



Q3 2020 Financial Results & Highlights

Ingevity delivers outstanding results driven by global automotive demand and production rebound, continued strong paving activity, cost reduction actions and strong execution.

FINANCIAL HIGHLIGHTS

Net Sales	\$331.7M	▼ 7.8% vs. prior year quarter's net sales of \$359.9M
Net Income	\$69.9M	▲ 16.7% vs. prior year quarter's net income of \$59.9M
Adjusted EBITDA	\$127.6M	▲ 11.9% vs. prior year quarter's adjusted EBITDA of \$114.0M
Adjusted EBITDA Margin	38.5%	▲ 680 bps vs. prior year quarter's adjusted EBITDA margin of 31.7%
Free Cash Flow	\$73.5M	▼ 23.9% vs. prior year quarter's free cash flow of \$96.6M

BUSINESS SEGMENTS' PERFORMANCE

Performance Materials	Revenue	Seg. EBITDA	Seg. EBITDA Margin
	\$143.8M	\$80.4M	55.9%
Performance Chemicals	Revenue	Seg. EBITDA	Seg. EBITDA Margin
	\$187.9M	\$47.2M	25.1%

OPERATIONAL HIGHLIGHTS

- Adjusted EBITDA were up 12% on revenues that were down 8%; Adjusted EBITDA margin increased 680 basis points
- Solid free cash flow of \$73.5 million
- U.S. and Canada automakers rebounded sharply, while the industry continues to work to refill the vehicle pipeline; We saw record quarterly production of honeycomb scrubbers to meet U.S. and Canadian regulatory standards
- Pavement Technologies sales continued strongly, offsetting reductions in Engineered Polymers, Industrial Specialties and Oilfield Technologies

STRONG BALANCE SHEET

Net Debt/EBITDA

2.73x



NARROWED FY 2020 OUTLOOK

\$1.15B - \$1.20B

Sales

\$355M - \$365M

Adjusted EBITDA

≥ \$175M

Free Cash Flow

"The sharp rebound of automakers - particularly in the U.S. and Canada - during the quarter, along with a record quarterly production of our honeycomb scrubber technology significantly increased revenues for our Performance Materials activated carbon products. Our Performance Chemicals segment was impacted by strong sales in China and EMEA into asphalt paving applications, offset by reductions in engineered polymers and industrial specialties applications, and reduced North American oilfield drilling and production. While the strength of the global economy through the end of 2020 remains somewhat uncertain, long-term we believe in the strength of our strategy and our team's ability to execute on the opportunities ahead."

JOHN FORTSON, PRESIDENT AND CEO