
ingevity
THIRD QUARTER 2022
EARNINGS PRESENTATION
November 3, 2022

Use of non-GAAP financial measures: This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided within the Appendix to this presentation. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided. The company does not attempt to provide reconciliations of forward-looking non-GAAP guidance to the comparable GAAP measure because the impact and timing of the factors underlying the guidance assumptions are inherently uncertain and difficult to predict and are unavailable without unreasonable efforts. In addition, Ingevity believes such reconciliations would imply a degree of certainty that could be confusing to investors.

Forward-looking statements: This presentation contains "forward-looking statements" within the meaning of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements generally include the words "will," "plans," "intends," "targets," "expects," "outlook," "believes," "anticipates" or similar expressions. Forward-looking statements may include, without limitation, the potential benefits of any acquisition or investment transaction, the anticipated timing of the closing of any announced acquisition, expected financial positions, expected financial positions, guidance, results of operations and cash flows; financing plans; business strategies and expectations; operating plans; impact of COVID-19; capital and other expenditures; competitive positions; growth opportunities for existing products; benefits from new technology and cost-reduction initiatives, plans and objectives; litigation related strategies and outcomes; markets for securities and expected future repurchases of shares, including statements about the manner, amount and timing of repurchases. Actual results could differ materially from the views expressed. Factors that could cause actual results to materially differ from those contained in the forward-looking statements, or that could cause other forward-looking statements to prove incorrect, include, without limitation, adverse effects from the COVID-19 pandemic; adverse effects from general global economic, geopolitical and financial conditions beyond our control, including inflation and war in Ukraine; risks related to our international sales and operations; adverse conditions in the automotive market; competition from substitute products, new technologies and new or emerging competitors; worldwide air quality standards; a decrease in government infrastructure spending; adverse conditions in cyclical end markets; the limited supply of or lack of access to sufficient crude tall oil and other raw materials; integration of future acquisitions; the provision of services by third parties at several facilities; supply chain disruptions; natural disasters and extreme weather events; or other unanticipated problems such as labor difficulties (including work stoppages), equipment failure or unscheduled maintenance and repair; attracting and retaining key personnel; dependence on certain large customers; legal actions associated with our intellectual property rights; protection of our intellectual property and other proprietary information; information technology security breaches and other disruptions; complications with designing or implementing our new enterprise resource planning system; government policies and regulations, including, but not limited to, those affecting the environment, climate change, tax policies, tariffs and the chemicals industry; and losses due to lawsuits arising out of environmental damage or personal injuries associated with chemical or other manufacturing processes, and the other factors detailed from time to time in the reports we file with the SEC, including those described in Part I, Item 1A. Risk Factors in our 2021 Annual Report on Form 10-K as well as in our other filings with the SEC. These forward-looking statements speak only to management's beliefs as of the date of this presentation. Ingevity assumes no obligation to provide any revisions to, or update, any projections and forward-looking statements contained in this presentation.

AGENDA

1 Quarter highlights and updates
2 Consolidated financial results
3 Segment performance
4 Guidance
5 Q&A



QUARTER HIGHLIGHTS AND UPDATES

Record quarter for sales, adjusted EBITDA and adjusted diluted EPS(1) driven by strong demand across all businesses

Closed on the Ozark acquisition (October 3)

Completed the addition of polyols production capacity for Engineered Polymers in DeRidder, Louisiana

Earned the EcoVadis gold rating, recognizing the company's commitment to purify, protect, and enhance the world



(1) Please see appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures and reconciliations to the nearest GAAP financial measures.

THIRD QUARTER (Q3) CONSOLIDATED FINANCIAL PERFORMANCE

Q3 financials

$ in millions except percentage and EPS	Q3 2022	Q3 2021	vs PY Δ%
Net sales	**$482.0**	**$376.8**	**27.9%**
Adjusted gross profit[1]	$192.1	$158.7	
Adjusted gross margin[1] % net sales	39.9%	42.1%	***(220) bps***
Total SG&A excl. D&A[1] [2]	$52.1	$39.6	
% net sales	*10.8%*	*10.5%*	***(30) bps***
Adjusted other (income) expense, net[1]	$2.0	$(0.4)	
% net sales	*(0.4)%*	*0.1%*	***(50) bps***
Adjusted EBITDA[1]	$138.2	$119.5	**15.6%**
% margin[1]	***28.7%***	***31.7%***	***(300) bps***
Diluted adjusted EPS[1]	$2.09	$1.62	**29.0%**

