

The Chemours Company

First Quarter 2019 Earnings Presentation

May 3, 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.

First Quarter 2019 Highlights

Weaker year-over-year results driven by expected lower Ti-Pure™ pigment volume and Fluoroproducts operating issues

Launched Ti-Pure™ Flex Portal in 100 countries and 9 languages globally

Solid Opteon™ growth in spite of illegal imports of refrigerants into EU

Repurchased over seven million shares in the first quarter – 13% of shares since spin¹

First Quarter 2019 Financial Summary

(\$ in millions unless otherwise noted)

	1Q19	1Q18	Δ Yr/Yr
Net Sales	\$1,376	\$1,730	(\$354)
Net Income ¹	94	297	(203)
Adj. Net Income	109	266	(157)
EPS ²	\$0.55	\$1.58	(\$1.03)
Adj. EPS ²	\$0.63	\$1.41	(\$0.78)
Adj. EBITDA	262	468	(206)
<i>Adj. EBITDA Margin (%)</i> ³	19	27	(8)
Free Cash Flow ⁴	(177)	94	(271)
Pre-Tax ROIC (%) ⁵	32	40	(8)

Year-Over-Year

- Sales down 20 percent from record 1Q18, driven primarily by lower volumes of Ti-Pure™ pigment
- Adjusted EBITDA decline reflects weaker results in Titanium Technologies and Fluoroproducts segments
- GAAP EPS of \$0.55 per share, inclusive of \$27 million Fayetteville charge, Adjusted EPS of \$0.63 per share
- Free Cash Flow of (\$177) million includes \$133 million of capital expenditures in the quarter
- Solid pre-tax ROIC of 32 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

