Seaport Global Annual Transports & Industrials Conference

March 20, 2019



Disclaimer: **This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward looking statements generally include the words "may," "could," "should," "believes," "plans," "intends," "targets," "will," "expects," "suggests," "anticipates," "outlook," "continues," "forecast," "prospect," "potential" or similar expressions. Forward-looking statements may include, without limitation, expected financial positions, results of operations and cash flows; financing plans; business strategies and expectations; operating plans; synergies and the potential benefits of the acquisition of Georgia-Pacific's pine chemicals business and Perstorp Holding AB's Capa caprolactone business (the "acquisitions"); capital and other expenditures; competitive positions; growth opportunities for existing products; benefits from new technology and cost-reduction initiatives, plans and objectives; markets for securities and expected future repurchase of shares, including statements about the manner, amount and timing of repurchases. Like other businesses, Ingevity is subject to risks and uncertainties that could cause its actual results to differ materially from its expectations or that could cause other forward-looking statements to prove incorrect. 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, risks that the expected benefits from the acquisitions will not be realized or will not be realized in the expected time period; the risk that the acquired businesses will not be integrated successfully; significant transaction costs; unknown or understated liabilities; general economic and financial conditions; international sales and operations; currency exchange rates and currency devaluation; compliance with U.S. and foreign regulations; attracting and retaining key personnel; conditions in the automotive market or adoption of alternative technologies; worldwide air quality standards; government infrastructure spending; declining volumes in the printing inks market; the limited supply of crude tall oil ("CTO"); lack of access to sufficient CTO; access to and pricing of raw materials; competition from producers of substitute products and new technologies, and new or emerging competitors; a prolonged period of low energy prices; the provision of services by third parties at several facilities; natural disasters, such as hurricanes, winter or tropical storms, earthquakes, floods, fires; other unanticipated problems such as labor difficulties including renewal of collective bargaining agreements, equipment failure or unscheduled maintenance and repair; protection of intellectual property and proprietary information; information technology security risks; government policies and regulations, including, but not limited to, those affecting the environment, climate change, tax policies, tariffs and the chemicals industry; and lawsuits arising out of environmental damage or personal injuries associated with chemical or other manufacturing processes. These and other important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements that may have been made in this document are and will be more particularly described in our filings with the U.S. Securities and Exchange Commission, including our Form 10-K for the year ended December 31, 2017 and our other periodic filings. Readers are cautioned not to place undue reliance on Ingevity's projections and forward-looking statements, which speak only as the date thereof. Ingevity undertakes no obligation to publicly release any revision to the projections and forward-looking statements contained in this announcement, or to update them to reflect events or circumstances occurring after the date of this announcement.**

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Non-GAAP financial measure definitions and reconciliations to comparable GAAP financial measures are provided within the Appendix to this presentation which is posted on our website at ir.Ingevity.com. Investors are urged to consider carefully the comparable GAAP measures and the reconciliations to those measures provided.

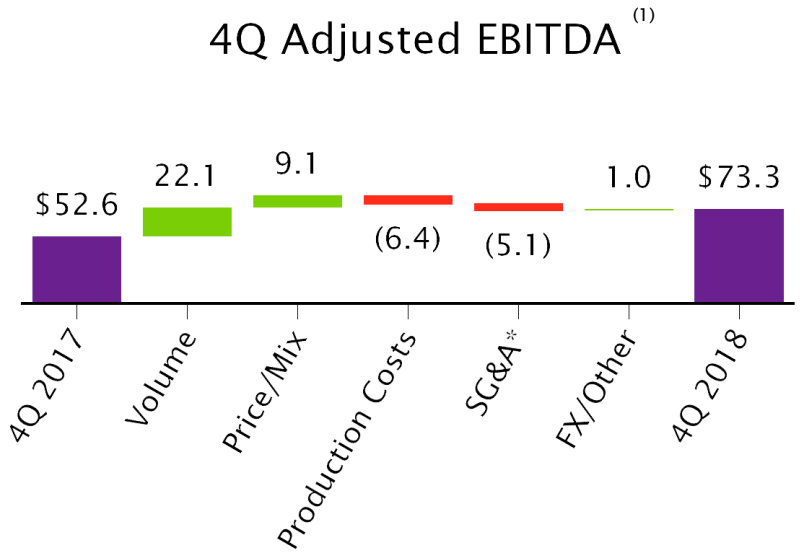
Delivering on Commitments in 2018

$M	What We Said	What We Did	Status
Revenue	1,070-1,130	1,134	
Adjusted EBITDA(1)	285-305	321	
Capex	80-90	94	
Free Cash Flow(1)	90-100	158	
Net Debt Ratio(1)	2.0x-2.25x	1.90x	
Performance Materials	Double revenue in 5-7 years from 2015 base; margins above 40%	15% revenue growth, 42.3% EBITDA(1) margin	
Performance Chemicals	Margins to 18%-20% in 24-36 months	20.6% EBITDA(1) margin; up from 16.2% in 2017	

(1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.

Fourth Quarter & Full Year 2018 Results

$ in millions	4Q 2018	Δ% vs Prior Year Period	FY 2018	Δ% vs Prior Year
Net Sales	278.6	21.4%	1,133.6	16.6%
Adjusted EBITDA [1]	73.3	39.4%	320.5	32.1%
Adjusted EBITDA Margin [1]	26.3%	+340 bps	28.3%	+330 bps



*SG&A includes research & technical expenses.

Q4 and FY Performance Highlights

- Outstanding quarter despite seasonality
- Sales up about 21%
  - Volumes were largest contributor
  - Improved price / mix
- Adjusted EBITDA up 39% on:
  - Revenue impacts; lower raw materials costs
  - Partially offset by higher freight and distribution costs, increased spending related to plant outages, and higher legal expenses
- Caps off very strong year
  - Sales up 17%
  - Adjusted EBITDA up 32%
  - Adjusted EBITDA margin of 28.3 percent improved 330 basis points versus 2017

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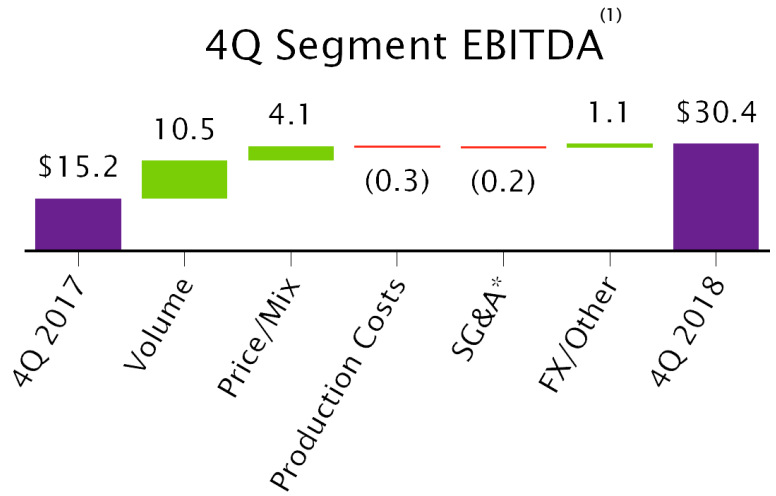
Performance Chemicals

$ in millions	4Q 2018	Δ% vs Prior Year Period	FY 2018	Δ% vs Prior Year
Net Sales	166.1	19.9%	733.2	17.7%
Oilfield Technologies	*30.2*	*53.3%*	*114.2*	*46.8%*
Pavement Technologies	*26.3*	*1.9%*	*178.5*	*9.5%*
Industrial Specialties	*109.6*	*17.8%*	*440.5*	*15.2%*
Segment EBITDA[1]	30.4	100.0%	151.1	*49.8%*
Segment EBITDA Margin[1]	18.3%	+730 bps	20.6%	+440 bps



*SG&A includes research & technical expenses.

