

The Chemours Company

Fourth Quarter and Full Year 2019 Earnings Presentation

February 14, 2020



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 EPS, Free Cash Flow, 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, 2019. 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 Pre-tax Operating Income, 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. 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 Pre-tax Operating Income, Free Cash Flow, Effective Tax Rate, 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.

Full Year 2019 Highlights

Established TVS Foundation with AVA Contracts and Flex Portal

Drove strong adoption of Opteon™ in mobile applications

Achieved solid execution of three major capital projects

Further reshaped the portfolio with the acquisition of SIM and divestiture of MAP

Returned \$486 million to shareholders in 2019



Full-Year 2019 Financial Summary

(\$ in millions unless otherwise noted)

	2019	2018	Δ Yr/Yr
Net Sales	\$5,526	\$6,638	\$(1,112)
Net Income ¹	(52)	995	(1,047)
Adj. Net Income	419	1,034	(615)
EPS ²	\$(0.32)	\$5.45	\$(5.77)
Adj. EPS ²	\$2.51	\$5.67	\$(3.16)
Adj. EBITDA	1,020	1,740	(720)
Adj. EBITDA Margin (%) ³	18	26	(8)
Free Cash Flow ⁴	169	642	(473)
Pre-Tax ROIC (%) ⁵	17	39	(22)

Year-Over-Year

- Full year results inline with 2019 updated guidance
- Sales of \$5.5 billion dollars, down 17 percent driven by lower volumes and prices in Titanium Technologies and Fluoroproducts
- GAAP EPS of \$(0.32), inclusive of two significant charges in the fourth quarter. Adjusted EPS of \$2.51
- Lower margins due to fixed cost under absorption and ores inflation in Titanium Technologies and lower F-Gas quota sales and operational issues in Fluoroproducts; partially offset by record year in Chemical Solutions
- Free Cash Flow of \$169 million, which exceeded 2019 updated guidance

¹ Net Income attributable to The Chemours Company

² Calculation based on diluted share count

³ Defined as Adjusted EBITDA divided by Net Sales

⁴ Defined as Cash from Operations 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

See reconciliation of Non-GAAP measures in the Appendix

Fourth Quarter 2019 Financial Summary

(\$ in millions unless otherwise noted)

	4Q19	4Q18	Δ Yr/Yr
Net Sales	\$1,353	\$1,464	\$(111)
Net Income ¹	(317)	142	(459)
Adj. Net Income	92	185	(93)
EPS ²	\$(1.94)	\$0.81	\$(2.75)
Adj. EPS ²	\$0.56	\$1.05	\$(0.49)
Adj. EBITDA	227	341	(114)
Adj. EBITDA Margin (%) ³	17	23	(6)
Free Cash Flow ⁴	304	105	199

Year-Over-Year

- Sales down 8 percent from 4Q18
- Adjusted EBITDA decline due to lower sales and margins in Fluoroproducts and Titanium Technologies segments partially offset by Chemical Solutions record quarter
- GAAP EPS of \$(1.94), inclusive of two charges:
 - \$380 million non-cash charge related to the settlement of the Netherlands Pension Plan obligations and transfer of liabilities to a third-party asset management firm
 - \$132 million charge related to onsite remediation at our Fayetteville site
- Adjusted EPS of \$0.56
- Strong Free Cash Flow of \$304 million reflects \$96 million capital expenditures in the quarter

¹ Net Income attributable to The Chemours Company

² Calculation based on diluted share count

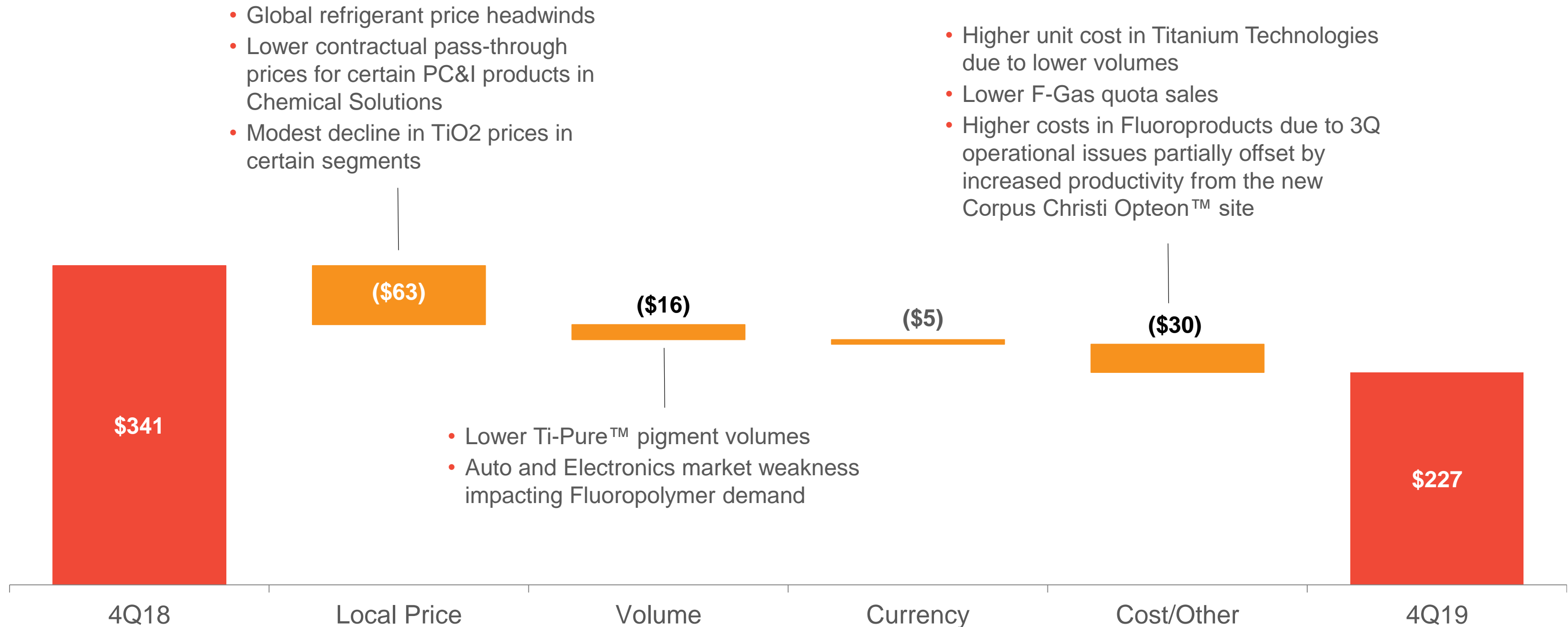
³ Defined as Adjusted EBITDA divided by Net Sales