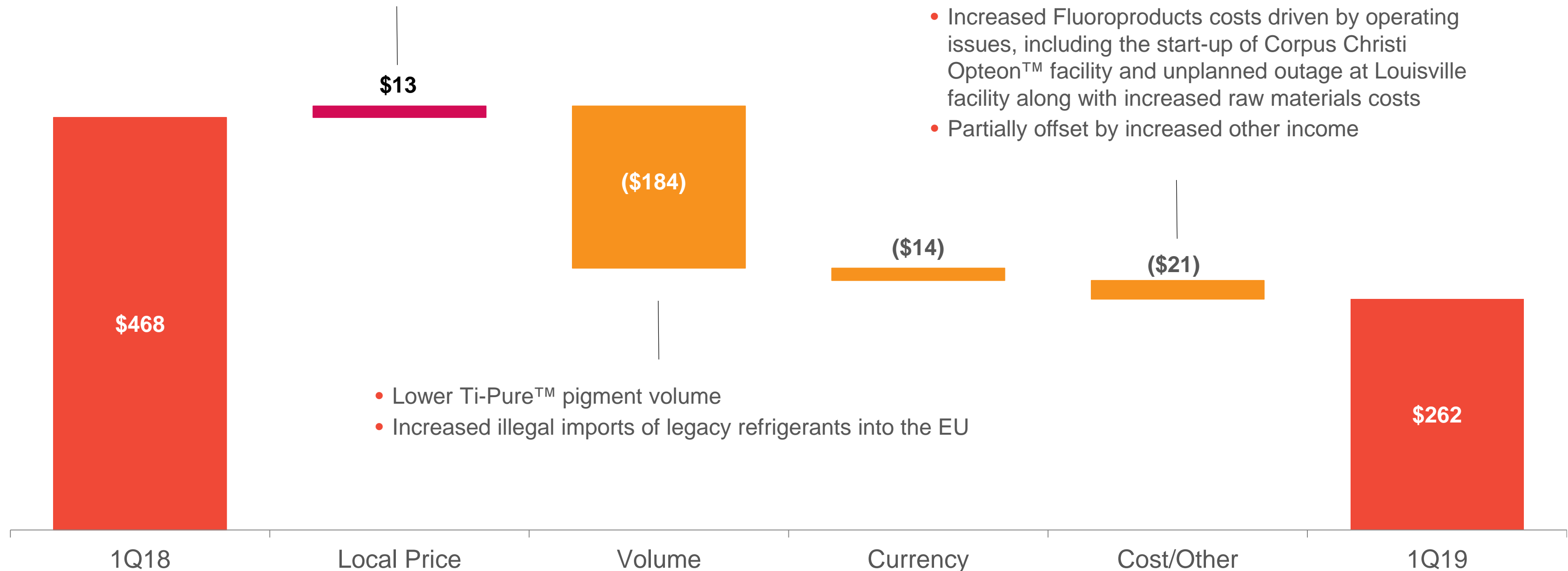


Adjusted EBITDA Bridge: 1Q19 versus 1Q18

(\$ in millions unless otherwise noted)

- Positive Impact
- Negative Impact

- Stable to higher average prices across all three segments



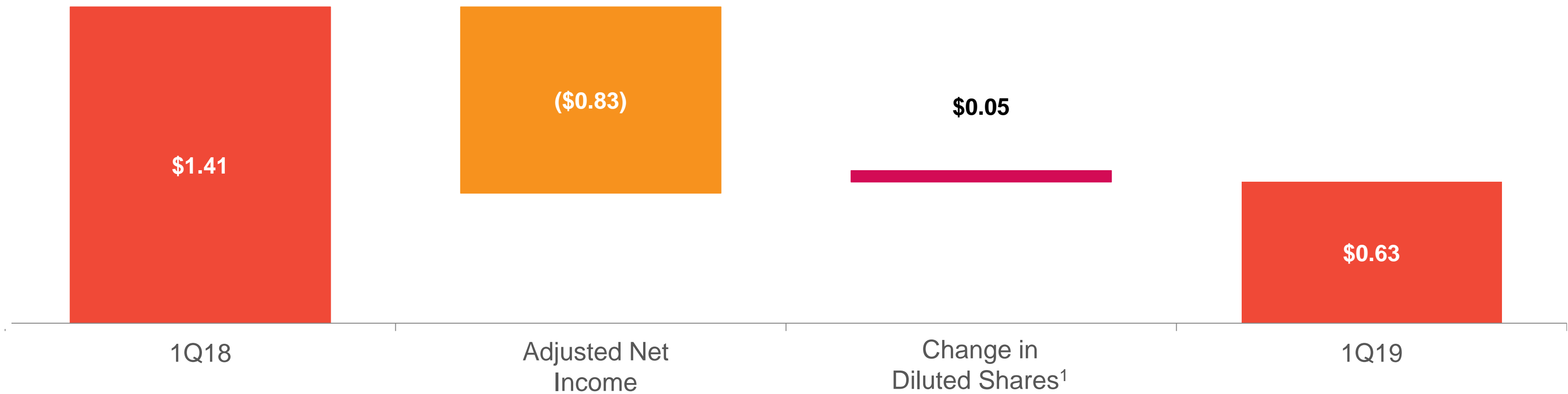
- Increased Fluoroproducts costs driven by operating issues, including the start-up of Corpus Christi Opteon™ facility and unplanned outage at Louisville facility along with increased raw materials costs
- Partially offset by increased other income

- Lower Ti-Pure™ pigment volume
- Increased illegal imports of legacy refrigerants into the EU

