

The Chemours Company

Second Quarter 2019 Earnings Presentation

August 2, 2019



Safe Harbor Statement and Other Matters

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 Net Income, Adjusted EPS, Free Cash Flow, Adjusted Effective Tax Rate, 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, 2018. Chemours assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law.

We prepare our financial statements in accordance with Generally Accepted Accounting Principles (GAAP). Within this presentation we may make reference to Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Effective Tax Rate, Free Cash Flow, 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. Further information with respect to and reconciliations of such measures to the nearest GAAP measure can be found in the appendix hereto.

Management uses Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Effective Tax Rate, 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.

Additional information for investors is available on the company's website at investors.chemours.com.

The Faces of Leadership at Chemours

Mark Newman has been promoted to Chief Operating Officer



Sameer Ralhan has been promoted to Chief Financial Officer



Erin Kane, CEO of AdvanSix, has been appointed to our Board of Directors



DuPont Lawsuit

- Chemours seeks judgment limiting DuPont's **indemnification to maximums DuPont itself established** for Chemours at spin or, in the alternative, return of the \$4B extracted at spin
- Chemours is on **solid financial footing**, a result of **hard choices made by management** and the **tireless work of the 7,000 men and women of Chemours**
- We remain committed to **proactively addressing historical environmental issues** handed to us at spin and being a **good partner to the communities we operate in**
- We believe **our future is bright**. Our intention is to **preserve and protect the rights of Chemours and all of our stakeholders**



AFFF / Fire-Fighting Foams

- PFOS was the dominant chemistry in the Fire-fighting Foams industry for decades
- Neither Chemours, nor DuPont before it, made or sold PFOS
- Chemours' potential contribution to PFOA in the environment from our ingredients used in fire-fighting foams is negligible, if at all
- Chemours has never manufactured or formulated fire-fighting foams



Second Quarter 2019 Highlights

Announced the promotion and appointment of three leaders at Chemours

Continued to deliver Opteon™ growth in mobile applications with US and Asia adoption

Achieved commercial production at our Corpus Christi, Texas Opteon™ facility

Completed global roll-out of our Ti-Pure™ Flex portal reaching over 400 TiO₂ users

Acquired Southern Ionics Minerals, adding responsible mining capabilities and expanding access to high quality ilmenite ores in North America

Second Quarter 2019 Financial Summary

(\$ in millions unless otherwise noted)

	2Q19	2Q18	Δ Yr/Yr
Net Sales	\$1,408	\$1,816	(\$408)
Net Income ¹	96	282	(186)
Adj. Net Income	120	314	(194)
EPS ²	\$0.57	\$1.53	(\$0.96)
Adj. EPS ²	\$0.72	\$1.71	(\$0.99)
Adj. EBITDA	283	497	(214)
<i>Adj. EBITDA Margin (%)</i> ³	20.1	27.4	(7.3)
Free Cash Flow ⁴	(117)	217	(334)
Pre-Tax ROIC (%) ⁵	26	42	(16)

Year-Over-Year

- Sales down 22 percent from 2Q18, driven primarily by lower volumes of Ti-Pure™ pigment and illegal imports of HFC refrigerants into Europe
- Adjusted EBITDA decline reflects weaker results in Titanium Technologies and Fluoroproducts segments
- GAAP EPS of \$0.57 per share, inclusive of \$7 million Fayetteville charge, Adjusted EPS of \$0.72 per share
- Free Cash Flow of (\$117) million includes \$124 million of capital expenditures in the quarter
- Solid pre-tax ROIC of 26 percent