Q4 Performance Highlights

- Revenue increase of 20%; G-P acquisition aids oilfield/industrial specialties sales
  - *Oilfield Technologies*: Revenues up on continued strong U.S. drilling; softening late in quarter
  - *Pavement Technologies*: North America seasonally slow in 4Q; augmented by Peru and China
  - *Industrial Specialties*: Growth in adhesives, niche uses; shift to high-margin uses; TOFA price increases
- Segment EBITDA of $30 million up 100%
  - Driven by volume, price/mix, lower CTO, G-P synergies
  - Partially offset by higher freight, SG&A
- For the year, on a pro forma basis[2] (including G-P), revenues increased 4% and adj. EBITDA increased 22%

1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.
2) Represents the unaudited pro forma results associated with the G-P acquisition. See appendix for more information.

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Acquisition of Capa™ caprolactone business

Capa™
Unleash your product's full capability

Strategic Rationale

- Strong, market-leading business focused on high-growth end-use applications
- Complementary fit with Ingevity business model and capabilities
  - Technology-focused relationships drive customer intimacy
  - Similar manufacturing process and approach
- Provides new avenues for strategic growth and value creation
- Top-tier financial profile, immediately accretive

Transaction closed on Feb. 13, 2019

- Highly profitable and scalable business
  - Expected 2018 sales of ~$175 million
  - Adj. EBITDA of ~$60 million
  - Adj. EBITDA margins of mid-30s percent
  - CapEx of $50-$60 million (2019-2022)
    - 40% maintenance / 60% growth



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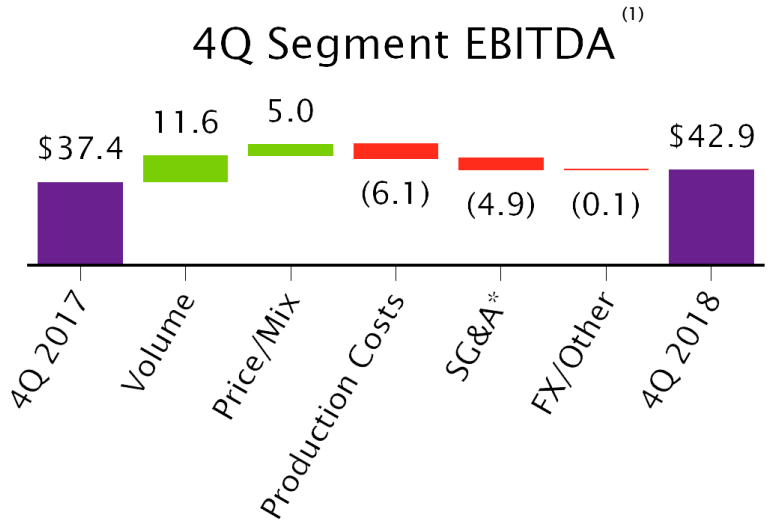
Performance Materials

$ in millions	4Q 2018	Δ% vs Prior Year Period	FY 2018	Δ% vs Prior Year
Net Sales	112.5	23.6%	400.4	14.6%
Automotive Technologies	*103.4*	*25.3%*	*362.0*	*15.8%*
Process Purification	*9.1*	*7.1%*	*38.4*	*4.3%*
Segment EBITDA[1]	42.9	*14.7%*	169.4	*19.5%*
Segment EBITDA Margin[1]	38.1%	-300 bps	42.3%	+170 bps



*SG&A includes research & technical expenses.

Q4 Performance Highlights

- Revenue increase of 24%
  - Strong sales for "honeycomb" scrubbers to comply with U.S. EPA Tier 3 / California LEV III standards; strong pellet sales growth signaling early adoption in China and EU
  - Quarterly North American light vehicle production up 2.2%
  - Quarterly light vehicle production in China down 15.9%; demonstrates importance of regulatory drivers
- Segment EBITDA of $43 million up 15%
  - Favorable revenue impacts
  - Partially offset by a significant outage (kiln replacement at Covington); higher freight costs and increased legal expenses

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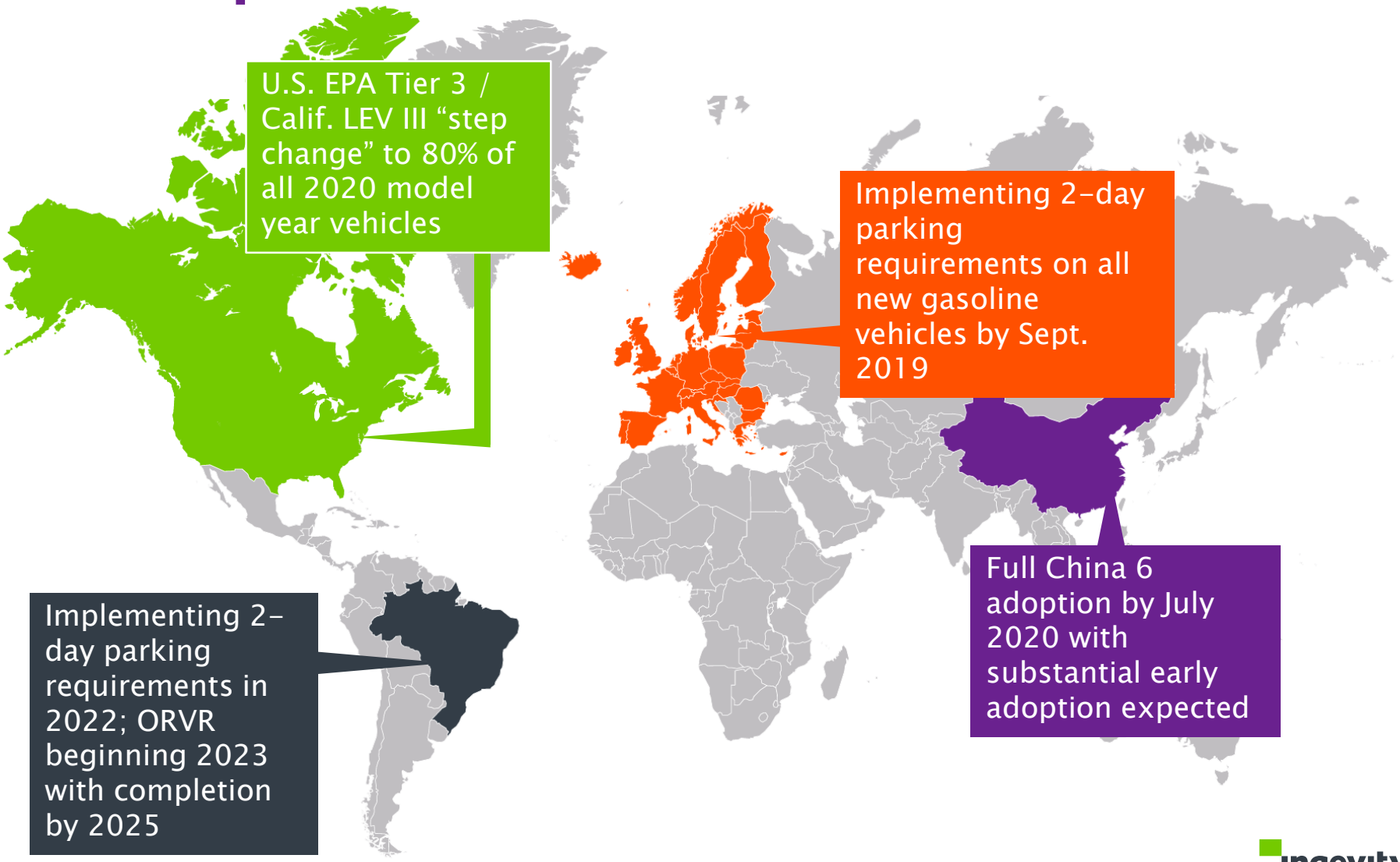
Update on Global Regulatory Developments