Adjusted EPS Bridge: 1Q19 versus 1Q18

(\$ 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 172 million in 1Q19

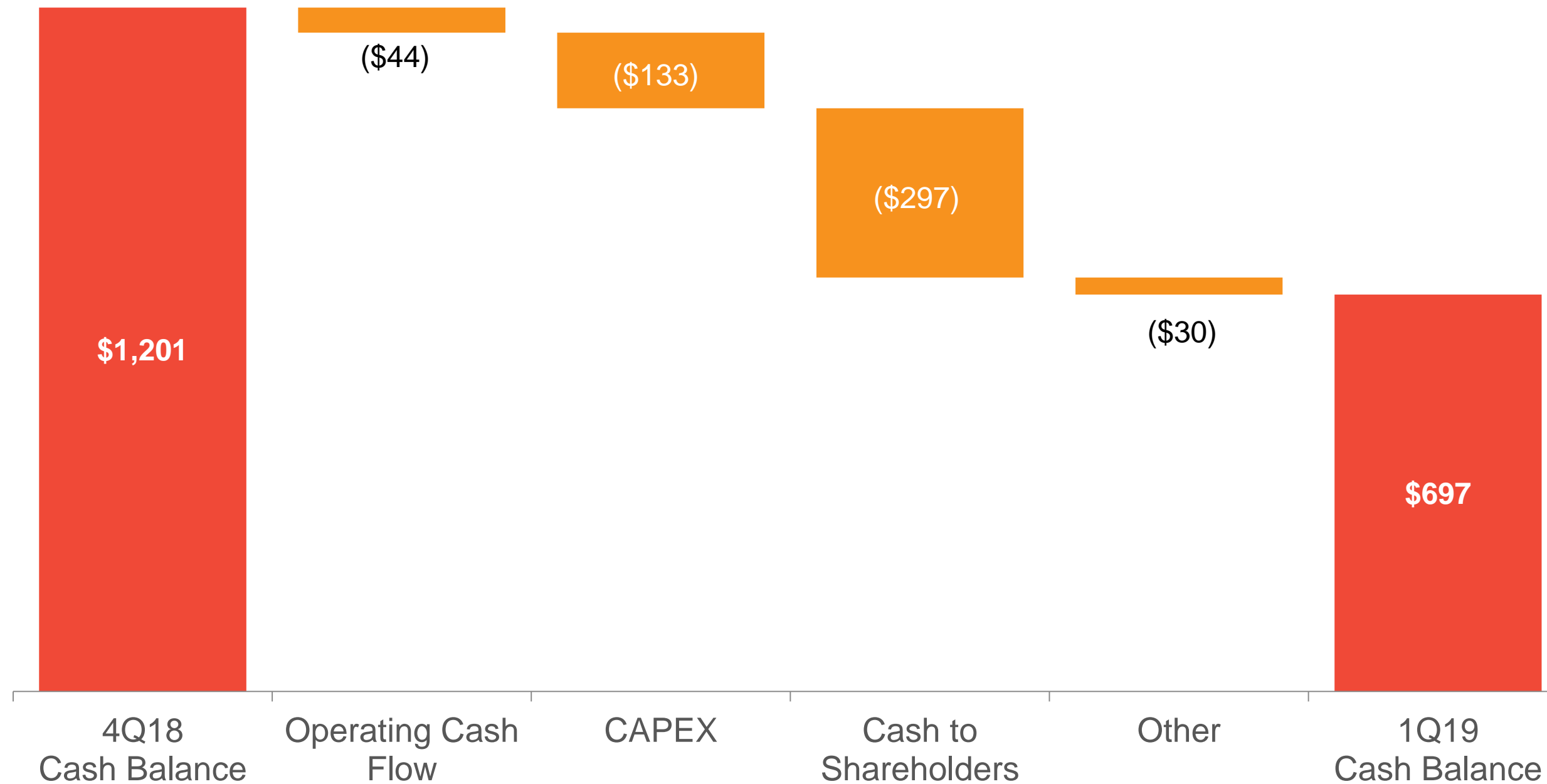


Liquidity Position

(\$ in millions unless otherwise noted)

■ Negative Impact

■ Positive Impact



- March 31, 2019 ending cash balance of \$697M
- 1Q19 capital expenditures of \$133M
- 1Q19 dividends and share repurchases of \$297M
- Total Liquidity of ~\$1.5B, including revolver availability of \$800M¹
- Net debt of \$3.3B, net leverage ratio² of ~2.1 times on a trailing twelve-month basis

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

² Senior Secured Net Debt/EBITDA is 0.4x based on Credit Agreement definition as of March 31, 2019