⁴ Defined as Cash from Operations minus cash used for PP&E purchases

Adjusted EBITDA Bridge: 4Q19 versus 4Q18

(\$ in millions unless otherwise noted)

- Positive Impact
- Negative Impact



- Global refrigerant price headwinds
- Lower contractual pass-through prices for certain PC&I products in Chemical Solutions
- Modest decline in TiO2 prices in certain segments

- Higher unit cost in Titanium Technologies due to lower volumes
- Lower F-Gas quota sales
- Higher costs in Fluoroproducts due to 3Q operational issues partially offset by increased productivity from the new Corpus Christi Opteon™ site

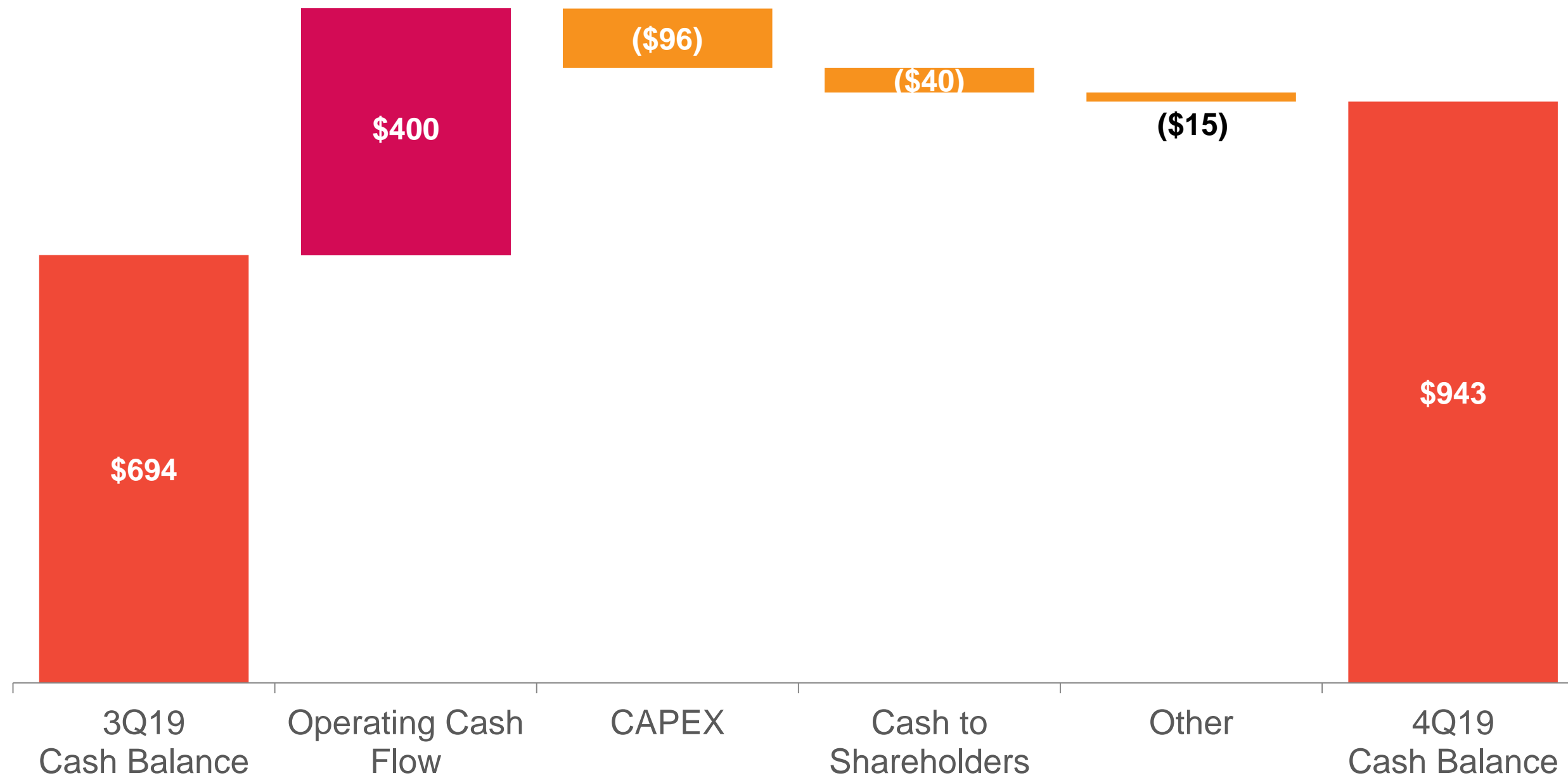
- Lower Ti-Pure™ pigment volumes
- Auto and Electronics market weakness impacting Fluoropolymer demand