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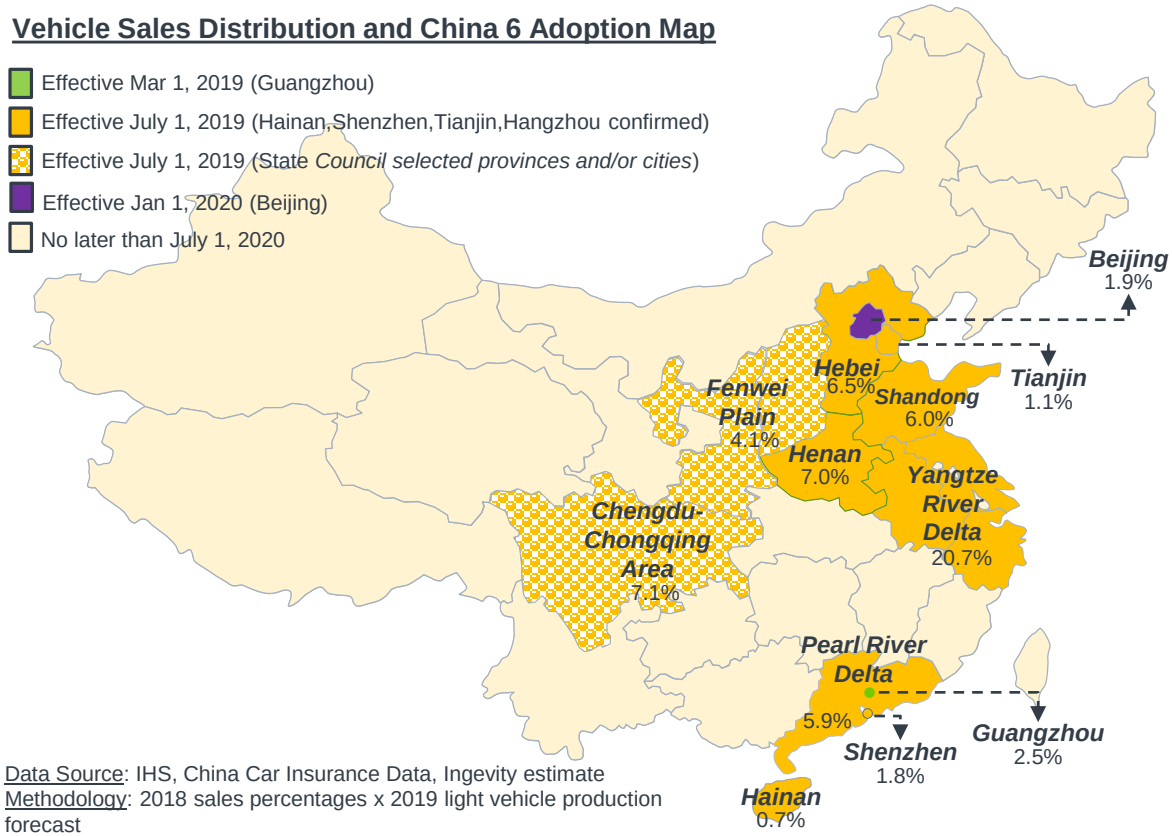
Estimated Early China 6 Implementation

Vehicle Sales Distribution and China 6 Adoption Map



Data Source: IHS, China Car Insurance Data, Ingevity estimate
Methodology: 2018 sales percentages x 2019 light vehicle production forecast

http://www.dtdjzx.gov.cn/staticPage/zcfg/sdzcwj/20180808/2458231.html
http://zfgb.tj.gov.cn/2018/system/2018/08/30/010002405.shtml
http://hebei.hebnews.cn/2018-08/28/content_7007692.htm
https://www.henan.gov.cn/2018/09-21/692225.html
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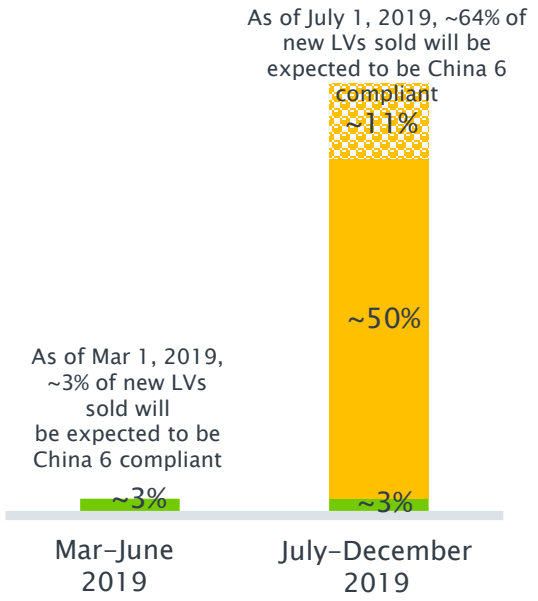
http://www.xinhuanet.com/2018-11/12/c_1123696881.htm
http://www.hainan.gov.cn/hainan/szfbgtwj/201812/bc4422153a2d4f6ebb66a9249c2bac8f.shtml?from=timeline&isappinstalled=0
http://hjbh.tj.gov.cn/news/notice/201811/t20181128_34443.html

Estimated Percentages of 2019 China 6 Light Vehicle (LV) Sales Based on Published Announcements

2019 LV Sales Forecast = ~26.5 million



Under the direction of China State Council, major cities and provinces confirmed the China 6 implementation timeline.

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Engineered Polymers Preliminary Modeling Assumptions

- Expect to file historical & pro forma financials in early April (2015 to 2017 and 9 months 2018)
- Planning Baseline
  - Sales ~$175 million
  - Adjusted EBITDA ~$60 million
- Preliminary Purchase Accounting
  - ~$310 million goodwill
  - ~$220 million amortizable intangibles (~12-14 year average life)
  - ~$25 - $30 million of incremental depreciation & amortization expected
- Initial funding from revolver (LIBOR + 150 bps)



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2019 Outlook and Guidance
($M; includes Capa)

PERFORMANCE CHEMICALS:

- Modest top-line growth for Capa; continued focus on derivatization
- Three-week maintenance outage at Warrington, U.K. (Capa)
- Flat oilfield volumes so long as oil steadies
- Continued globalization and technology adoption in pavement technologies
- Lower volumes in industrial specialties partially offset by price increases and shift to higher margin applications
- Modest inflationary costs in freight, raw materials, and CTO

PERFORMANCE MATERIALS:

- U.S. EPA Tier 3/Calif. LEV III "step up" to 80%
- U.S. auto sales down slightly to 16.7 to 16.8 million vehicle range; Chinese sales flat
- ~60% early adoption of China 6 for July 1
- China demand uneven as suppliers and OEMs make production line changes
- Continued EU implementation of Euro 6d
- Higher cost inventory from Zhuhai, China, plant ramp-up
- Higher legal costs to defend intellectual property

Item	Current FY19 Guidance
Revenue	$1,300 to $1,360
Adjusted EBITDA (1)	$390 to $410
Adjusted tax rate (1)	21 - 23%
Capital expenditures	$110 to $120
Free Cash Flow (2)	$180 to $190
Net Debt Ratio (3)	<3.0x

(1) A reconciliation of net income to adjusted EBITDA as projected for 2019 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 additional separation costs associated with the separation from WestRock; further restructuring and other income (charges), net; additional acquisition and other related costs in connection with the acquisition of Georgia-Pacific's pine chemical business and Perstorp Holding AB's Capa caprolactone business; and revisions due to future guidance and assessment of U.S. tax reform. 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.

(2) Non-GAAP measure which represents Cash from Operations expected to range from $290M to $310M for FY2019 less Capital Expenditures.

(3) Defined as total debt including capital lease obligation excluding deferred financing fees less cash and cash equivalents and restricted investment divided by annual adjusted EBITDA.