Fluoroproducts Business Summary

First Quarter Highlights

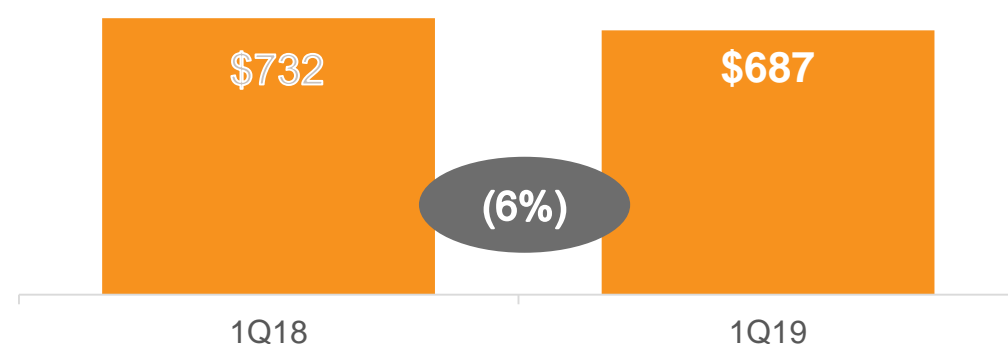
- Continued robust adoption of Opteon™ refrigerants for mobile applications, despite auto softness and application development wins in Fluoropolymers
- Increased costs driven by operating issues, including the start-up of Corpus Christi Opteon™ facility and unplanned outage at Louisville facility along with increased raw material costs
- Increased illegal imports of legacy refrigerants into the EU impacting adoption of Opteon™ blends in stationary applications and base refrigerants

2019 Outlook Commentary

- Expect continued adoption of Opteon™ refrigerants in both mobile and stationary applications, with illegal imports into the EU impacting 1H stationary price and volume
- Anticipate normal ramp up of Corpus Christi facility throughout remainder of 2019, along with supply chain improvements at Fluoropolymer sites
- Anticipate Fluoropolymer application development contributions to become more meaningful starting in 2H

First Quarter 2019 Financial Summary (\$ in millions)

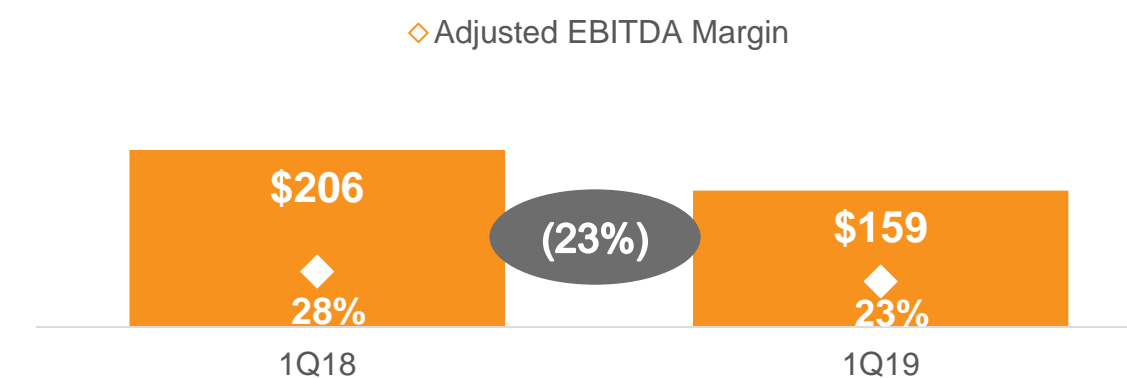
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	0
Currency	(2)
Volume	(4)