See reconciliation of Non-GAAP measures in the Appendix

¹ Net Income attributable to Chemours

² Calculation based on diluted share count

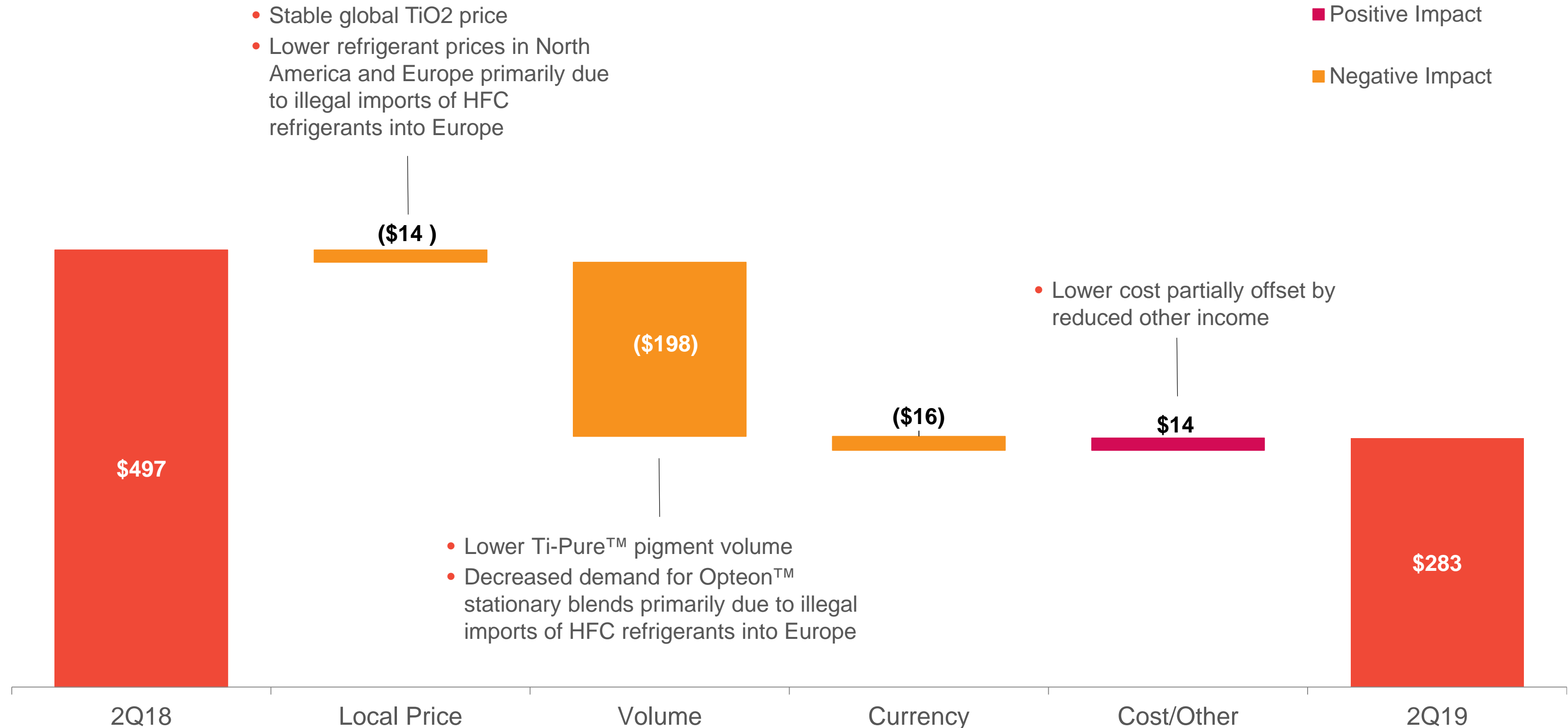
³ Defined as Adjusted EBITDA divided by Net Sales

⁴ Defined as Cash flow provided by operating activities minus cash used for PP&E purchases

⁵ Defined as Adjusted EBITDA less depreciation & amortization on a trailing twelve-month basis divided by average invested capital over the last five quarters