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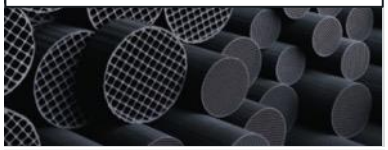
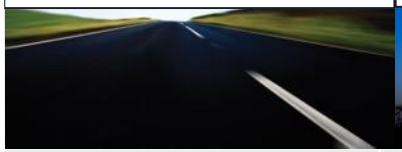
Where We Compete

	Performance Materials	Performance Chemicals		
	Carbon Technologies	Pavement Technologies	Oilfield Technologies	Industrial Specialties
				
2018 Sales	$400 million	$179 million	$114 million	$440 million
2018 Segment EBITDA [1]	$169 million	$151 million		
Market Position	#1 in automotive	#1 or #2	#1 or #2 in oil-based muds	#1 or #2
Applications	▪ Automotive ▪ Process purification	▪ Pavement preservation ▪ Recycling ▪ Evotherm® technologies	▪ Well Service Additives ▪ Production and Downstream	▪ Adhesives ▪ Agrochemicals ▪ Lubricants ▪ Inks ▪ Intermediates
Select Competitors	CABOT, kuraray	CECA ARKEMA GROUP, ArrMaz, lamberti chemical specialties, DRT the Best of Nature, KRATON, RESPOL RESINAS, S.A.		
Select Customers	Arisan, MAHLE, DELPHI	ERGON, FlintGroup, HALLIBURTON, SOLENIS Strong bonds. Trusted solutions.	ENNIS-FLINT, arboris pine tree extracts	

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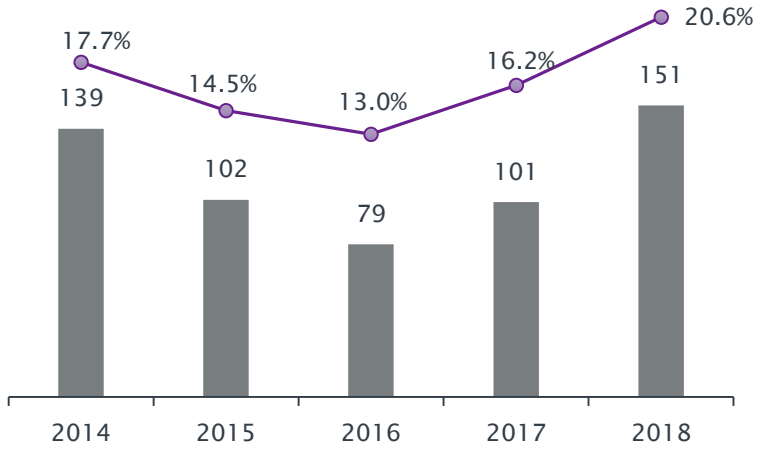
Segment Overview – Performance Chemicals

Segment Description

Specialty chemicals derived from co-products of the kraft pulping process, crude tall oil (CTO) and lignin

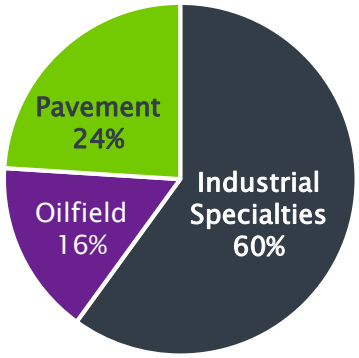
- Pavement Technologies: road construction, resurfacing, preservation, maintenance and recycling
- Oilfield Technologies: well service additives and chemistry for production and downstream applications
- Industrial Specialties: adhesive tackifiers, printing inks, paper chemicals, rubber, agrochemical dispersants, lubricants and other chemical intermediate applications

Segment EBITDA(1) ($M) & EBITDA Margin %(1)

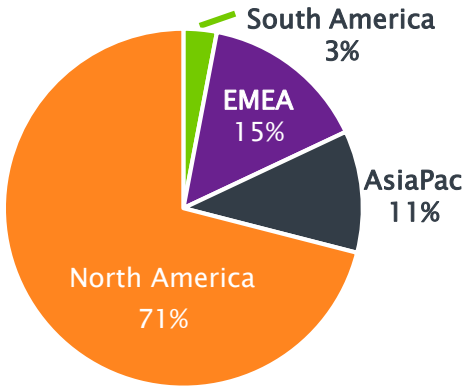


2018 Sales – $733M

By End Market



By Region



Global Footprint



Manufacturing	Laboratories
North Charleston, SC	North Charleston, SC
DeRidder, LA	Lille, France
Crossett, AR	Shanghai, China
	Chennai, India

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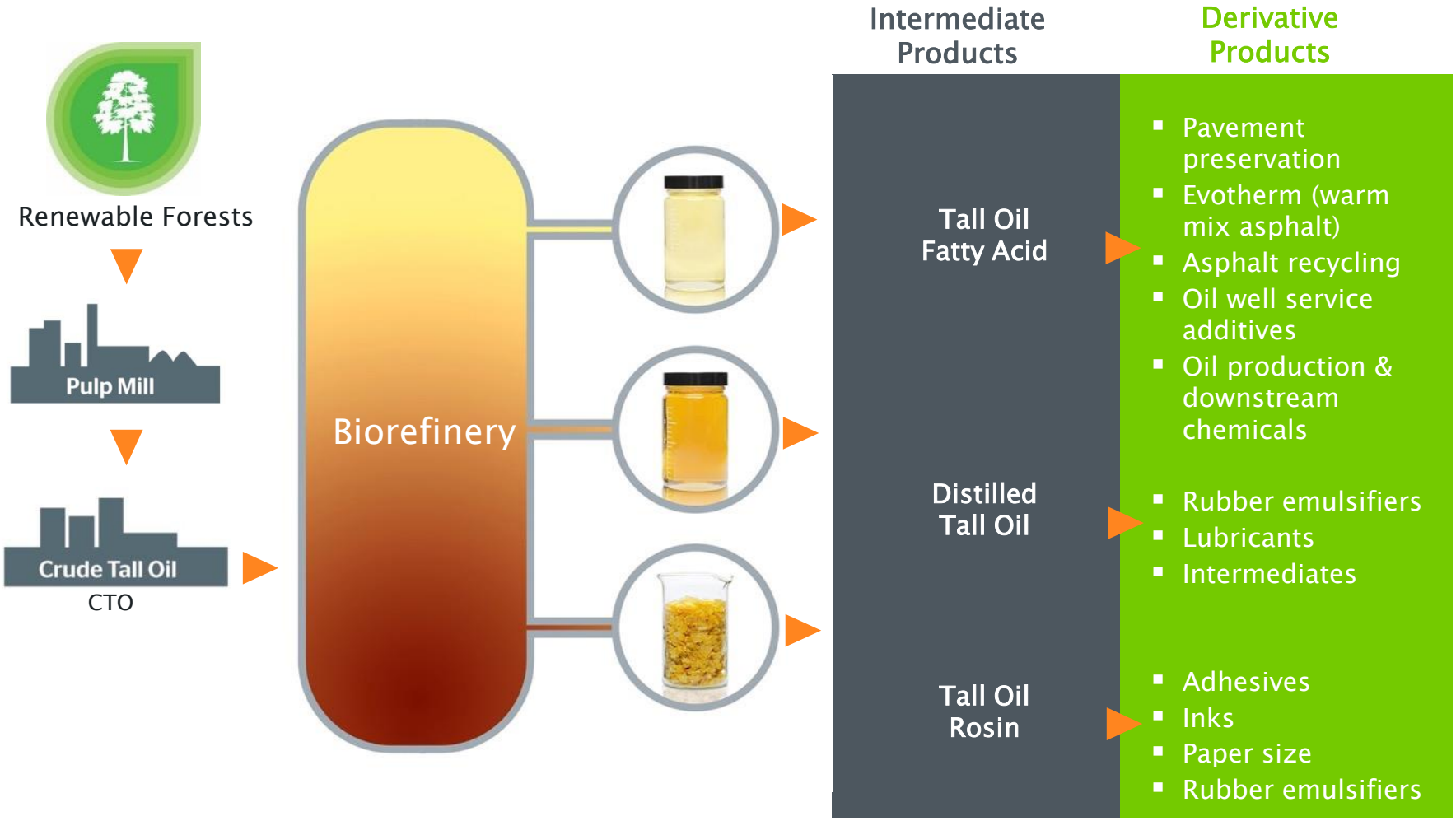
Pine Chemicals Value Chain