Quarterly Adjusted EBITDA



Chemical Solutions Business Summary

First Quarter Highlights

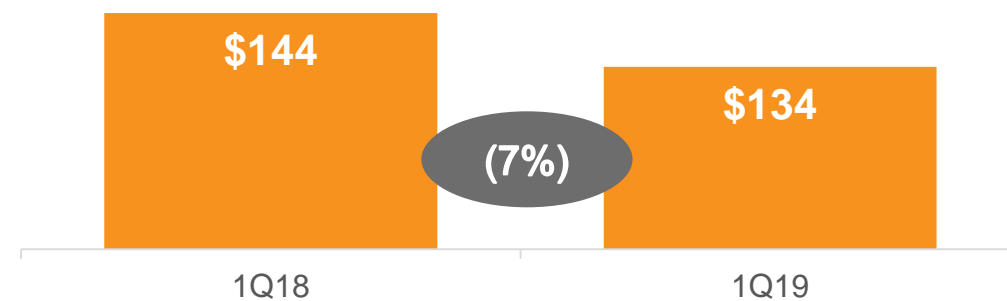
- Delivered performance in line with expectations including increase in Adjusted EBITDA of 36 percent on a year-over-year bases
- Increased price realization as a result of previously communicated price announcements
- Experienced lower volume in Performance Chemicals and Intermediates

2019 Outlook Commentary

- Expect customer demand for Mining Solutions products to remain strong
- Do not anticipate any volume from Laguna Mining Solutions facility in 2019
- Continue to optimize Performance Chemicals and Intermediates business performance

First Quarter 2019 Financial Summary (\$ in millions)

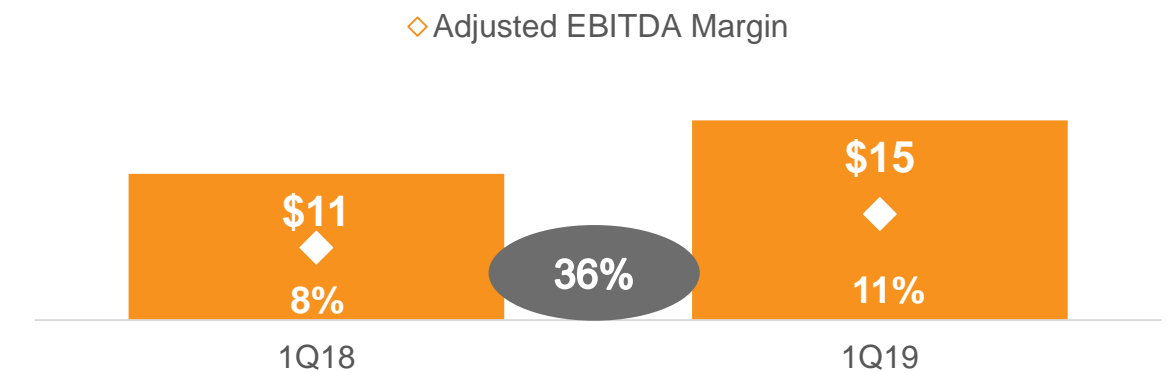
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	3
Currency	(1)
Volume	(9)

Quarterly Adjusted EBITDA



Titanium Technologies Business Summary

First Quarter Highlights

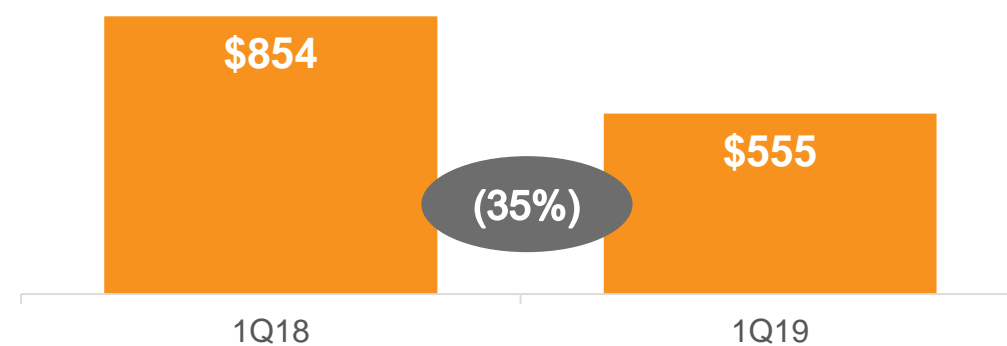
- Delivered stable year-over-year and sequential average global Ti-Pure™ pigment prices, consistent with implementation of Ti-Pure™ Value Stabilization strategy
- Experienced lower volume across all regions and end markets, principally driven by soft demand and expected market share loss
- Launched Ti-Pure™ Flex, a next generation portal for customers to buy Ti-Pure™ titanium dioxide