Performance highlights

Record sales up 27.9% reflecting price increases in all businesses, particularly in Performance Chemicals, and improved automotive volumes

- Increased pricing across Performance Chemicals which has offset inflationary costs
- Higher volumes in Pavement Technologies reflected a strong paving season
- Increased volumes in Performance Materials as automotive supply chains improve

Adjusted gross profit [1] up 21.0% on increased sales; Adjusted gross margin [1] pressured by continued elevated input costs in both segments

Adjusted EBITDA [1] up 15.6% due to strong revenue growth; Adjusted EBITDA margin [1] down primarily due to gross margin pressure

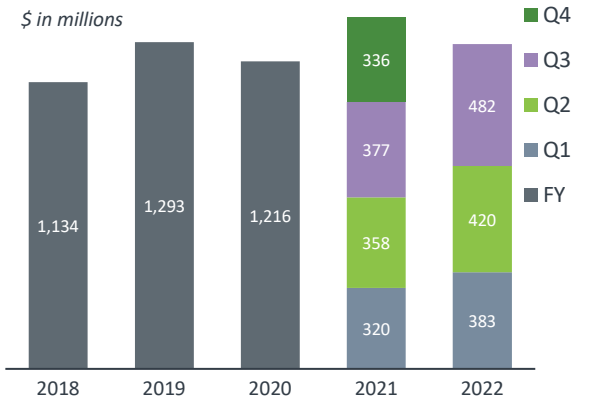
Record diluted adjusted EPS [1] up 29% to $2.09

(1) Please see appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures and reconciliations to the nearest GAAP financial measures.

(2) SG&A includes research and technical expenses

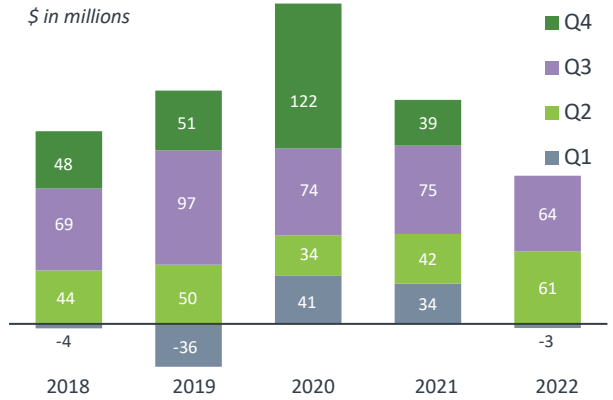
Q3 2022 FINANCIAL METRICS AND HIGHLIGHTS

Net Sales



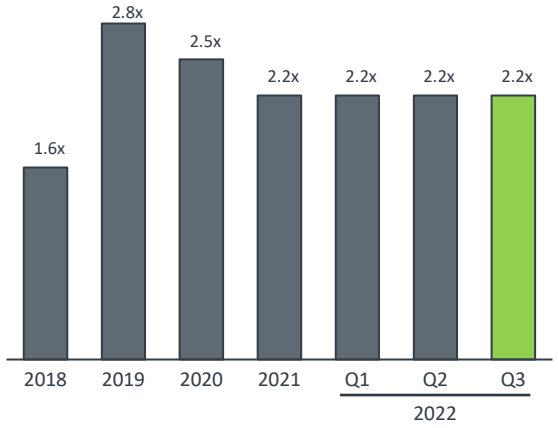
- Record sales up 27.9% vs. prior year
- Sales into higher value end-markets enables pricing leverage
- 83% of products sold into high value markets vs. 66% in 2016

Free cash flow (1)



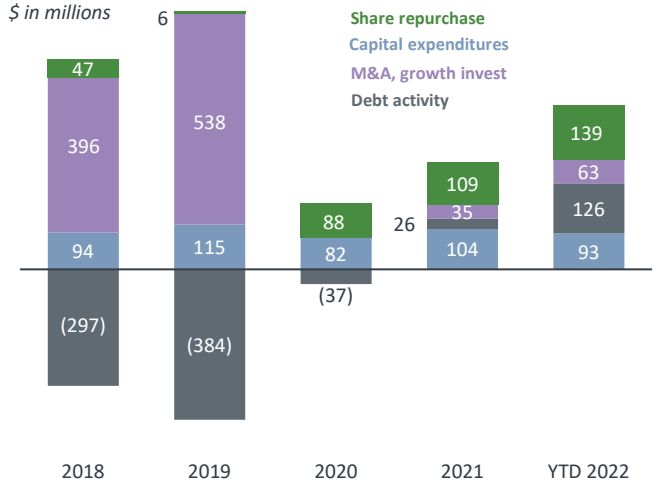
- FCF of $64.0 million slightly lower than prior year due to increased capital spending on growth initiatives