Adjusted EBITDA Bridge: 2Q19 versus 2Q18

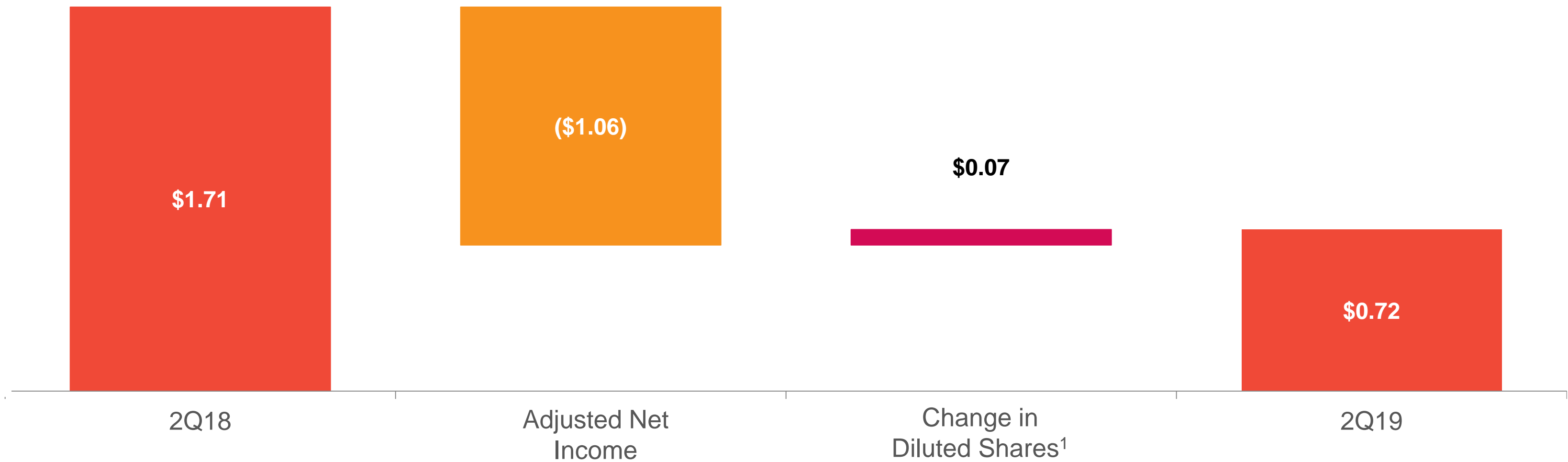
(\$ in millions unless otherwise noted)



Adjusted EPS Bridge: 2Q19 versus 2Q18

(\$ per share unless otherwise noted)