Liquidity Position

(\$ in millions unless otherwise noted)

■ Negative Impact

■ Positive Impact



- December 31, 2019 ending cash balance of \$943M, up \$249M from prior quarter
- 4Q19 capital expenditures of \$96M
- 4Q19 dividends of \$40M
- \$1.4B cash returned to shareholders since 4Q17
- Total Liquidity of ~\$1.6B including revolver availability of \$697M¹
- Gross debt of \$4.2B, net debt of \$3.3B; net leverage ratio² of ~3.2 times on a trailing twelve-month Adjusted EBITDA basis

¹ Net of \$103M in letters of credit outstanding as of December 31, 2019

² Senior Secured Net Debt/EBITDA is 0.76x based on Credit Agreement definition as of December 31, 2019

Fluoroproducts Business Summary

Fourth Quarter and Full-Year Highlights

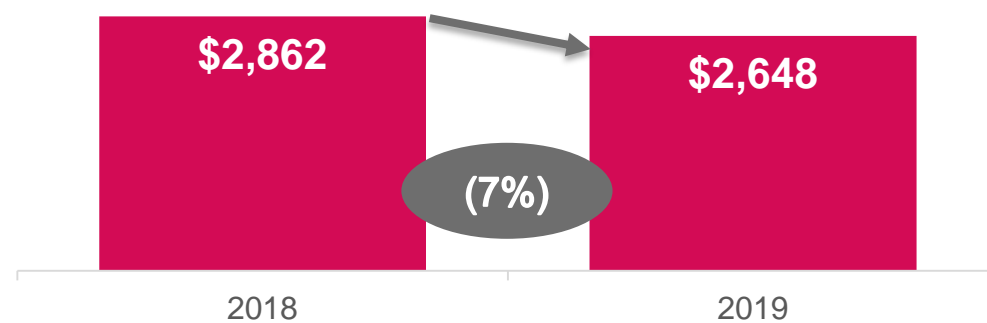
- Continued adoption of mobile Opteon™ refrigerants, driving incremental demand
- Extended adverse impact of illegal imports of HFC refrigerants into the EU impacting global refrigerant prices
- Reduced cost driven by the ramp up of Opteon™ production at our Corpus Christi site, offset to some degree by operational issues communicated in the third quarter

Fluoroproducts Outlook

- Enhanced collaboration with industry leaders to drive adoption of low GWP Opteon™ refrigerants
- Increased investment to address illegal imports of HFC refrigerants into the EU
- Anticipate margin improvement driven by operational discipline and enhanced productivity across the business
- Expect steady ramp up of Corpus Christi facility in 2020

Fourth Quarter and Full-Year 2019 Financial Summary (\$ in millions)

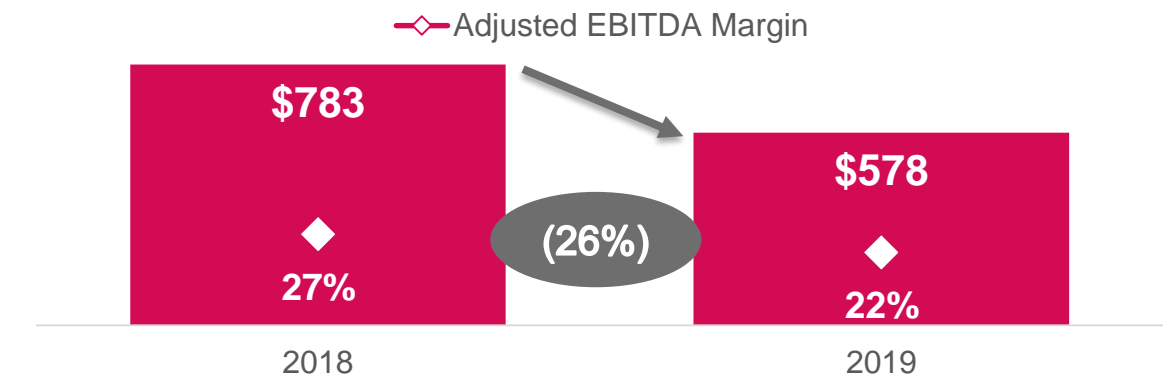
Full Year Net Sales



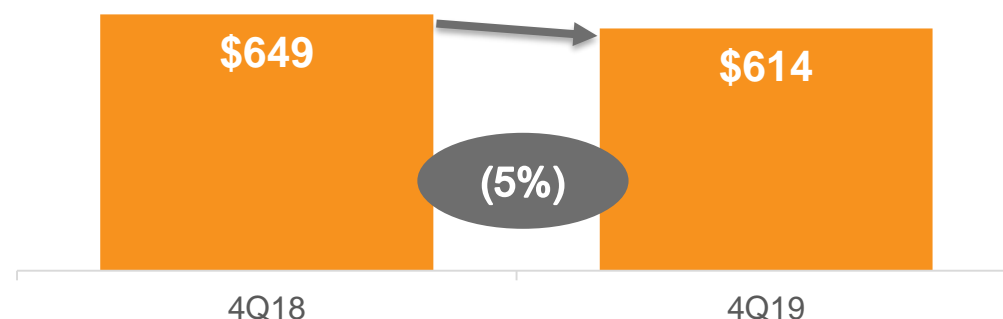
Annual Sales Drivers

	Yr/Yr % Δ
Price	(2)
Volume	(4)
Currency	(1)