Net Debt Ratio (1)



- Net debt of 2.2x remains well within 2.0-2.5x guidance, and includes the $60M Nexeon investment made during Q3
- Closed on Ozark acquisition in October; leverage expected to increase in Q4 before returning to target range within the next 12 months

Capital allocation



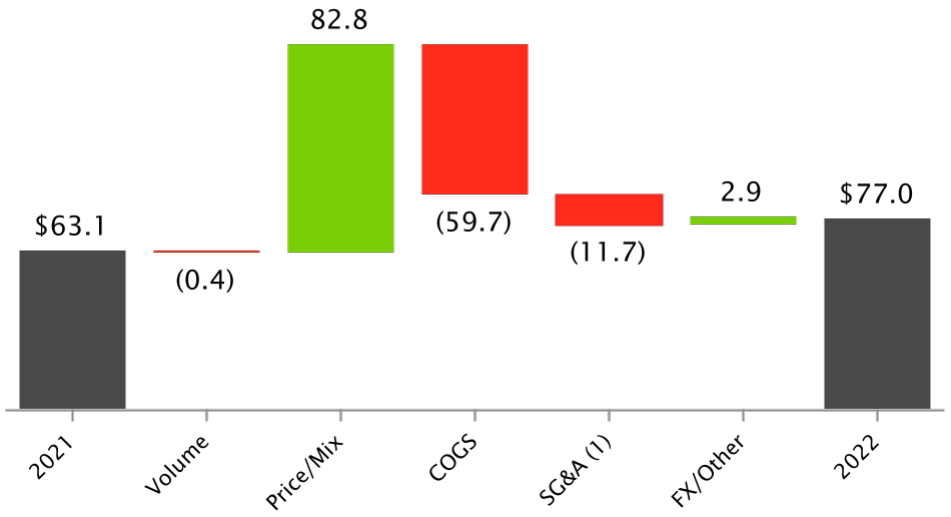
- Q3 share repurchases totaling $49.3 million and $139.2 million year to date
- M&A : Ozark ($325 million) was financed with revolver borrowings and cash on hand

(1) Please see appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures and reconciliations to the nearest GAAP financial measures.

PERFORMANCE CHEMICALS

$ IN MILLIONS	Q3 2022	Q3 2021	▲ $ VS. PRIOR YEAR	▲ % VS. PRIOR YEAR
Net Sales	**337.1**	**258.7**	**78.4**	**30.3%**
Engineered Polymers	69.5	52.9	16.6	31.4%
Industrial Specialties	179.3	132.6	46.7	35.2%
Pavement Technologies	88.3	73.2	15.1	20.6%
Segment EBITDA	**77.0**	**63.1**	**13.9**	**22.0%**
Segment EBITDA Margin	**22.8%**	**24.4%**		**(160) bps**

Q3 Segment EBITDA



Performance highlights

Sales of $337.1 million up 30.3% due to price increases and stronger volumes in derivatized products

- **ENGINEERED POLYMERS:** Record sales up over 30% due to a combination of price increases which offset inflation and continued volume growth in strategic markets
- **INDUSTRIAL SPECIALTIES*:*** Record sales up over 35% driven by price and volume increases in derivatized products
- **PAVEMENT TECHNOLOGIES:** Record sales up over 20% led by double-digit volume growth primarily due to a strong paving season and increased technology adoption

Segment EBITDA of $77.0 million up 22.0%; segment EBITDA margin of 22.8%

- SG&A cost increases reflect increased growth spending and higher labor-related costs