2019 Outlook Commentary

- Engage customers in the ongoing benefits of the AVA contract structure to support their needs for secure supply, inventory planning and improved price predictability
- Expect demand headwinds to remain through 1H2019, with volume recovery anticipated in the 2H2019
- Achieve full roll out of Ti-Pure™ Flex Portal within 2Q

First Quarter 2019 Financial Summary (\$ in millions)

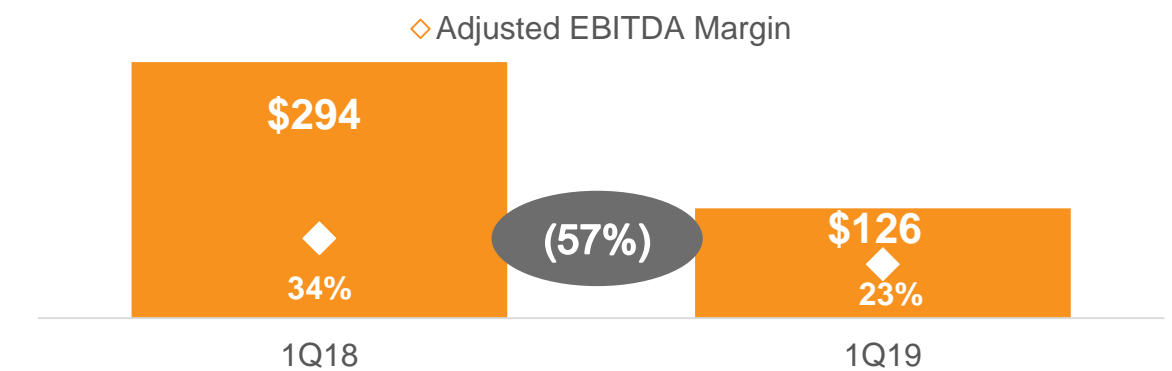
Quarterly Net Sales



Quarterly Sales Drivers

	Yr/Yr % Δ
Price	1
Currency	(1)
Volume	(35)

Quarterly Adjusted EBITDA



2019 Outlook

Delivering earnings and cash flow...

Adjusted EBITDA **\$1.35 - \$1.60 Billion**

Adjusted EPS **~\$4.00 - \$5.05**

Free Cash Flow **>\$550 Million**

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

Capex **~\$500 Million**

Share Repurchases **\$1 Billion Authorization**

Key Factors and Assumptions¹

- 2019 Ti-Pure™ volume lower than 2018 volume
- Continued strength in Fluoroproducts: Opteon™ adoption & Fluoropolymers volume growth
- Includes benefit from share repurchases completed through February 13, 2019



The Chemours Company

Appendix



Segment Net Sales and Adjusted EBITDA (Unaudited)

(\$ in millions unless otherwise noted)