Full Year Adjusted EBITDA



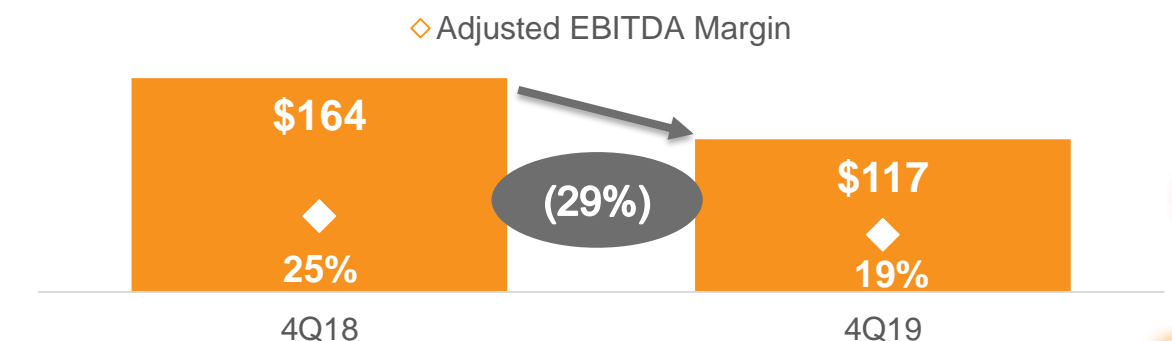
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(3)
Volume	(2)
Currency	(0)

Quarterly Adjusted EBITDA



Chemical Solutions Business Summary

Fourth Quarter and Full-Year Highlights

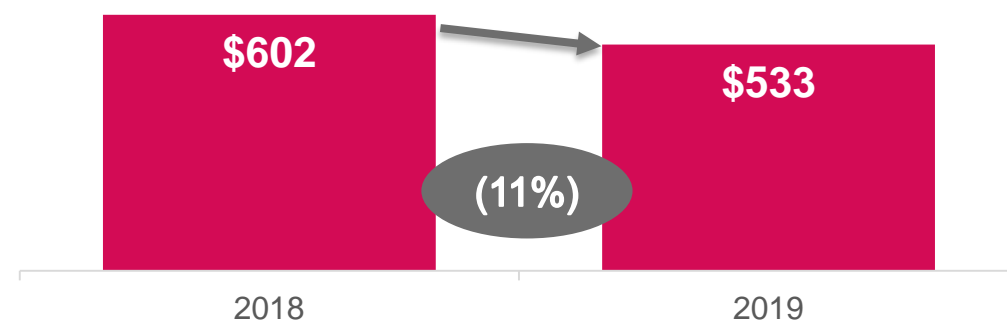
- Achieved record earnings in the quarter and year, driven by improved operational discipline, productivity and execution
- Experienced lower prices primarily in Performance Chemicals & Intermediates as a result of reduced raw material contractual cost pass-throughs
- Executed the divestiture of MAP business simplifying our Chemical Solutions portfolio

Chemical Solutions Outlook

- Expect customer demand for Mining Solutions products to remain strong
- Improved operating performance and uptime in Mining Solutions
- Expect stable licensing demand

Fourth Quarter and Full-Year 2019 Financial Summary (\$ in millions)

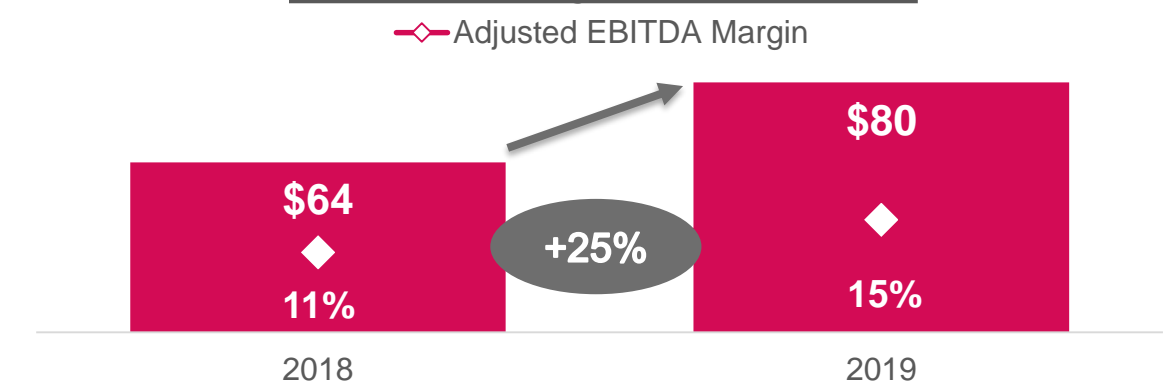
Full Year Net Sales



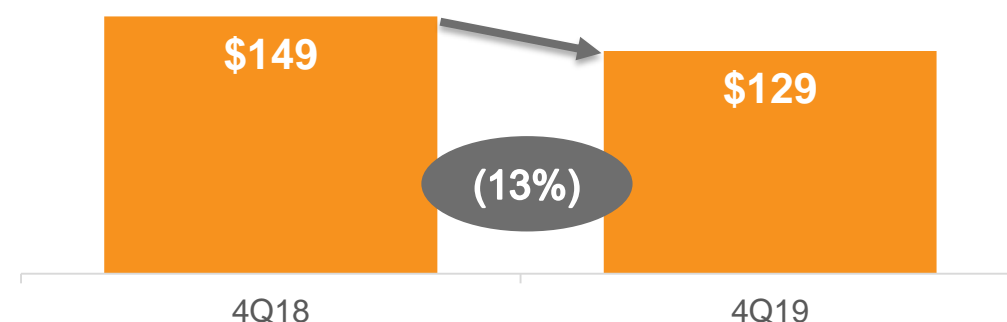
Annual Sales Drivers

	Yr/Yr % Δ
Price	(4)
Volume	(7)
Currency	(0)