- Positive Impact
- Negative Impact



See reconciliation of Non-GAAP measures in the Appendix

¹ Based on average diluted shares outstanding of 167 million in 2Q19

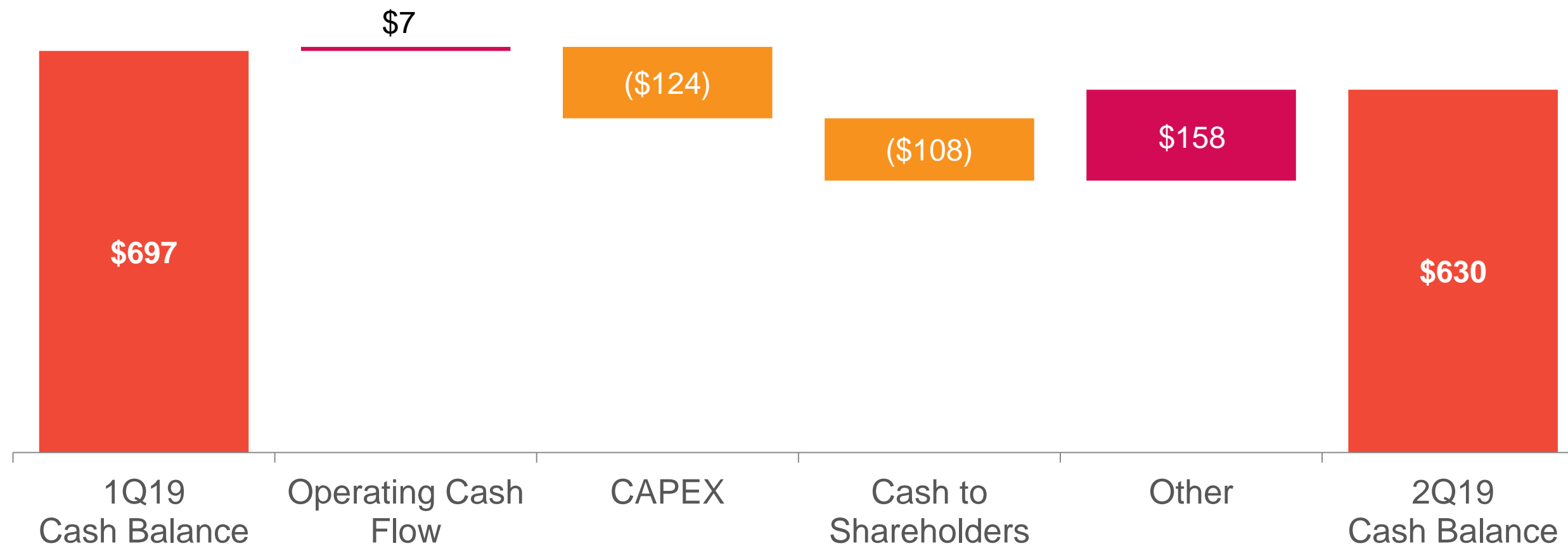


Liquidity Position

(\$ in millions unless otherwise noted)

■ Negative Impact

■ Positive Impact



- June 30, 2019 ending cash balance of \$630M
- 2Q19 capital expenditures of \$124M
- 2Q19 dividends and share repurchases of \$108M
- Other includes \$150M drawn on revolver in Q219
- Total Liquidity at the end of Q2 of ~\$1.3B, including revolver availability of \$650M¹
- Net debt of \$3.6B, net leverage ratio² of ~2.7 times on a trailing twelve-month basis
- Subsequent to the end of the second quarter:
 - Entered into an Accounts Receivable Securitization Facility in July, with \$125M of proceeds
 - Total Liquidity increased to \$1.4B following the repayment of the revolver in July 2019¹

¹ Based on revolving credit facility. Chemours had \$103M in letters of credit outstanding as of June 30, 2019 and on July 31, 2019

² Senior Secured Net Debt/EBITDA is 0.7x based on Credit Agreement definition as of June 30, 2019

See reconciliation of Non-GAAP measures in the Appendix

Fluoroproducts Business Summary

Second Quarter Highlights

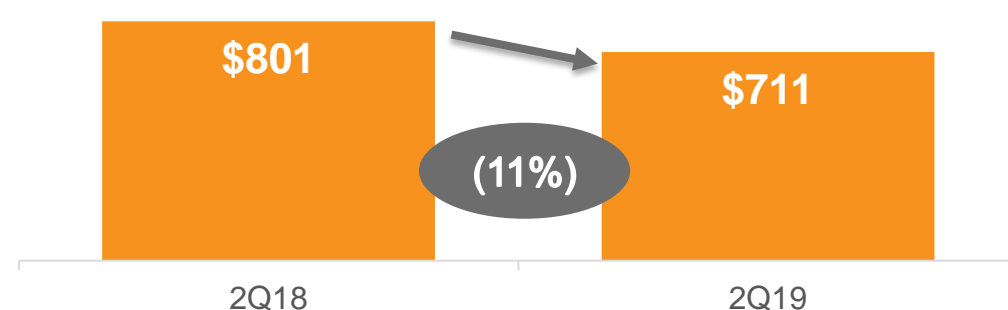
- Improved operating performance, including the start-up of the Corpus Christi Opteon™ facility
- Continued impact of illegal imports of HFC refrigerants into the EU from China, affecting successful implementation of F-Gas regulation and delaying low GWP HFO adoption in stationary applications
- Enhanced collaboration with refrigeration and air conditioning industry leaders to address low GWP needs
- Experienced lower Fluoropolymer demand driven by global uncertainty impacting several end markets

2019 Outlook Commentary

- Expect continued Opteon™ refrigerant adoption in mobile applications, despite auto softness
- Anticipate sustained headwinds from illegal imports into the EU impacting refrigerants price and volume
- Drive Fluoropolymer application development contributions to partially offset demand softness in key markets
- Continue to ramp up Corpus Christi facility throughout 2019

Second Quarter 2019 Financial Summary (\$ in millions)