Enhanced value from intermediates and derivative products



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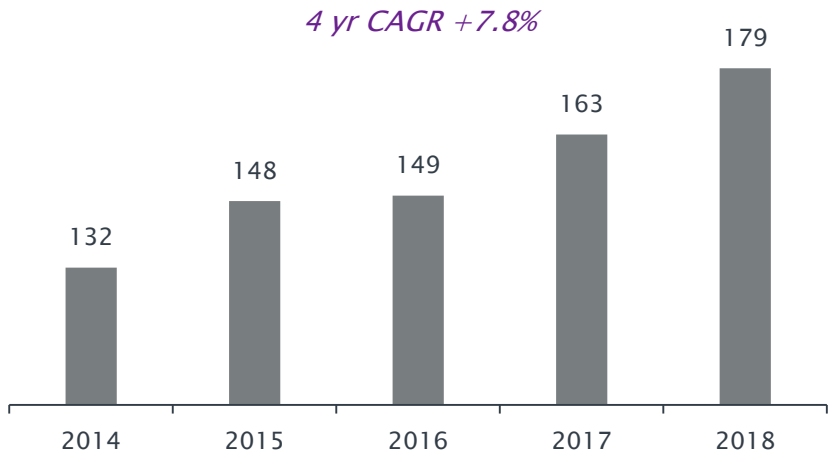
Business Overview – Pavement Technologies

Business Description

Asphalt additives derived from tall oil fatty acid, lignin, amines, surfactants and polymers

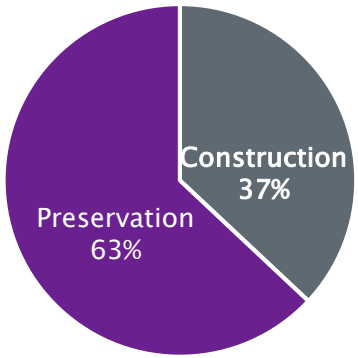
- Pavement Preservation: emulsifiers for specialty ultra-thin maintenance layers
- Evotherm Technologies: additives for road construction in the fast growing category of warm mix asphalt

Business Unit Sales

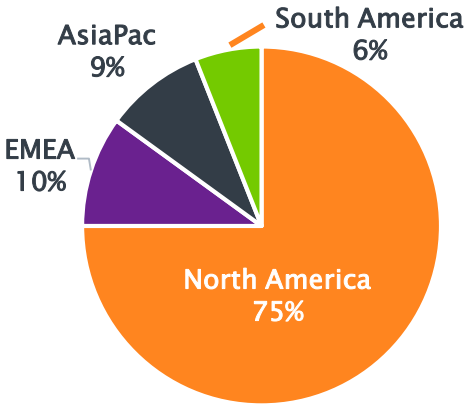


2018 Sales – $179M

By End Application

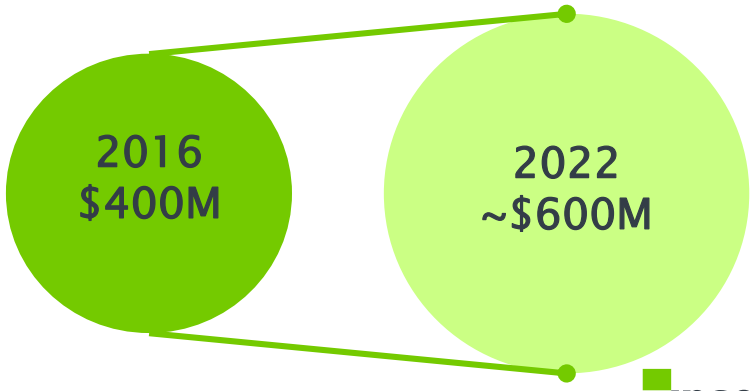


By Region



Specialty Additives for Global Asphalt Paving[1]

Emulsifiers, engineered modifiers, adhesion promoters, warm mix additives, specialty polymers



(1) Management Estimates

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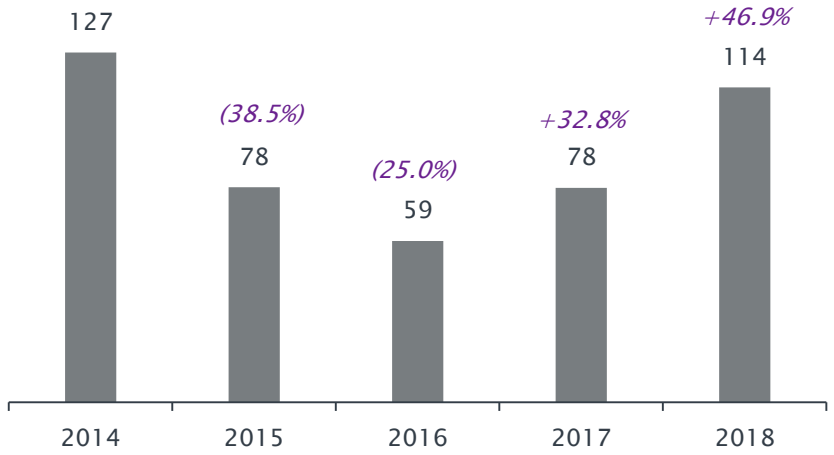
Business Overview – Oilfield Technologies

Business Description

Specialty intermediates and TOFA used in Drilling, Production and Transportation of Crude Oil

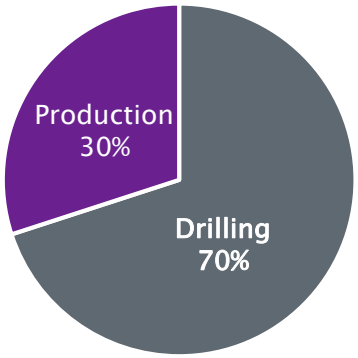
- Emulsifiers for manufacture of oil-based muds
- Rheology modifiers and wetting agents for used muds
- Imidazolines and specialty derivatives for corrosion inhibition
- TOFA as raw material by integrated production service companies
- TOFA and dimers part of lubricant packages in water-based muds

Business Unit Sales

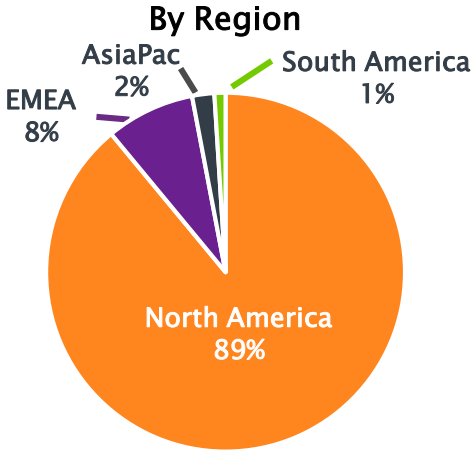


2018 Sales – $114M

By End Application

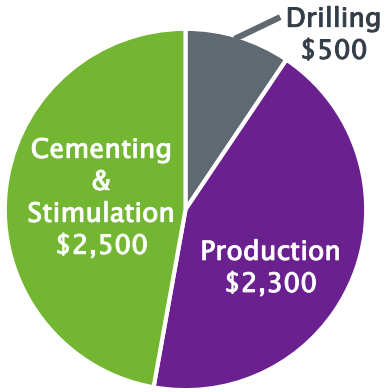


By Region



2016 Specialty Chemicals for Global Oilfield[1] ($M)

Emulsifiers, rheology modifiers, corrosion inhibitors, cementing agents



(1) Management Estimates

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Business Overview – Industrial Specialties

Business Description

Industrial chemicals based on tall oil fatty acid, tall oil rosin, and lignin for the following applications:

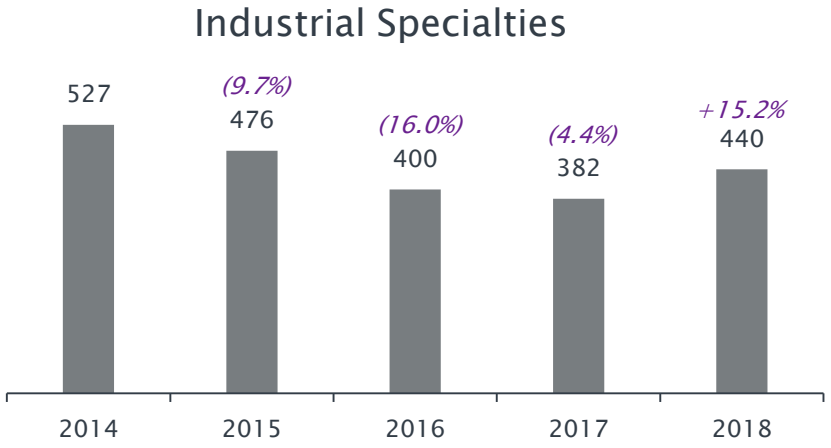
Tall Oil Rosin
- Ink resins
- Adhesives tackifiers
- Paper sizing
- Rubber emulsifiers