Full Year Adjusted EBITDA



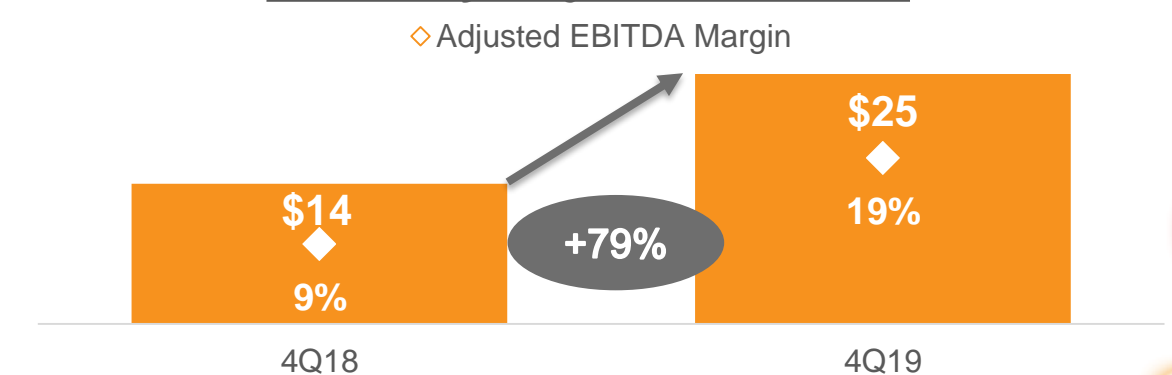
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(16)
Volume	3
Currency	(0)

Quarterly Adjusted EBITDA



Titanium Technologies Business Summary

Fourth Quarter and Full-Year Highlights

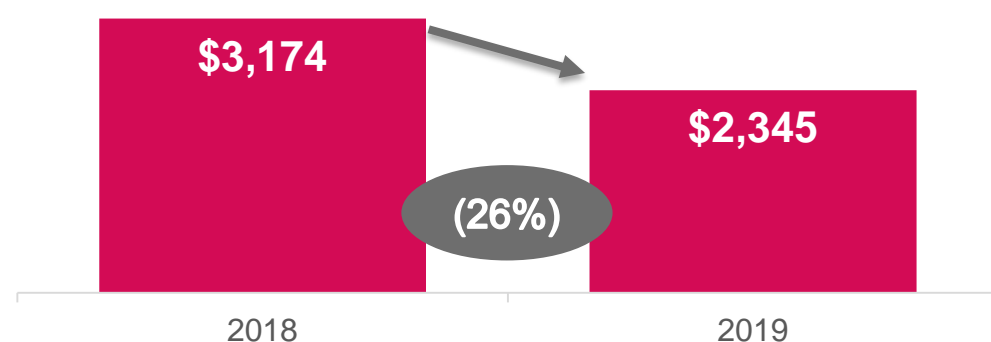
- Delivered flat volumes sequentially reflecting anticipated share regain in fourth quarter
- Experienced margin compression primarily due to fixed cost under-absorption at reduced production rates
- Achieved stable annual year-over-year and sequential average global Ti-Pure™ pigment prices

Titanium Technologies Outlook

- Anticipate continued implementation of Ti-Pure™ Value Stabilization and share regain
- Driving cost and pricing optimization to improve margins over the course of the year; anticipate ore inflation
- Continue engagement & collaboration with AVA customers to support their needs for secure supply, inventory planning and improved price predictability

Fourth Quarter and Full-Year 2019 Financial Summary (\$ in millions)