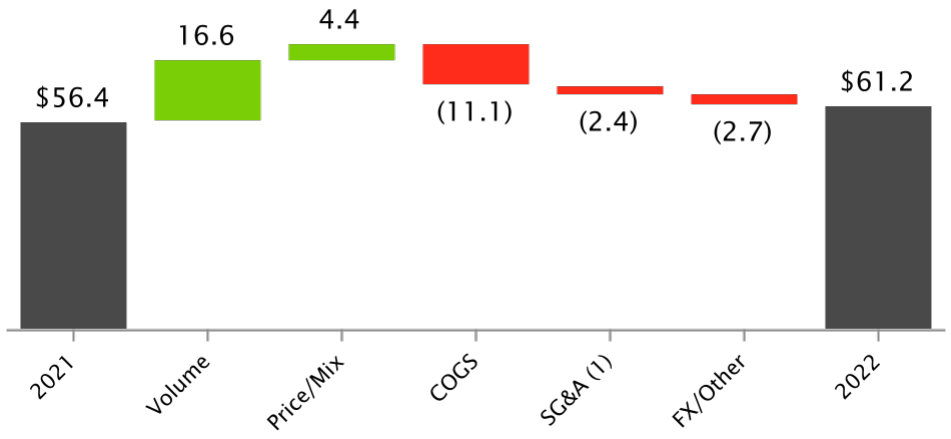
Ozark Materials: Transaction closed on October 3rd, 2022, and sales will be reported in Pavement Technologies

(1) SG&A includes research and technical expenses

PERFORMANCE MATERIALS

$ IN MILLIONS	Q3 2022	Q3 2021	▲ $ VS. PRIOR YEAR	▲ % VS. PRIOR YEAR
Net Sales	**144.9**	**118.1**	**26.8**	**22.7%**
Segment EBITDA	**61.2**	**56.4**	**4.8**	**8.5%**
Segment EBITDA Margin	**42.2%**	**47.8%**		**(560) bps**

Q3 Segment EBITDA



Performance highlights

Sales of $144.9 million up 22.7% on improved global auto production and price increases, primarily in process purification

- Sales of our automotive activated carbon products rebounded as improved auto parts availability led to increased global automotive production
  - Sales volumes across Asia-Pacific improved from Q2 China COVID-related shutdowns
  - Continued strong growth from Brazil's Proconve 7 implementation

Segment EBITDA of $61.2 million up 8.5%; segment EBITDA margin of 42.2% negatively impacted by inflationary costs in raw materials and energy

- Input costs increased significantly during the quarter, outpacing the ability to respond with adjusted customer pricing, which primarily impacted automotive products where prices are typically set annually, early in the year

(1) SG&A includes research and technical expenses

RAISING 2022 GUIDANCE

FY Guidance

Financial metric	FY Guidance
Revenue	$1,650 - $1,700
Adj. EBITDA [1]	$460 - $475
Capital expenditures	$130 – $150
Free cash flow [1]	≥$160
Net debt ratio [1] [2]	2.5 – 3.0x

- Headwinds:
  - High inflationary input costs remain, especially on raw materials and energy
  - Recession?
- Tailwinds:
  - Continuing automotive production gains in Q4
  - Higher percent of sales to high performance products

(1) Please see appendix for Ingevity's use of non-GAAP financial measures, definitions of those financial measures and reconciliations to the nearest GAAP financial measures.
(2) Higher at year-end 2022 as a result of Ozark acquisition; expect ratio to be back within 2.0 – 2.5x by end of 2023