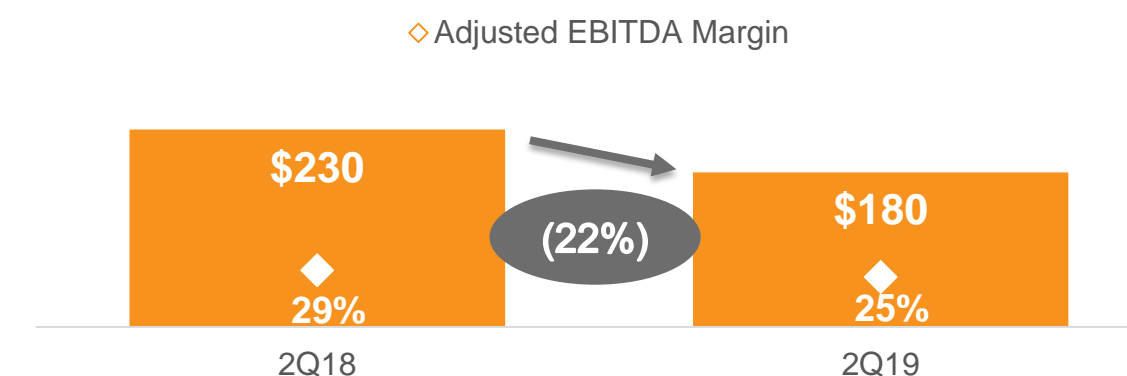
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(2)
Currency	(2)
Volume	(7)

Quarterly Adjusted EBITDA



Chemical Solutions Business Summary

Second Quarter Highlights

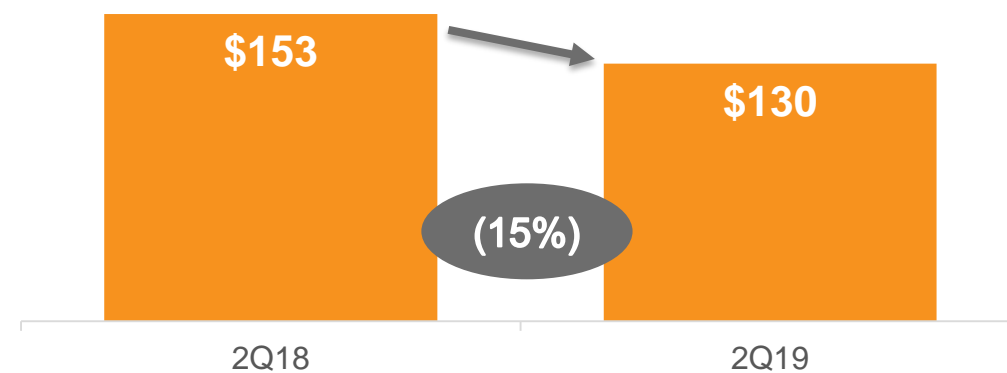
- Experienced lower volumes primarily in Performance Chemicals & Intermediates, mainly driven by market dynamics
- Continued strength in Mining Solutions on solid market trends despite operational issues at a key customer mine
- Increased other income from licensing agreements executed in the second quarter

2019 Outlook Commentary

- Expect Mining Solutions demand to remain strong, with anticipated seasonality and tight supply
- Continue to optimize Performance Chemicals and Intermediates business performance

Second Quarter 2019 Financial Summary (\$ in millions)

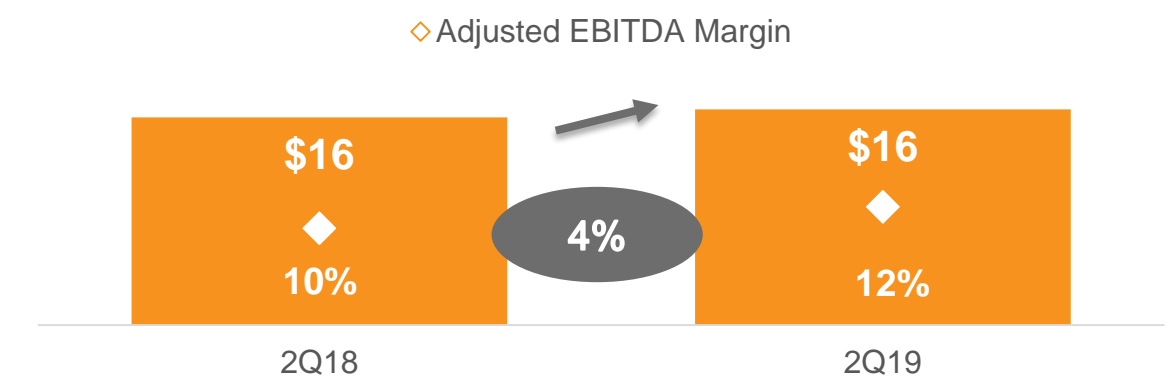
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	4
Currency	(0)
Volume	(19)