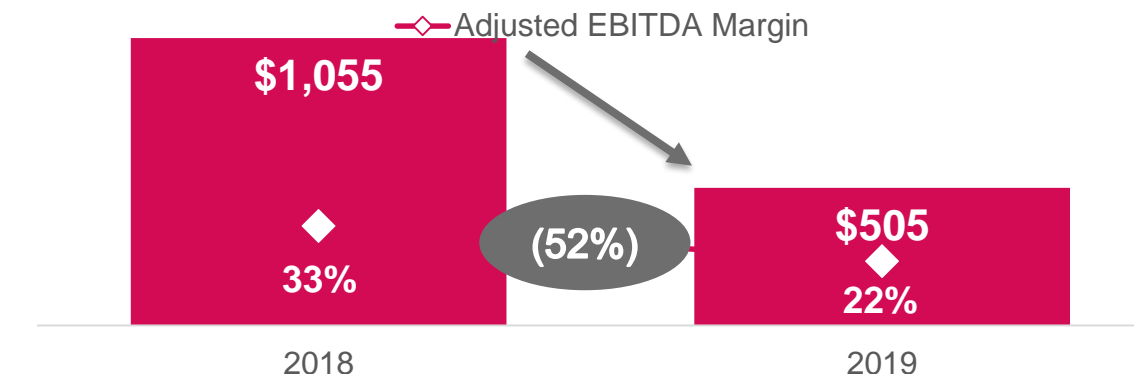
Full Year Net Sales



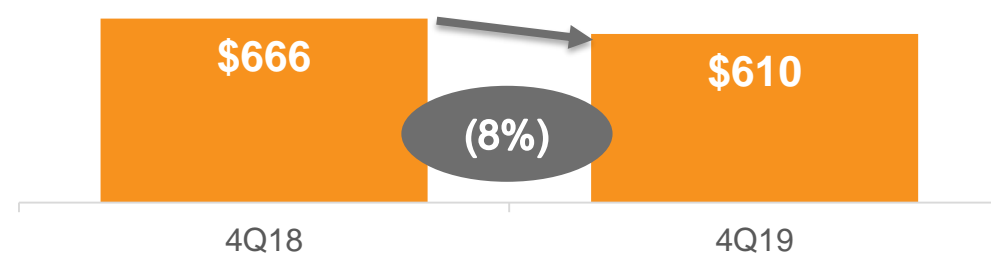
Annual Sales Drivers

	Yr/Yr % Δ
Price	(1)
Volume	(24)
Currency	(1)

Full Year Adjusted EBITDA



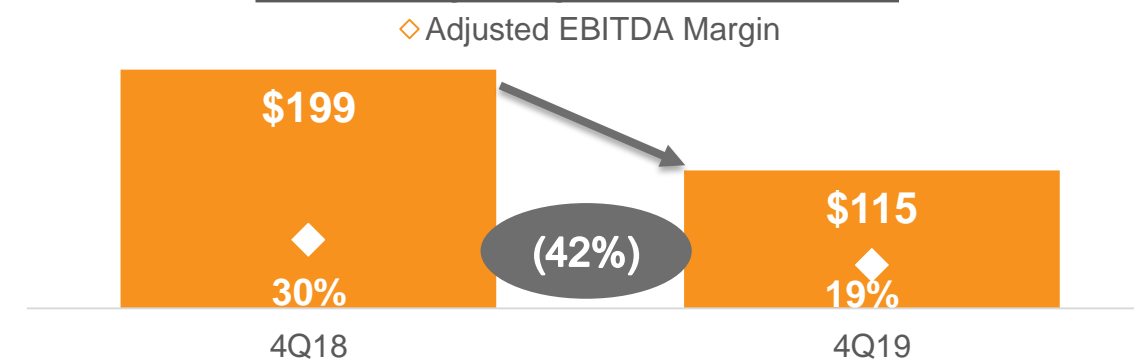
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	(3)
Volume	(5)
Currency	(0)

Quarterly Adjusted EBITDA



2020 Outlook – Focus & Discipline in Low Growth Environment

Improved earnings and free cash flow...

...disciplined investment to drive shareholder value

Adjusted EBITDA **\$1.05 - \$1.25 Billion**
Up 13% from 2019 at the mid-point

Adjusted EPS **~\$2.60 - \$3.55**
Up ~\$0.54/share at the mid-point

Free Cash Flow **>\$350 Million**
More than doubling Free Cash Flow

Capex **~\$400 Million**
Lowering CAPEX by approximately 20%

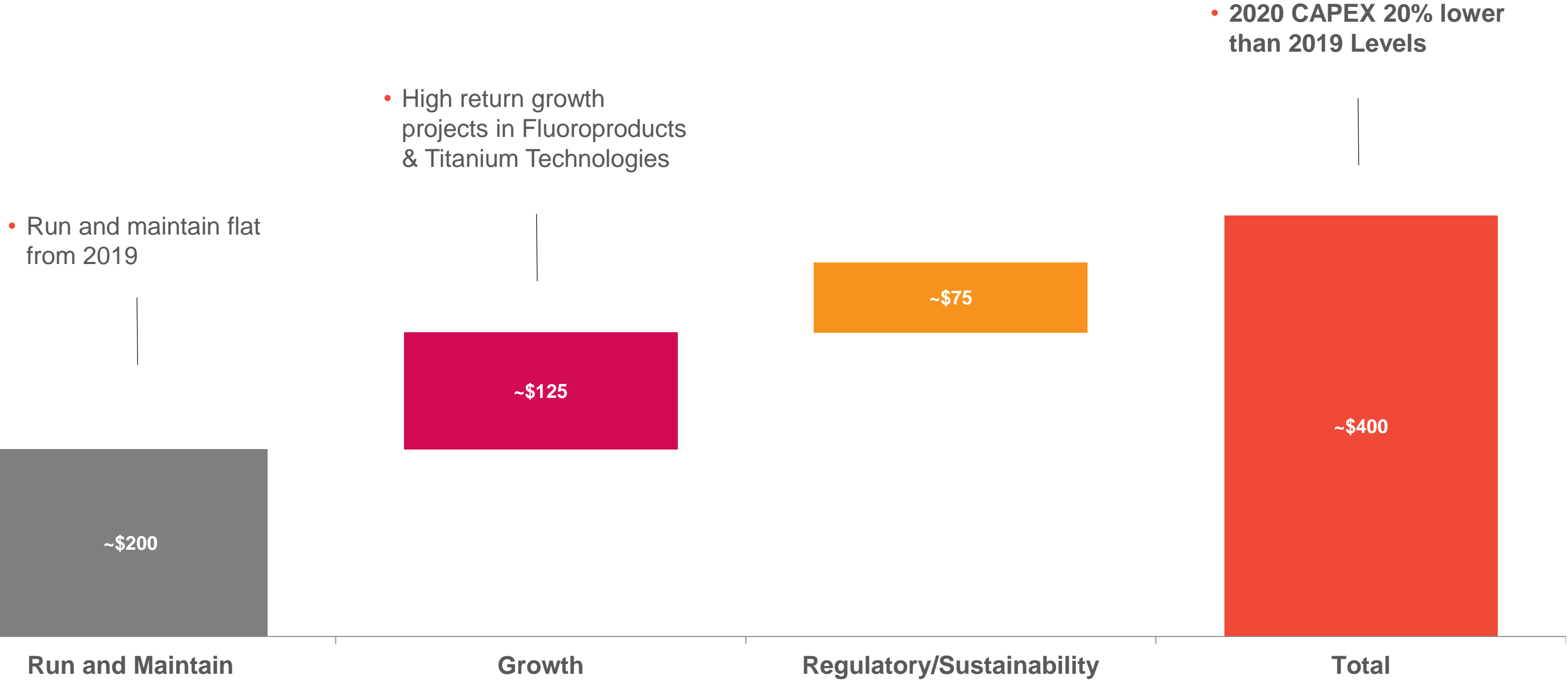
Cash to Shareholders **The majority of our free cash**