INVESTOR DAY
SPRING 2023

FOR MORE INFORMATION

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Media
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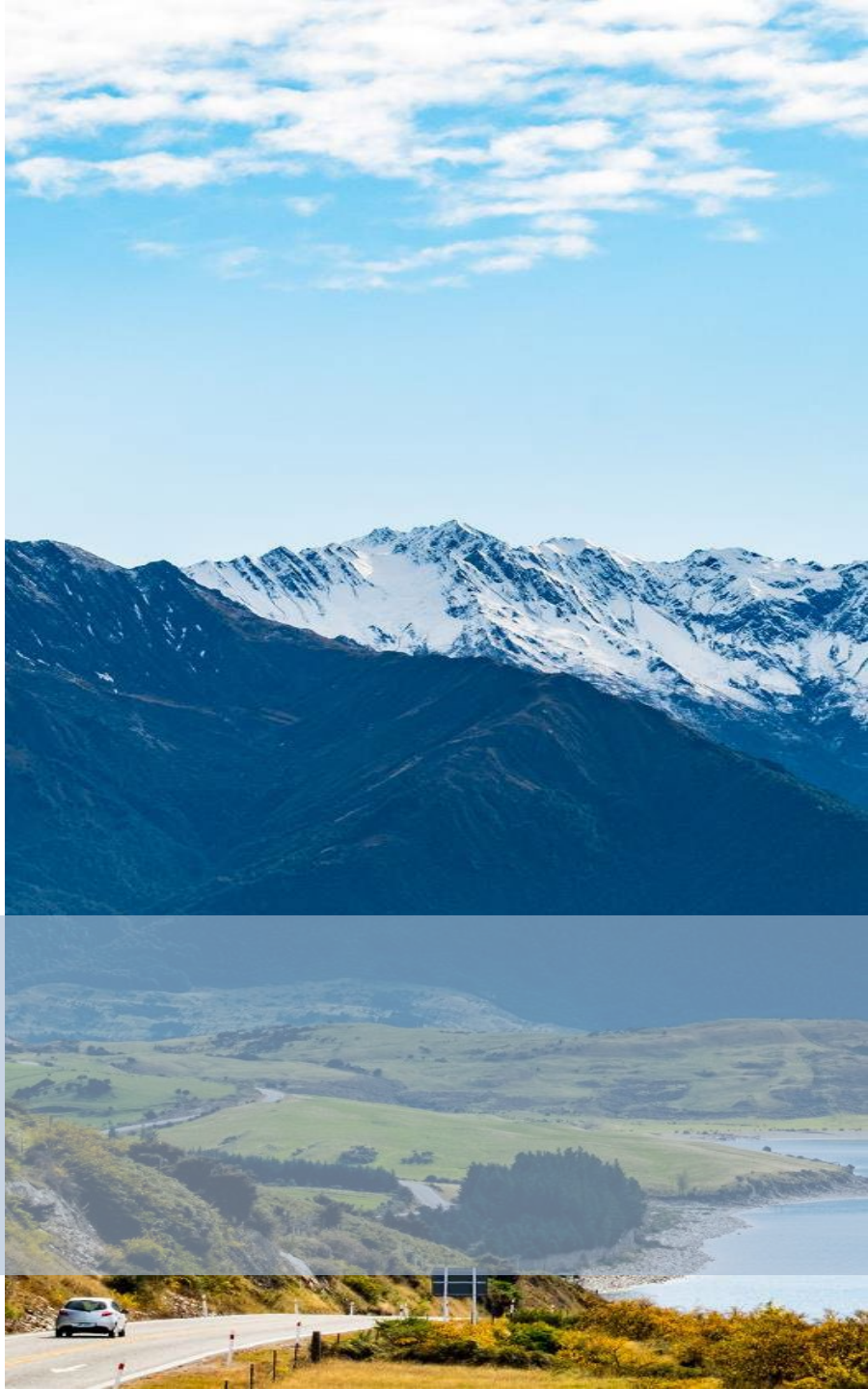
Thank you for your interest in Ingevity.



APPENDIX

Non-GAAP Financial Measures

Ingevity has presented certain financial measures, defined below, which have not been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and has provided a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP. These financial measures are not meant to be considered in isolation or as a substitute for the most directly comparable financial measure calculated in accordance with GAAP. The Company believes these non-GAAP measures provide investors, potential investors, securities analysts and others with useful information to evaluate the performance of the business, because such measures, when viewed together with our financial results computed in accordance with GAAP, provide a more complete understanding of the factors and trends affecting our historical financial performance and projected future results. Ingevity uses the following non-GAAP measures:

Adjusted earnings (loss) is defined as net income (loss) plus restructuring and other (income) charges, net, acquisition and other-related costs, debt refinancing fees, litigation verdict charges, pension and postretirement settlement and curtailment (income) charges and the income tax expense (benefit) on those items, less the provision (benefit) from certain discrete tax items.

Diluted adjusted earnings (loss) per share is defined as net income (loss) per diluted share plus restructuring and other (income) charges, net, acquisition and other related costs, debt refinancing fees, litigation verdict charges, pension and postretirement settlement and curtailment (income) charges and the income tax expense (benefit) on those items, less the tax provision (benefit) from certain discrete tax items, in each case on a per share basis.

Adjusted EBITDA is defined as net income (loss) plus interest expense, net, provision (benefit) for income taxes, depreciation, amortization, restructuring and other (income) charges, net, acquisition and other-related costs, litigation verdict charges, pension and postretirement settlement and curtailment (income) charges, net.

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Net sales.

Adjusted earnings (loss) before income taxes is defined as Adjusted EBITDA less depreciation, amortization, interest expense, net, and debt refinancing fees.

Provision (benefit) for Income Taxes on Adjusted earnings (loss) is defined as provision for income taxes plus the tax expense (benefit) on restructuring and other (income) charges, net, acquisition and other-related costs, debt refinancing fees, litigation verdict charges, pension and postretirement settlement and curtailment (income) charges, less the provision (benefit) from certain discrete tax items.