Lignin
- Agchem dispersants
- Dyes dispersants

Tall Oil Fatty Acid
- Lubricants
- Coatings
- Cleaners

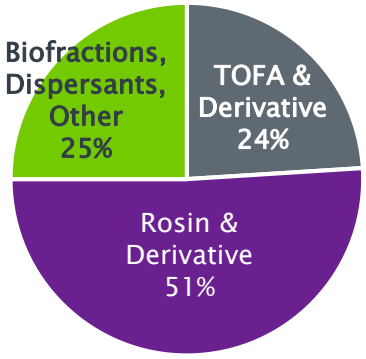
Biofractions
- Pharma phytosterols
- Renewable energy
- Roofing

Business Unit Sales

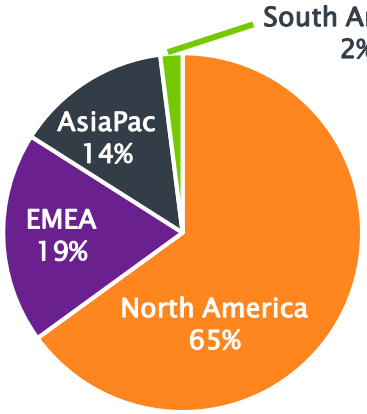


2018 Sales – $440M

By Material

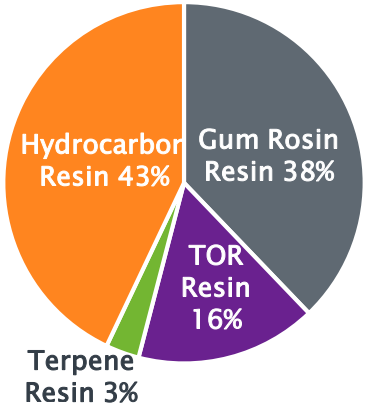


By Region

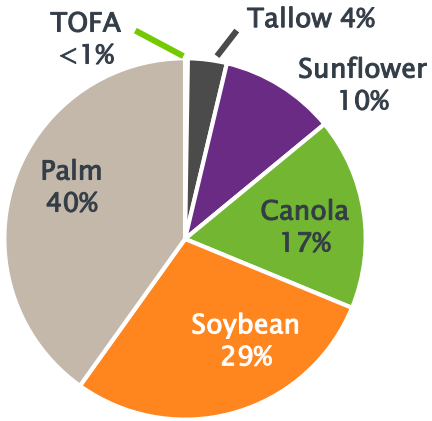


Global Rosin & Fatty Acids(1)

Global Resins – 2,400KT



Select Fatty Acids –175KT



(1) Management Estimates

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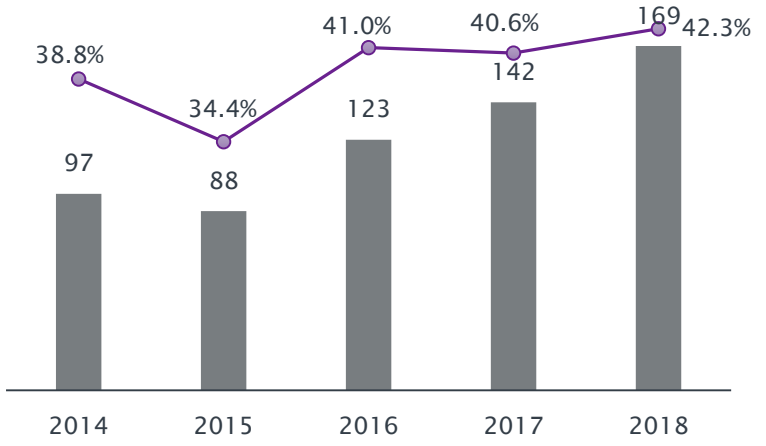
Segment Overview – Performance Materials

Segment Description

Specialty wood-based, chemically activated carbons engineered to have the optimal porosity for gasoline evaporative emissions control:

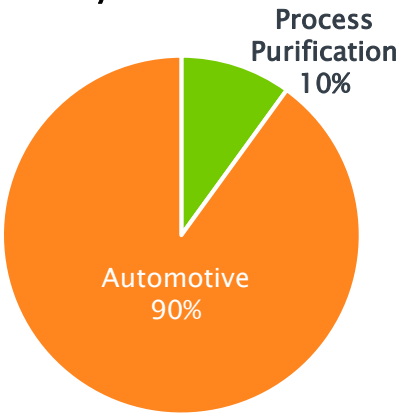
- **Canisters** – High capacity and superior durability granular and pellet activated carbons
- **"Near Zero" Canister Solutions** – Activated carbon honeycombs and bulk media to control diffusion emissions
- **Air Intake Systems** – Activated carbon sheets and honeycombs to control engine diffusion emissions
- Powdered activated carbons used in purification processes for water treatment, food & beverage and chemical & pharmaceutical applications

Segment EBITDA[1] ($M) & EBITDA Margin %[1]

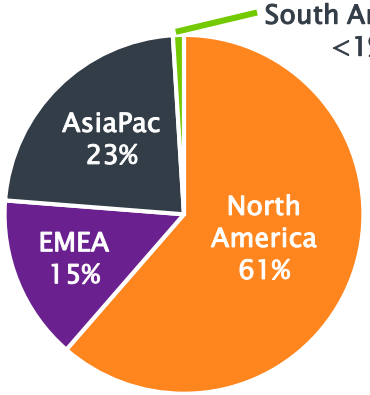


2018 Sales – $400M

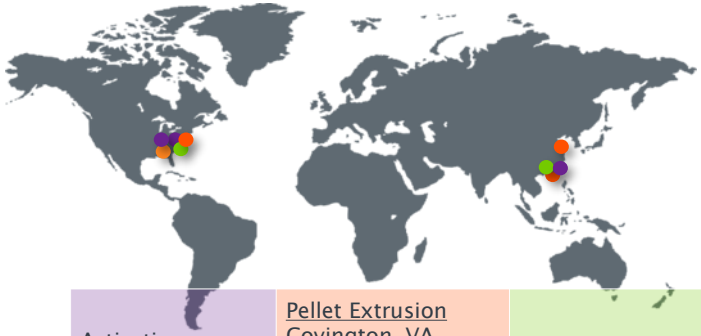
By End Market



By Region



Global Footprint



Activation	Pellet Extrusion	Labs/Testing:
Covington, VA Wickliffe, KY Zhuhai, China	Covington, VA Changshu, China Zhuhai, China **Honeycomb** Waynesboro, GA (JV)	North Charleston, SC Zhuhai, China

1) Please see appendices included at the end of this presentation for Ingevity's use of non-GAAP financial measures, definitions of those financial measures as well as the reconciliation to the nearest GAAP financial measure.

