260 | 24 | — | 273 | 245 | 28 | — | 284 | 256 | 28 | — |
| All remaining provision for income taxes | Provision for (benefit from) income taxes | 226 | — | — | 226 | 204 | — | — | 204 | 112 | — | — | 112 |
| Total Adjusted EBITDA reconciling items | | \$ 745 | \$ 260 | \$ 116 | \$ 369 | \$ 676 | \$ 245 | \$ 52 | \$ 379 | \$ 815 | \$ 256 | \$ 411 | \$ 148 |

(1) Abbreviated Statements of Operations Categories represent the following financial statement line items in the statements of operations:
- COGS - Cost of goods sold
- SG&A - Selling, general, and administrative expense
- Restructuring - Restructuring, asset-related, and other charges
- NCI - Net income attributable to non-controlling interests



RETURN ON INVESTED CAPITAL RECONCILIATION (UNAUDITED)

(Dollars in millions)

| | Year Ended | | |
|-------------------------------------|-------------------|-------------------|-------------------|
| | December 31, 2018 | December 31, 2017 | December 31, 2016 |
| Adjusted EBITDA | \$ 1,740 | \$ 1,422 | \$ 822 |
| Less: Depreciation and amortization | (284) | (273) | (284) |
| Adjusted EBIT | 1,456 | 1,149 | 538 |
| Total debt | 3,972 | 4,112 | 3,544 |
| Total equity | 1,020 | 865 | 104 |
| Less: Cash and cash equivalents | (1,201) | (1,556) | (902) |
| Invested capital, net | \$ 3,791 | \$ 3,421 | \$ 2,746 |
| Average invested capital (1) | \$ 3,717 | \$ 3,157 | \$ 3,419 |
| Return on Invested Capital | 39.2% | 36.4% | 15.7% |

(1) Average invested capital is based on a five-quarter trailing average of invested capital, net.