Adjusted Tax Rate is defined as the Provision (benefit) for income taxes on Adjusted earnings (loss) divided by Adjusted earnings (loss) before income taxes.

Core SG&A is defined as selling, general, and administrative costs less depreciation and amortization.

Core SG&A as a Percent of Sales is defined as Core SG&A divided by Net sales.

Free Cash Flow is defined as net cash provided by operating activities less capital expenditures.

Net Debt is defined as the sum of notes payable, short-term debt, current maturities of long-term debt and long-term debt less the sum of cash and cash equivalents, restricted cash associated with our New Market Tax Credit financing arrangement, and restricted investment.

Net Debt Ratio is defined as Net Debt divided by last twelve months Adjusted EBITDA, inclusive of acquisition-related pro forma adjustments.

Ingevity also uses the above financial measures as the primary measures of profitability used by managers of the business. In addition, Ingevity believes Adjusted EBITDA and Adjusted EBITDA Margin are useful measures because they exclude the effects of financing and investment activities as well as non-operating activities. None of the above non-GAAP financial measures are intended to replace the presentation of financial results in accordance with GAAP and investors should consider the limitations associated with these non-GAAP measures, including the potential lack of comparability of these measures from one company to another. Reconciliations of these non-GAAP financial measures are set forth within the following pages.

A reconciliation of net income to adjusted EBITDA as projected for 2022 is not provided. Ingevity does not forecast net income as it cannot, without unreasonable effort, estimate or predict with certainty various components of net income. These components, net of tax, include further restructuring and other income (charges), net; additional acquisition and other-related costs; litigation verdict charges; additional pension and postretirement settlement and curtailment (income) charges; and revisions due to legislative tax rate changes. Additionally, discrete tax items could drive variability in our projected effective tax rate. All of these components could significantly impact such financial measures. Further, in the future, other items with similar characteristics to those currently included in adjusted EBITDA, that have a similar impact on comparability of periods, and which are not known at this time, may exist and impact adjusted EBITDA. A reconciliation of our GAAP effective tax rate to adjusted tax rate as projected for 2022 is not provided due to the same reasons as listed under the net income to adjusted EBITDA as projected for 2022 detailed above. A reconciliation of our total debt to net income ratio to our net debt ratio as projected for 2022 is not provided as we do not forecast net income as noted above.

Reconciliation of Net Income (Loss) (GAAP) and Diluted Earnings (Loss) Per Share (GAAP) to Adjusted Earnings (Loss) (Non-GAAP) and Diluted Adjusted Earnings (Loss) Per Share (Non-GAAP)

In millions, except per data (unaudited)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Net income (loss) (GAAP)	$ 75.4	$ (4.2)	$ 196.0	$ 88.8
Restructuring and other (income) charges [1]	3.3	4.1	10.6	12.3
Acquisition and other related costs [2]	1.9	0.2	1.9	0.9
Debt refinancing fees [3]	—	—	5.1	—
Litigation verdict charge [4]	—	85.0	—	85.0
Tax effect on items above	(1.2)	(20.7)	(4.1)	(22.7)
Certain discrete tax provision (benefit) [5]	—	—	0.4	14.3
Adjusted earnings (loss) (Non-GAAP)	$ 79.4	$ 64.4	$ 209.9	$ 178.6
Diluted earnings (loss) per common share (GAAP)	$ 1.98	$ (0.11)	$ 5.06	$ 2.21
Restructuring and other (income) charges	0.09	0.10	0.27	0.30
Acquisition and other related costs	0.05	0.01	0.05	0.02
Debt refinancing fees	—	—	0.13	—
Litigation verdict charge	—	2.14	—	2.11
Tax effect on items above	(0.03)	(0.52)	(0.10)	(0.56)
Certain discrete tax provision (benefit)	—	—	0.01	0.36
Diluted adjusted earnings (loss) per share (Non-GAAP)	$ 2.09	$ 1.62	$ 5.42	$ 4.44
Weighted average common shares outstanding – Diluted [6]	38.1	39.8	38.7	40.2

(1) Income (charges) for all periods presented relate to restructuring activity and costs associated with the business transformation initiative. For the three and six months ended September 30, 2022, charges of $1.1 million and $3.7 million relate to the Performance Materials segment and charges of $2.2 million and $6.9 million relate to the Performance Chemicals segment, respectively. For the three and six months ended September 30, 2021, charges of $1.1 million and $4.5 million relate to the Performance Materials segment and charges of $3.0 million and $7.8 million relate to the Performance Chemicals segment, respectively.