Key Factors and Assumptions¹

- Expect a gradual TiO₂ market recovery in line with GDP and share regain over the course of 2020
- Continued Opteon™ adoption in the auto segment; adoption in stationary segment slowed due to illegal imports
- Improved operating performance & productivity across all three segments
- Adjusted effective tax rate for the full-year to be within a range of 19 to 20 percent



2020 Capital Expenditures Breakdown



2020 Commitments

Achieving revenue and earnings growth despite of global weakness & uncertainties

Driving improved performance through focus and discipline

Renewing focus on cash flow generation with disciplined CAPEX prioritization

Executing our Corporate Responsibility Commitments



The Chemours Company

Appendix



Segment Net Sales and Adjusted EBITDA (Unaudited)

(\$ in millions)	Three Months Ended		Three Months Ended		Twelve Months Ended	
	December 31,		September 30,		December 31,	
	2019	2018	2019	2019	2018	
SEGMENT NET SALES						
Fluoroproducts	\$ 614	\$ 649	\$ 636	\$ 2,648	\$ 2,862	
Chemical Solutions	129	149	140	533	602	
Titanium Technologies	610	666	614	2,345	3,174	
Total Company	<u>\$ 1,353</u>	<u>\$ 1,464</u>	<u>\$ 1,390</u>	<u>\$ 5,526</u>	<u>\$ 6,638</u>	
SEGMENT ADJUSTED EBITDA						
Fluoroproducts	\$ 117	\$ 164	\$ 122	\$ 578	\$ 783	
Chemical Solutions	25	14	23	80	64	
Titanium Technologies	115	199	137	505	1,055	
Corporate and Other	(30)	(36)	(34)	(143)	(162)	
Total Company	<u>\$ 227</u>	<u>\$ 341</u>	<u>\$ 248</u>	<u>\$ 1,020</u>	<u>\$ 1,740</u>	
SEGMENT ADJUSTED EBITDA MARGIN						
Fluoroproducts	19%	25%	19%	22%	27%	
Chemical Solutions	19%	9%	17%	15%	11%	
Titanium Technologies	19%	30%	22%	22%	33%	
Corporate and Other	—	—	—	—	—	
Total Company	<u>17%</u>	<u>23%</u>	<u>18%</u>	<u>18%</u>	<u>26%</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		Twelve Months Ended			
	December 31,				September 30,		December 31,			
	2019		2018		2019		2019		2018	
	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*
Net (loss) income attributable to Chemours (1)	\$ (317)	\$ (1.94)	\$ 142	\$ 0.81	\$ 76	\$ 0.46	\$ (52)	\$ (0.32)	\$ 995	\$ 5.45
Non-operating pension and other post-retirement employee benefit cost (income)	373	2.26	(9)	(0.05)	1	0.01	368	2.20	(27)	(0.15)
Exchange losses (gains), net	4	0.02	(5)	(0.03)	(5)	(0.03)	2	0.01	(1)	(0.01)
Restructuring, asset-related, and other charges	38	0.23	18	0.10	34	0.21	87	0.52	49	0.27
Loss on extinguishment of debt	—	—	—	—	—	—	—	—	38	0.21
Gain on sale of assets and businesses	1	0.01	—	—	(9)	(0.05)	(10)	(0.06)	(45)	(0.24)
Transaction costs	2	0.01	—	—	—	—	3	0.02	9	0.05
Legal charges	132	0.80	36	0.20	5	0.03	175	1.05	82	0.45
Other charges	—	—	1	0.01	—	—	—	—	1	0.01
Adjustments made to income taxes	(5)	(0.03)	13	0.07	3	0.02	—	—	(41)	(0.22)
Benefit from income taxes relating to reconciling items	(136)	(0.82)	(11)	(0.06)	(7)	(0.04)	(154)	(0.92)	(26)	(0.14)
Adjusted Net Income (1)	<u>\$ 92</u>	<u>\$ 0.56</u>	<u>\$ 185</u>	<u>\$ 1.05</u>	<u>\$ 98</u>	<u>\$ 0.59</u>	<u>\$ 419</u>	<u>\$ 2.51</u>	<u>\$ 1,034</u>	<u>\$ 5.67</u>
Net income attributable to non-controlling interests	—	—	—	—	—	—	—	—	1	—
Interest expense, net	52	—	47	—	53	—	208	—	195	—
Depreciation and amortization	79	—	71	—	78	—	311	—	284	—
All remaining (benefit from) provision for income taxes	4	—	38	—	19	—	82	—	226	—
Adjusted EBITDA	<u>\$ 227</u>	—	<u>\$ 341</u>	—	<u>\$ 248</u>	—	<u>\$ 1,020</u>	—	<u>\$ 1,740</u>	—
Weighted-average number of common shares outstanding - basic	163,519,362	—	171,641,788	—	163,815,483	—	164,816,839	—	176,968,554	—
Weighted-average number of common shares outstanding - diluted (1)	164,889,475	—	176,382,440	—	165,140,863	—	167,245,023	—	182,572,021	—
Basic (loss) earnings per share of common stock	\$ (1.94)	—	\$ 0.83	—	\$ 0.46	—	\$ (0.32)	—	\$ 5.62	—
Diluted (loss) earnings per share of common stock (1)	(1.94)	—	0.81	—	0.46	—	(0.32)	—	5.45	—
Adjusted basic earnings per share of common stock	0.56	—	1.08	—	0.60	—	2.54	—	5.85	—
Adjusted diluted earnings per share of common stock (1)	0.56	—	1.05	—	0.59	—	2.51	—	5.67	—