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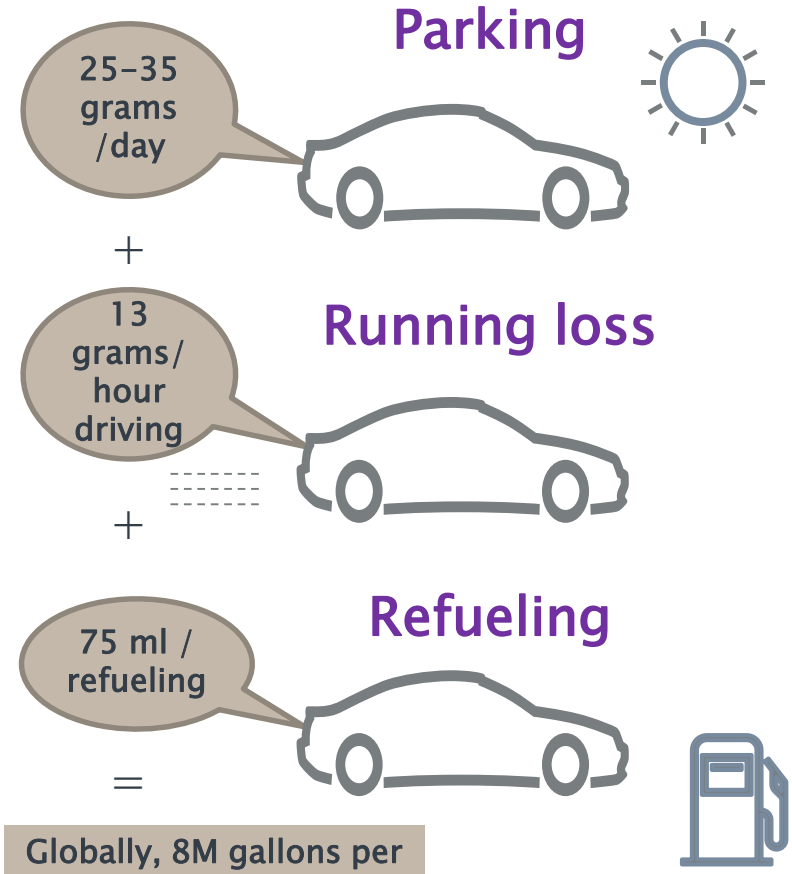
Products That Enable Regulatory Compliance

75%(1) of the world's gasoline vehicles are currently using 70s-80s technology

Emission Sources and Impact



Control Technology



1970-80s technology / 0.5-1.0L
One Day Parking
India - China - Europe
Japan - Brazil - S. Korea



1990s technology / 2.0-3.0L
- Multi-day parking & running loss
- Plus refueling control

US & Canada (current)
China (July 2020)



Modern technology
"Near Zero"
2.0-3.0L + scrubber
U.S. & Canada (phase in 2017-2022)

(1) IHS

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Adsorbed Natural Gas (ANG)

Market drivers provide tremendous growth potential and deliver value across a range of vehicle users

Safety — Ingevity's carbon adsorbents enable safe, low-pressure storage of natural gas

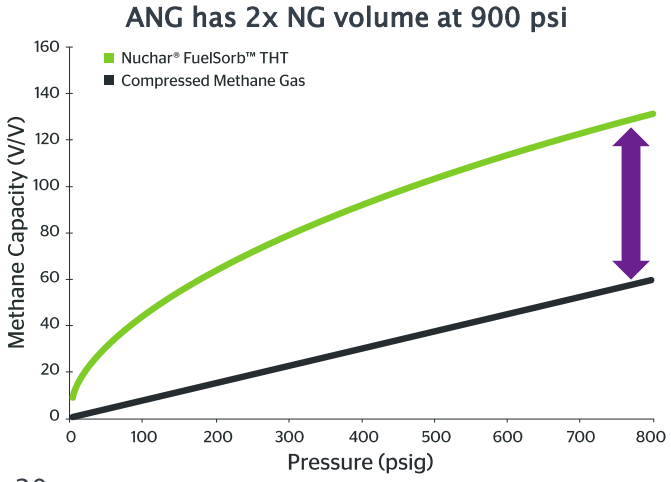
Range — A hybrid, bi-fuel vehicle can service 75% of daily usage miles with natural gasoline

Convenience — "At home" refueling leverages the infrastructure network already available in nearly 60 million U.S. homes and over 5 million businesses

Value — Fuel savings for natural gas users range from $1.00 to $1.50 per gasoline gallon equivalent (GGE) compared to conventional gasoline[1]

Per-vehicle carbon content for ANG is **100x** an automotive emissions control canister

- Auto Canister: 2 pounds
- ANG Monolith: 200 pounds



[1]Assumes $2.50/gal average gasoline price and $1.00/GGE natural gas cost (US Energy Information Administration)

Value delivered to key stakeholders

- **Natural Gas Producer** → Increased gas demand
- **Natural Gas Utility** → Infrastructure utilization
- **Automotive OEM** →
  a) Alternative fuel option where EVs are challenged
  b) Bi-fuel with a single powertrain
- **Vehicle Owner** → Sustainable fuel savings for individual and fleet operations

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

Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Net Sales

Segment EBITDA is defined as segment operating profit plus depreciation and amortization.

Segment EBITDA Margin is defined as Segment EBITDA divided by Net Sales.

Net Debt is defined as the sum of short-term debt, current maturities of long-term debt and long-term debt less the sum of cash and cash equivalents and restricted investment.

Net Debt Ratio is defined as Net Debt divided by Adjusted EBITDA.

Free Cash Flow is defined as sum of cash provided (required) by the following items: operating activities less capital expenditures.

The Company also uses the above financial measures as the primary measures of profitability used by managers of the business and its segments. In addition, the Company believes Adjusted EBITDA, Adjusted EBITDA Margin, Segment EBITDA and Segment EBITDA Margin are useful measures because they exclude the effects of financing and investment activities as well as non-operating activities. These non-GAAP financial measures are not 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.

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

In millions (unaudited)	Years Ended December 31, 2018	2017	2016
Net income (loss) (GAAP)	$ 181.8	$ 145.2	$ 44.4
Provision (benefit) for income taxes	40.0	29.6	42.6
Interest expense, net	29.8	15.8	17.9
Separation costs	—	0.9	17.5
Depreciation and amortization	57.0	40.4	38.8
Restructuring and other (income) charges, net	(0.5)	3.7	41.2
Acquisition and other related costs	5.7	7.1	—
Adjusted EBITDA (Non-GAAP)	$ 313.8	$ 242.7	$ 202.4
Net sales	$ 1,133.6	$ 972.4	$ 908.3
Net income (loss) margin	16.0%	14.9%	4.9%
Adjusted EBITDA margin	27.7%	25.0%	22.3%

Calculation of Net Debt Ratio (Non-GAAP)

In millions (unaudited)	2018
Short-term debt	$ —
Current maturities of long-term debt	11.2
Long-term debt including capital lease obligations	747.7
Cash and cash equivalents	(77.5)
Restricted investment	(71.2)
Net Debt	$ 610.2
Adjusted EBITDA	$ 320.5
Net Debt Ratio (Net Debt/Adjusted EBITDA) (Non-GAAP)	1.90x

Calculation of Net Debt Ratio (Non-GAAP)

In millions (unaudited)	2018
Cash Flow from Operations	$ 252.0
Capital Expenditures	93.9
Free Cash Flow	$ 158.1

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Reconciliation of Segment Operating Profit (GAAP) to Segment EBITDA (Non-GAAP)

In millions (unaudited)	Years Ended December 31,		
Performance Materials	**2018**	**2017**	**2016**
Segment operating profit (GAAP)	$ 147.2	$ 122.0	$ 106.9
Depreciation and amortization	22.2	19.8	16.4
Segment EBITDA (Non-GAAP)	$ 169.4	$ 141.8	$ 123.3
Net sales	$ 400.4	$ 349.3	$ 301.0
Segment operating margin	36.8%	34.9%	35.5%
Segment EBITDA margin	42.3%	40.6%	41.0%
Performance Chemicals			
Segment operating profit (GAAP)	$ 116.3	$ 80.3	$ 56.7
Depreciation and amortization	34.8	20.6	22.4
Segment EBITDA (Non-GAAP)	$ 151.1	$ 100.9	$ 79.1
Net sales	$ 733.2	$ 623.1	$ 607.3
Segment operating margin	15.9%	12.9%	9.3%
Segment EBITDA margin	20.6%	16.2%	13.0%

Unaudited Pro Forma Segment EBITDA

The following unaudited pro forma measures are derived from the historical financial statements of Ingevity, prepared in accordance with U.S. generally accepted accounting principles. These unaudited pro forma measures include adjustments required by SEC Staff Accounting Bulletin Topic 1:B-3 and Article 11 of SEC Regulation S-X. For more information regarding the Ingevity's unaudited pro forma combined statements of operations for the year ended December 31, 2015, see "unaudited pro forma combined financial statements" in the Ingevity's registration statement on Form 10 and amendments thereto (the "Form 10"), copies of which may be obtained by visiting the web site of the Securities and Exchange Commission, or the SEC, at www.sec.gov. Pro forma adjustments give effect as if the adjustments had occurred on January 1, the first day of each respective fiscal year.