	Three Months Ended		Three Months
	March 31,		December 31,
	2019	2018	2018
SEGMENT NET SALES			
Fluoroproducts	\$ 687	\$ 732	\$ 649
Chemical Solutions	134	144	149
Titanium Technologies	555	854	666
Total Company	<u>\$ 1,376</u>	<u>\$ 1,730</u>	<u>\$ 1,464</u>
SEGMENT ADJUSTED EBITDA			
Fluoroproducts	\$ 159	\$ 206	\$ 164
Chemical Solutions	15	11	14
Titanium Technologies	126	294	199
Corporate and Other	(38)	(43)	(36)
Total Company	<u>\$ 262</u>	<u>\$ 468</u>	<u>\$ 341</u>
SEGMENT ADJUSTED EBITDA MARGIN			
Fluoroproducts	23.1%	28.1%	25.3%
Chemical Solutions	11.2%	7.6%	9.4%
Titanium Technologies	22.7%	34.4%	29.9%
Corporate and Other	0.0%	0.0%	0.0%
Total Company	<u>19.0%</u>	<u>27.1%</u>	<u>23.3%</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	
	March 31,				December 31,	
	2019		2018		2018	
	\$ amounts	\$ per share*	\$ amounts	\$ per share*	\$ amounts	\$ per share*
Net income attributable to Chemours	\$ 94	\$ 0.55	\$ 297	\$ 1.58	\$ 142	\$ 0.81
Non-operating pension and other post-retirement employee benefit income	(3)	(0.02)	(7)	(0.04)	(9)	(0.05)
Exchange gains, net	(6)	(0.03)	—	—	(5)	(0.03)
Restructuring, asset-related, and other charges	8	0.05	10	0.05	18	0.10
Gain on sales of assets and businesses	—	—	(42)	(0.22)	—	—
Legal charges	29	0.17	4	0.02	36	0.20
Other charges	—	—	—	—	1	0.01
Adjustments made to income taxes	(5)	(0.03)	(5)	(0.03)	13	0.07
(Benefit from) provision for income taxes relating to reconciling items	(8)	(0.05)	9	0.05	(11)	(0.06)
Adjusted Net Income	109	\$ 0.63	266	\$ 1.41	185	\$ 1.05
Interest expense, net	51		52		47	
Depreciation and amortization	76		70		71	
All remaining provision for income taxes	26		80		38	
Adjusted EBITDA	\$ 262		\$ 468		\$ 341	
Weighted-average number of common shares outstanding - basic	167,866,468		182,069,982		171,641,788	
Weighted-average number of common shares outstanding - diluted	172,060,900		188,333,197		176,382,440	
Basic earnings per share of common stock	\$ 0.56		\$ 1.63		\$ 0.83	
Diluted earnings per share of common stock	0.55		1.58		0.81	
Adjusted basic earnings per share of common stock	0.65		1.46		1.08	
Adjusted diluted earnings per share of common stock	0.63		1.41		1.05	

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

Return on Invested Capital (ROIC) (Unaudited)

(\$ in millions unless otherwise noted)

	Period Ended March 31,	
	2019	2018
Adjusted EBITDA (1)	\$ 1,535	\$ 1,605
Less: Depreciation and amortization (1)	(289)	(272)
Adjusted EBIT	1,246	1,333
Total debt	3,978	4,155
Total equity	816	1,002
Less: Cash and cash equivalents	(697)	(1,434)
Invested capital, net	\$ 4,097	\$ 3,723
Average invested capital (2)	\$ 3,853	\$ 3,327
Return on Invested Capital	32.3%	40.1%

(1) Based on amounts for the trailing 12 months ended March 31, 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		
	March 31,		December 31,
	2019	2018	2018
Cash flows (used in) provided by operating activities	\$ (44)	\$ 196	\$ 259
Less: Purchases of property, plant, and equipment	(133)	(102)	(154)
Free Cash Flows	\$ (177)	\$ 94	\$ 105



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	\$ 655	\$ 830
Restructuring, asset-related, and other charges	35	45
Adjusted Net Income	690	875
Interest expense, net	205	220
Depreciation and amortization	305	305
All remaining provision for income taxes	150	200
Adjusted EBITDA	\$ 1,350	\$ 1,600
Weighted-average number of common shares outstanding - basic (1)	167.4	167.4
Dilutive effect of the Company's employee compensation plans (1,2)	4.2	4.2
Weighted-average number of common shares outstanding - diluted (1,2)	171.6	171.6
Basic earnings per share of common stock	\$ 3.91	\$ 4.96
Diluted earnings per share of common stock (2)	3.82	4.84
Adjusted basic earnings per share of common stock	4.12	5.23
Adjusted diluted earnings per share of common stock (2)	4.02	5.10

(1) The Company's estimates for the weighted-average number of common shares outstanding - basic and diluted reflect actual results through March 31, 2019 which are carried forward for the projection period and updated for the estimated impacts of the Company's 2019 share repurchases, including those repurchased through April 2019.

(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)

	(Estimated) Year Ended December 31,
	<u>2019</u>
Cash provided by operating activities	> \$1,050
Less: Purchases of property, plant, and equipment	~ (500)
Free Cash Flows	<u><u>> \$550</u></u>

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