Quarterly Adjusted EBITDA



Titanium Technologies Business Summary

Second Quarter Highlights

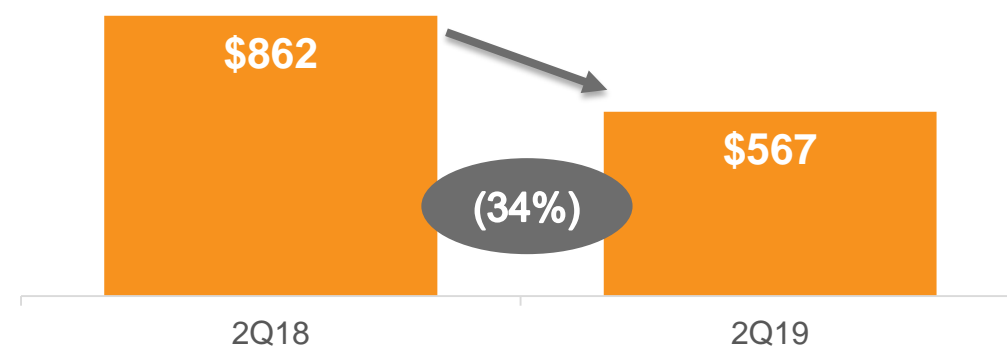
- Experienced lower than expected volume across all regions, driven by global economic uncertainty, lower coatings volumes, and share loss in certain segments
- Completed global roll out of the Ti-Pure™ Flex portal
- Delivered stable year-over-year and sequential average global Ti-Pure™ pigment prices
- Completed acquisition of Southern Ionics Minerals (SIM), expanding access to attractive ilmenite ore deposits and enabling operating synergies

2019 Outlook Commentary

- Expect demand headwinds to remain through 2H2019 if macro uncertainty doesn't improve
- Enhance Flex channel development to engage broader customer base
- Align our AVA offering to address a variety of customer needs with emphasis on plastics and laminates end markets
- Integrate SIM to maximize the value of our combined capabilities

Second Quarter 2019 Financial Summary (\$ in millions)

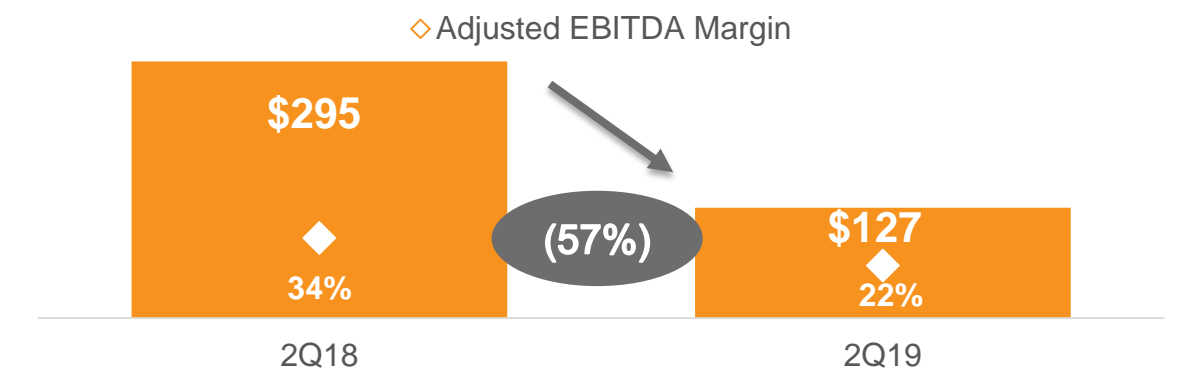
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(0)
Currency	(1)
Volume	(33)

Quarterly Adjusted EBITDA



Updated 2019 Outlook

Delivering earnings and cash flow...