(2) For the three and nine months ended September 30, 2022, all acquisition costs relate to the integration of the Ozark Materials business into our Performance Chemicals segment. For the three and nine months ended September 30, 2021, charges of zero and $0.2 million relate to the acquisition of a strategic investment in the Performance Materials segment, respectively, and charges of $0.2 million and $0.7 million relate to the integration of Perstorp Holding AB's caprolactone business into our Performance Chemicals segment, respectively.

(3) Represents the acceleration of deferred financing fees, debt extinguishment premium paid and other fees incurred related to our senior note redemption, term loan repayment, revolving credit facility amendment, and termination of certain interest rate swaps during the second quarter of 2022. Management believes excluding these items assists investors, potential investors, securities analysts, and others in understanding the continuing operating results thereby providing useful supplemental information about operational performance.

(4) For the three and nine months ended September 30, 2021, litigation verdict charge relates to the Performance Materials segment.

(5) Represents certain discrete tax items such as excess tax benefits on stock compensation and impacts of legislative tax rate changes. Management believes excluding these discrete tax items assists investors, potential investors, securities analysts, and others in understanding the tax provision and the effective tax rate related to continuing operating results thereby providing useful supplemental information about operational performance.

(6) For the three months ended September 30, 2021, all potentially dilutive common shares were included in the calculation of diluted earnings (loss) per share as we had adjusted earnings for the period.

Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP)

In millions, except percentages (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net income (loss) (GAAP)	$ 75.4	$ (4.2)	$ 196.0	$ 88.8
Provision (benefit) for income taxes	20.4	(4.8)	53.9	37.7
Interest expense, net	11.5	11.6	37.3	36.2
Depreciation and amortization	25.7	27.6	78.6	81.7
Restructuring and other (income) charges, net	3.3	4.1	10.6	12.3
Acquisition and other related costs	1.9	0.2	1.9	0.9
Litigation verdict charge	—	85.0	—	85.0
Adjusted EBITDA (Non-GAAP)	$ 138.2	$ 119.5	$ 378.3	$ 342.6
Net sales	$ 482.0	$ 376.8	$ 1,284.7	$ 1,055.5
Net income (loss) margin	15.6%	(1.1)%	15.3%	8.4%
Adjusted EBITDA margin	28.7%	31.7%	29.4%	32.5%

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Reconciliation of Cash Flow from Operations (GAAP) to Free Cash Flow (Non-GAAP)

In millions (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Cash Flow from Operations	$ 100.1	$ 100.1	$ 214.9	$ 217.0
Less: Capital Expenditures	36.1	25.5	93.3	66.4
Free Cash Flow	$ 64.0	$ 74.6	$ 121.6	$ 150.6

	2018				2019			
In millions (unaudited)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash Flow from Operations	$ 9.7	$ 61.4	$ 95.3	$ 85.6	$ (8.0)	$ 79.5	$ 118.7	$ 85.5
Less: Capital Expenditures	13.3	17.1	26.2	37.3	28.1	29.6	22.1	35.0
Free Cash Flow	$ (3.6)	$ 44.3	$ 69.1	$ 48.3	$ (36.1)	$ 49.9	$ 96.6	$ 50.5

	2020				2021			
In millions (unaudited)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cash Flow from Operations	$ 60.2	$ 48.9	$ 90.0	$ 153.3	$ 51.1	$ 65.8	$ 100.1	$ 76.0
Less: Capital Expenditures	19.5	15.0	16.5	31.1	17.0	23.9	25.5	37.4
Free Cash Flow	$ 40.7	$ 33.9	$ 73.5	$ 122.2	$ 34.1	$ 41.9	$ 74.6	$ 38.6

	2022	
In millions (unaudited)	Q1	Q2
Cash Flow from Operations	$ 24.3	$ 90.5
Less: Capital Expenditures	27.6	29.6
Free Cash Flow	$ (3.3)	$ 60.9

Reconciliation of Gross Profit (GAAP) to Adjusted Gross Profit (Non-GAAP) and SGA (GAAP) to Total SG&A excl. D&A (Non-GAAP)

