

## **RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**

**(Millions of dollars unless otherwise indicated)**

The news release includes discussion of non-GAAP financial measures, including Adjusted EBITDA. The presentation of non-GAAP measures is intended to enhance the usefulness of financial information by providing measures which management uses internally to evaluate our operating performance.

We use non-GAAP measures to assess our operating performance by excluding certain disclosed items that we believe are not representative of our underlying business. We believe non-GAAP financial measures provide investors with meaningful information to understand our underlying operating results and to analyze financial and business trends. Non-GAAP financial measures, including Adjusted EBITDA, should not be viewed in isolation, are not a substitute for GAAP measures, and have limitations which include but are not limited to:

- Depreciation and amortization represent the wear and tear and/or reduction in value of the plant, equipment, and intangible assets which permit us to manufacture and/or market our products.
- Other companies may define non-GAAP measures differently than we do, limiting their usefulness as comparative measures.

A reader may find any one or all of these items important in evaluating our performance. Management compensates for the limitations of using non-GAAP financial measures by using them only to supplement our GAAP results to provide a more complete understanding of the factors and trends affecting our business. In evaluating these financial measures, the reader should be aware that we may incur expenses similar to those eliminated in this presentation in the future.

Presented below are reconciliations of the GAAP results to the non-GAAP measures:

		Quarter Ended					
<b>Materials Technologies Segment</b>	<b>FY 2015</b>	<b>Jun-15</b>	<b>Sep-15</b>	<b>Dec-15</b>	<b>Mar-16</b>	<b>Mar-16 LTM</b>	
<b>Operating Income</b>							
Performance Materials	\$ 213.9	\$ 57.8	\$ 50.3	\$ 44.1	\$ 59.5	\$ 211.7	
Electronics Materials	265.8	76.9	63.0	83.3	70.3	293.5	
Non Divisional	(3.0)	(3.2)	3.1	(.2)	(.5)	(.8)	
<b>Total Operating Income</b>	\$ 476.7	\$ 131.5	\$ 116.4	\$ 127.2	\$ 129.3	\$ 504.4	
Add: Depreciation and amortization	92.8	22.7	22.8	19.6	20.0	85.1	
Add: Equity Affiliates' Income	2.2	.3	.6	.4	.2	1.5	
<b>Adjusted EBITDA</b>	\$ 571.7	\$ 154.5	\$ 139.8	\$ 147.2	\$ 149.5	\$ 591.0	
		Quarter Ended					
<b>Performance Materials</b>	<b>FY 2015</b>	<b>Jun-15</b>	<b>Sep-15</b>	<b>Dec-15</b>	<b>Mar-16</b>	<b>Mar-16 LTM</b>	
<b>Adjusted EBITDA</b>							
GAAP Operating Income	\$ 213.9	\$ 57.8	\$ 50.3	\$ 44.1	\$ 59.5	\$ 211.7	
Add: Depreciation and amortization	29.0	7.3	6.9	6.9	7.5	28.6	
Add: Equity Affiliates' Income	1.2	.3	.3	.2	.2	1.0	
<b>Adjusted EBITDA</b>	\$ 244.1	\$ 65.4	\$ 57.5	\$ 51.2	\$ 67.2	\$ 241.3	
		Quarter Ended					
<b>Electronic Materials</b>	<b>FY 2015</b>	<b>Jun-15</b>	<b>Sep-15</b>	<b>Dec-15</b>	<b>Mar-16</b>	<b>Mar-16 LTM</b>	
<b>Adjusted EBITDA</b>							
GAAP Operating Income	\$ 265.8	\$ 76.9	\$ 63.0	\$ 83.3	\$ 70.3	\$ 293.5	
Add: Depreciation and amortization	63.8	15.4	15.9	12.7	12.5	56.5	
Add: Equity Affiliates' Income	1.0	-	.3	.2	-	.5	
<b>Adjusted EBITDA</b>	\$ 330.6	\$ 92.3	\$ 79.2	\$ 96.2	\$ 82.8	\$ 350.5	