Adjusted EBITDA **\$1.00 - \$1.15 Billion**

Adjusted EPS **\$2.37 - \$3.08**

Free Cash Flow **~\$100 Million**

...While investing to create long-term shareholder value

Capex **~\$500 Million**

Share Repurchases **\$1 Billion Authorization**

Changes in Outlook Relative to Guidance Mid-Point¹

- TT earnings impacted by share loss due to weaker market demand and anticipated slower share recovery in the second half of 2019 resulting in a \$200M impact
- Fluoroproducts
 - Earnings expected to be lower by \$125M related to illegal imports of HFC refrigerants into the EU
 - Operating issues partially offset by productivity and weaker Fluoropolymer volumes due to market softness in the second half expected to reduce earnings by an additional \$75M

The Chemours Company

Appendix



Segment Net Sales and Adjusted EBITDA (Unaudited)

(\$ in millions unless otherwise noted)

	Three Months Ended		Three Months
	June 30,		March 31,
	2019	2018	2019
SEGMENT NET SALES			
Fluoroproducts	\$ 711	\$ 801	\$ 687
Chemical Solutions	130	153	134
Titanium Technologies	567	862	555
Total Company	<u>\$ 1,408</u>	<u>\$ 1,816</u>	<u>\$ 1,376</u>
SEGMENT ADJUSTED EBITDA			
Fluoroproducts	\$ 180	\$ 230	\$ 159
Chemical Solutions	16	16	15
Titanium Technologies	127	295	126
Corporate and Other	(40)	(44)	(38)
Total Company	<u>\$ 283</u>	<u>\$ 497</u>	<u>\$ 262</u>
SEGMENT ADJUSTED EBITDA MARGIN			
Fluoroproducts	25.3%	28.7%	23.1%
Chemical Solutions	12.3%	10.5%	11.2%
Titanium Technologies	22.4%	34.2%	22.7%
Corporate and Other	0.0%	0.0%	0.0%
Total Company	<u>20.1%</u>	<u>27.4%</u>	<u>19.0%</u>



GAAP Net Income Attributable to Chemours to Adjusted Net Income, Adjusted EBITDA, and Adjusted EPS Reconciliations (Unaudited)

(\$ in millions except per share amounts)

	Three Months Ended				Three Months Ended	
	June 30,				March 31,	
	2019		2018		2019	
	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*
Net income attributable to Chemours	\$ 96	0.58	\$ 281	\$ 1.53	\$ 94	\$ 0.55
Non-operating pension and other post-retirement employee benefit income	(3)	(0.02)	(7)	(0.04)	(3)	(0.02)
Exchange losses (gains), net	9	0.05	(2)	(0)	(6)	(0.03)
Restructuring, asset-related, and other charges	7	0.04	10	0.05	8	0.05
Loss on extinguishment of debt	—	—	38	0.21	—	—
Gain on sales of assets and businesses	(2)	(0.01)	(3)	(0.02)	—	—
Transaction costs	1	0.01	9	0.05	—	—
Legal charges	8	0.05	10	0.05	29	0.17
Adjustments made to income taxes	7	0.04	(8)	(0.04)	(5)	(0.03)
Benefit from income taxes relating to reconciling items	(3)	(0.02)	(14)	(0.08)	(8)	(0.05)
Adjusted Net Income	<u>120</u>	<u>\$ 0.72</u>	<u>314</u>	<u>\$ 1.71</u>	<u>109</u>	<u>\$ 0.63</u>
Net income attributable to non-controlling interests	—	—	1	—	—	—
Interest expense, net	52	—	48	—	51	—
Depreciation and amortization	78	—	71	—	76	—
All remaining provision for income taxes	33	—	63	—	26	—
Adjusted EBITDA	<u>\$ 283</u>	—	<u>\$ 497</u>	—	<u>\$ 262</u>	—
Weighted-average number of common shares outstanding - basic	164,118,816	—	177,798,484	—	167,866,468	—
Weighted-average number of common shares outstanding - diluted	166,941,626	—	183,821,241	—	172,060,900	—
Basic earnings per share of common stock	\$ 0.58	—	\$ 1.58	—	\$ 0.56	—
Diluted earnings per share of common stock	0.57	—	1.53	—	0.55	—
Adjusted basic earnings per share of common stock	0.73	—	1.77	—	0.65	—
Adjusted diluted earnings per share of common stock	0.72	—	1.71	—	0.63	—