In millions, except percentages (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Gross Profit (GAAP)	$ 176.3	$ 141.8	$ 464.7	$ 407.8
Plus:				
Depreciation and amortization	15.8	16.9	48.1	49.3
Adjusted Gross profit (Non-GAAP)	$ 192.1	$ 158.7	$ 512.8	$ 457.1
SG&A (GAAP)	$ 54.2	$ 43.5	$ 142.9	$ 131.0
Research and technical expenses (GAAP)	7.6	6.8	23.1	19.3
Total SG&A (GAAP)	$ 61.8	$ 50.3	$ 166.0	$ 150.3
Less:				
Depreciation and amortization	9.7	10.7	29.9	32.4
Total SG&A excluding D&A (Non-GAAP)	$ 52.1	$ 39.6	$ 136.1	$ 117.9

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Reconciliation of Other (income) expense, net (GAAP) to Adjusted Other (income) expense, net (Non-GAAP)

In millions, except percentages (unaudited)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Other (income) expense, net (GAAP)	2.0	84.6	(1.0)	81.6
Less:				
Litigation verdict accrual [(1)]	—	85.0	—	85.0
Adjusted Other (income) expense, net (Non-GAAP)	$ 2.0	$ (0.4)	$ (1.0)	$ (3.4)

(1) For the three and nine months ended September 30, 2021, litigation verdict accrual relates to the Performance Materials segment.

Calculation of Net Debt to Adjusted EBITDA Ratio (Non-GAAP)

In millions, except ratios (unaudited)	September 30, 2022
Notes payable and current maturities of long-term debt	$ 0.9
Long-term debt including finance lease obligations	1,153.2
Debt issuance costs	6.7
Total Debt	$ 1,160.8
Less:	
Cash and cash equivalents [1]	72.6
Restricted investment	77.5
Net Debt	$ 1,010.7

Net Debt Ratio (Non GAAP)	
Adjusted EBITDA [2]	
Twelve months ended December 31, 2021	422.2
Nine months ended September 30, 2021	(342.6)
Nine months ended September 30, 2022	378.3
Adjusted EBITDA - last twelve months (LTM) as of September 30, 2022	457.9
Net debt ratio (Non GAAP)	2.2x

(1) Includes $0.3 million of Restricted Cash related to the New Market Tax Credit arrangement for the three months ended September 30, 2022.

(2) Refer to the Reconciliation of Net Income (GAAP) to Adjusted EBITDA (Non-GAAP) schedule for the reconciliation to the most comparable GAAP financial measure.

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Calculation of Historical Net Debt Ratio (Non-GAAP)

In millions, except ratios (unaudited)	December 31, 2018	December 31, 2019	December 31, 2020	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2
Net Debt [1]	$ 610.2	$ 1,121.0	$ 974.8	$ 982.6	$ 981.8	$ 940.2	$ 928.7	$ 976.1	$ 975.4
Adjusted EBITDA[2]	320.5	396.9	397.9	411.1	461.6	453.5	422.2	435.8	439.2
Pine Chemical Pro Forma [3]	4.8	—	—	—	—	—	—	—	—
Caprolactone Pro Forma [3]	61.1	5.5	—	—	—	—	—	—	—
LTM Pro Forma Adjusted EBITDA	$ 386.4	$ 402.4	$ 397.9	$ 411.1	$ 461.6	$ 453.5	$ 422.2	$ 435.8	$ 439.2
Net Debt Ratio	1.6x	2.8x	2.5x	2.4x	2.1x	2.1x	2.2x	2.2x	2.2x

(1) Represents total debt including capital lease obligation, excluding deferred financing fees, less cash and cash equivalents less restricted investment for each period included above. See the Company's Form 10-K and 10-Q for each period for more information. This does not include any pro forma adjustment for acquisition related debt.

(2) Represents net income (loss) plus provision for income taxes, interest expense, depreciation and amortization, restructuring and other (income) charges, acquisition and other related costs, litigation verdict accrual and pension and postretirement settlement and curtailment (income) charges for each period included above. See the Company's Form 10-K and 10-Q for each period for more information.

(3) Pro forma amounts include historical results of the Pine Chemical Business and Caprolactone Business, prior to the acquisition dates of March 8, 2018 and February 13, 2019, respectively. These amounts also include adjustments as if the acquisitions had occurred on January 1st of the year preceding the acquisition date. The pro forma amounts do not include adjustments for expenses related to integration activities, cost savings, or synergies that have been or may have been realized had we acquired the businesses on January 1st of the year preceding the acquisition date. Details associated with the pro forma results for both acquisitions are included within the Management Discussion and Analysis section of the Company's Form 10-K for each respective period.