(1) In periods where the Company incurs a net loss, the impact of potentially dilutive securities is excluded from the calculation of EPS under U.S. GAAP, as their inclusion would have an anti-dilutive effect. As such, with respect to the U.S. GAAP measure of diluted EPS, the impact of potentially dilutive securities is excluded from our calculation for the three and twelve months ended December 31, 2019. With respect to the non-GAAP measure of adjusted diluted EPS, the impact of potentially dilutive securities is included in our calculation for the three and twelve months ended December 31, 2019, as Adjusted Net Income was in a net income position. Based on our consistent application of this methodology, the shared-based reconciliations as shown above for the three and twelve months ended December 31, 2019 may not sum.

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

Return on Invested Capital (ROIC) (Unaudited)

(\$ in millions)	Twelve Months Ended December 31,	
	2019	2018
Adjusted EBITDA (1)	\$ 1,020	\$ 1,740
Less: Depreciation and amortization	(311)	(284)
Adjusted EBIT	\$ 709	\$ 1,456
Total debt	\$ 4,160	\$ 3,972
Total equity	695	1,020
Less: Cash and cash equivalents	(943)	(1,201)
Invested capital, net	\$ 3,912	\$ 3,791
Average invested capital (2)	\$ 4,102	\$ 3,717
Return on Invested Capital	17%	39%

(1) See the reconciliation of Adjusted EBITDA to Net (loss) income attributable to Chemours on 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)	Three Months Ended				Twelve Months Ended	
	December 31,		September 30,		December 31,	
	2019	2018	2019	2019	2018	
Cash flows provided by operating activities	\$ 400	\$ 259	\$ 288	\$ 650	\$ 1,140	
Less: Purchases of property, plant, and equipment	(96)	(154)	(128)	(481)	(498)	
Free Cash Flows	\$ 304	\$ 105	\$ 160	\$ 169	\$ 642	



Estimated 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, 2020	
	Low	High
Net income attributable to Chemours	\$ 405	\$ 556
Transaction costs	23	30
Adjusted Net Income	<u>428</u>	<u>586</u>
Interest expense, net	215	220
Depreciation and amortization	309	309
All remaining provision for income taxes	98	135
Adjusted EBITDA	<u>\$ 1,050</u>	<u>\$ 1,250</u>
Weighted-average number of common shares outstanding - basic (1)	163.5	163.5
Dilutive effect of the Company's employee compensation plans (1,2)	1.4	1.4
Weighted-average number of common shares outstanding - diluted (1,2)	164.9	164.9
Basic earnings per share of common stock	\$ 2.48	\$ 3.40
Diluted earnings per share of common stock (2)	2.46	3.37
Adjusted basic earnings per share of common stock	2.62	3.58
Adjusted diluted earnings per share of common stock (2)	2.60	3.55

(1) The Company's estimates for the weighted-average number of common shares outstanding - basic and diluted reflect results for the three months ended December 31, 2019, which are carried forward for the projection period.

(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 of market factors; including, but not limited to: currency movements, titanium dioxide prices, and end-market demand. Actual results could differ materially from the current estimates due to market factors and unknown or uncertain other factors, such as the impact of currency movements on the Company's results, including exchange gains and losses, impacts of new accounting pronouncements, cost savings actions that may be taken in the future, in addition to employee benefit activity with respect to the Company's foreign pension plans, including settlements or curtailments.



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

(\$ in millions unless otherwise noted)	(Estimated) Year Ended December 31, 2020
Cash provided by operating activities	> \$750
Less: Purchases of property, plant, and equipment	~ (400)
Free Cash Flows	> \$350

The Company's estimates reflect its current visibility and expectations of market factors; including, but not limited to: currency movements, titanium dioxide prices, and end-market demand. Actual results could differ materially from the current estimates due to market factors and unknown or uncertain other factors, such as the impact of currency movements on the Company's results, including exchange gains and losses, impacts of new accounting pronouncements, cost savings actions that may be taken in the future, in addition to employee benefit activity with respect to the Company's foreign pension plans, including settlements or curtailments.



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