* Note: \$ per share columns may not sum due to rounding.

Return on Invested Capital (ROIC) (Unaudited)

(\$ in millions unless otherwise noted)

	Period Ended June 30,	
	2019	2018
Adjusted EBITDA (1)	\$ 1,321	\$ 1,740
Less: Depreciation and amortization (1)	(296)	(273)
Adjusted EBIT	1,025	1,467
Total debt	4,208	3,973
Total equity	829	1,025
Less: Cash and cash equivalents	(630)	(1,217)
Invested capital, net	\$ 4,407	\$ 3,781
Average invested capital (2)	\$ 3,989	\$ 3,481
Return on Invested Capital	25.7%	42.1%

(1) Based on amounts for the trailing 12 months ended June 30, 2019 and 2018. See the reconciliation of Adjusted EBITDA to net income in the previous slide.

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

Free Cash Flows Reconciliations (Unaudited)

(\$ in millions unless otherwise noted)

	Three Months Ended		
	June 30,		March 31,
	2019	2018	2019
Cash flows (used in) provided by operating activities	\$ 7	\$ 343	\$ (44)
Less: Purchases of property, plant, and equipment	(124)	(126)	(133)
Free Cash Flows	\$ (117)	\$ 217	\$ (177)



GAAP Net Income Attributable to Chemours to Adjusted Net Income, Adjusted EBITDA and Adjusted EPS Reconciliations (Unaudited)

(\$ in millions except per share amounts)

	(Estimated) Year Ended December 31, 2019	
	Low	High
Net income attributable to Chemours	\$ 357	\$ 466
Restructuring, asset-related, and other charges	40	50
Adjusted Net Income	397	516
Interest expense, net	207	212
Depreciation and amortization	309	309
All remaining provision for income taxes	87	113
Adjusted EBITDA	\$ 1,000	\$ 1,150
Weighted-average number of common shares outstanding - basic (1)	164.2	164.2
Dilutive effect of the Company's employee compensation plans (1,2)	3.5	3.5
Weighted-average number of common shares outstanding - diluted (1,2)	167.7	167.7
Basic earnings per share of common stock	\$ 2.17	\$ 2.84
Diluted earnings per share of common stock (2)	2.13	2.78
Adjusted basic earnings per share of common stock	2.42	3.14
Adjusted diluted earnings per share of common stock (2)	2.37	3.08

(1) The Company's estimates for the weighted-average number of common shares outstanding - basic and diluted reflect actual results through June 30, 2019 which are carried forward for the projection period and updated for the estimated impacts of the Company's 2019 share repurchases.

(2) Diluted earnings per share is calculated using net income available to common shareholders divided by diluted weighted-average common shares outstanding during each period, which includes unvested restricted shares. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a loss because the inclusion of the potential common shares would have an anti-dilutive effect.

(*) The Company's estimates reflect its current visibility and expectations based on market factors, such as currency movements, macro-economic factors, and end-market demand. Actual results could differ materially from these current estimates.

GAAP Cash Flows Provided by Operating Activities to Free Cash Flows Reconciliations (Unaudited)

(\$ in millions unless otherwise noted)

Cash provided by operating activities
Less: Purchases of property, plant, and equipment
Free Cash Flows

(Estimated)
Year Ended December 31,
2019

	\$ ~ 600
	~ (500)
	\$ ~ 100

The Company's estimates reflect its current visibility and expectations based on market factors, such as currency movements, macro-economic factors, and end-market demand. Actual results could differ materially from these current estimates.



The Chemours Company