Reconciliation of Segment Operating Profit (GAAP) to Pro Forma Segment EBITDA (Non-GAAP)
Year Ended December 31, 2015

Performance Materials

In millions		Pro Forma Adjustments		Unaudited Pro Forma
Segment operating profit (GAAP)	$ 79.7	$ (2.7)	(A)	$ 77.0
Depreciation and amortization	11.1			11.1
Segment EBITDA (Non-GAAP)	$ 90.8			$ 88.1

Performance Chemicals

In millions		Pro Forma Adjustments		Unaudited Pro Forma
Segment operating profit (GAAP)	$ 86.6	$ (7.9)	(A)	$ 78.7
Depreciation and amortization	23.5			23.5
Segment EBITDA (Non-GAAP)	$ 110.1			$ 102.2
Adjusted EBITDA (Non-GAAP) (B)	$ 200.9			$ 190.3

(A) We have entered into agreements to obtain audit and certain compliance functions as a stand-alone public company as well as compensation agreements with certain members of our executive team. Prior to the completion of the separation, we will also enter into agreements to obtain insurance coverage according to quotations we have received based on our individual loss history, credit profile and selected insurance coverage. These expenses will represent recurring costs in excess of the amounts historically allocated to Ingevity.

(B) Adjusted EBITDA is the sum of Performance Materials and Performance Chemicals Segment EBITDA

Unaudited Pro Forma Segment EBITDA

Reconciliation of Segment Operating Profit (GAAP) to Pro Forma Segment EBITDA (Non-GAAP)
Year Ended December 31, 2014

Performance Materials

In millions		Pro Forma Adjustments	Unaudited Pro Forma
Segment operating profit (GAAP)	$ 89.5	$ (2.6) (A)	$ 86.9
Depreciation and amortization	9.9		9.9
Segment EBITDA (Non-GAAP)	$ 99.4		$ 96.8

Performance Chemicals

In millions		Pro Forma Adjustments	Unaudited Pro Forma
Segment operating profit (GAAP)	$ 123.8	$ (7.2) (A)	$ 116.6
Depreciation and amortization	22.4		22.4
Segment EBITDA (Non-GAAP)	$ 146.2		$ 139.0
Adjusted EBITDA (Non-GAAP) (B)	$ 245.6		$ 235.8

(A) We have entered into agreements to obtain audit and certain compliance functions as a stand-alone public company as well as compensation agreements with certain members of our executive team. Prior to the completion of the separation, we will also enter into agreements to obtain insurance coverage according to quotations we have received based on our individual loss history, credit profile and selected insurance coverage. These expenses will represent recurring costs in excess of the amounts historically allocated to Ingevity.

(B) Adjusted EBITDA is the sum of Performance Materials and Performance Chemicals Segment EBITDA

Supplemental Historical Quarterly Pro Forma Financial Information

The following unaudited pro forma condensed combined financial information has been prepared to illustrate the effect of the acquisition of substantially all the assets primarily used in the pine chemical business of Georgia-Pacific LLC and Georgia-Pacific Chemicals LLC ("Georgia-Pacific"), by Ingevity Corporation and Ingevity Arkansas, LLC ("Ingevity" or the "Company"). On March 8, 2018, pursuant to the terms and conditions set forth in the Asset Purchase Agreement ("Asset Purchase Agreement"), Ingevity acquired Georgia-Pacific's pine chemical business ("Pine Chemical Business"), including assets and facilities related to tall oil fractionation operations and the production or modification of tall oil fatty acids, tall oil rosins, rosin derivatives and formulated products (the "Acquisition"). The purchase price for the Acquisition was $315.0 million, which includes an adjustment for working capital of $5.0 million. Total purchase consideration was funded primarily through the issuance of $300.0 million aggregate principal amount of 4.50 percent senior unsecured notes and cash on hand. The unaudited pro forma condensed combined financial information gives effect to the Acquisition and the incurrence of additional debt used to fund the Acquisition. The unaudited pro forma condensed combined financial information gives effect to the Acquisition and related borrowing as if it had been consummated on January 1, 2017, and combines Ingevity's historical results for the period presented.

The unaudited pro forma condensed combined financial information gives effect to the Acquisition under the acquisition method of accounting in accordance with Financial Accounting Standards Board Accounting Standard Codification Topic 805, Business Combinations. The historical financial information has been adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma adjustments that are (1) directly attributable to the Acquisition, (2) factually supportable, and (3) with respect to the statements of operations, expected to have a continuing impact. In addition, the historical combined financial statements of the Pine Chemical Business have been adjusted to reflect certain reclassifications to conform to Ingevity's financial statement presentation.

The unaudited pro forma financial information included herein has been prepared by management in accordance with the regulations of the United States Securities and Exchange Commission ("SEC") and are not necessarily indicative of the combined financial position or results of operations that would have been realized had the Acquisition occurred as of the date indicated, nor are they meant to be indicative of any anticipated financial position or future results of operations that Ingevity will experience after the Acquisition. In addition, the accompanying unaudited pro forma financial information does not include any expected cost savings, operating synergies, or revenue enhancement, which may be realized subsequent to the Acquisition or the impact of any nonrecurring activity and one-time transaction-related costs. The ultimate recognition of such costs and liabilities would affect amounts in the unaudited pro forma condensed combined financial information, and such costs and liabilities could be material.

The estimated fair values used for the purpose of adjusting for the Acquisition within the unaudited pro forma condensed combined financial information are preliminary, as the determination of fair value of the Pine Chemical Business assets and liabilities requires extensive use of estimates and management's judgment. Final valuations will be performed and management anticipates that the values assigned to the assets acquired and liabilities assumed may be adjusted during the one-year measurement period following the date of completion of the Acquisition. Differences between these preliminary estimates and the final acquisition accounting may occur and could have a material impact on the accompanying unaudited pro forma condensed combined financial information. The pro forma adjustments are based on information available to management and assumptions that management believes are factually supportable. The unaudited pro forma condensed combined financial information is for illustrative and informational purposes only and is not intended to reflect what Ingevity's consolidated financial position would have been had the Acquisition occurred on January 1, 2017, and is not necessarily indicative of Ingevity's future consolidated financial position.

For more information regarding Ingevity's unaudited pro forma condensed combined financial information for the year ended December 31, 2017, see "Unaudited Pro Forma Condensed Combined Financial Information" in Ingevity's Current Report on Form 8-K/A ("Form 8-K/A") filed with the U.S. Securities and Exchange Commission on May 10, 2018, copies of which may be obtained by visiting the web site of the Securities and Exchange Commission, or the SEC, at www.sec.gov. The "Unaudited Pro Forma Condensed Combined Financial Information" gives effect as if the Acquisition and the incurrence of additional debt used to fund the Acquisition had occurred on January 1, the first day of fiscal year 2017. Presented below is a quarterly impact of certain pro forma adjustments for the fiscal quarter ended September 30, 2017.



Reconciliation of Condensed Statement of Operations to Pro Forma Condensed Statement of Operations
Year Ended December 31, 2017

In millions, except per share data	Historical Ingevity	Pro Forma Adjustment		Pro Forma
Net sales	$ 972.4	$ 100.6	A	$ 1,073.0
Cost of sales	643.4	72.0	B	715.4
Gross profit	329.0	28.6		357.6
Selling, general and administrative expenses	106.4	19.4	C	125.8
Research and technical expenses	19.8	—		19.8
Separation costs	0.9	—		0.9
Restructuring and other (income) charges, net	3.7	—		3.7
Acquisition-related costs	7.1	(7.1)	D	—
Other (income) expense, net	0.5	—		0.5
Interest expense, net	15.8	14.2	E	30.0
Income (loss) before income taxes	174.8	2.1		176.9
Provision (benefit) for income taxes	29.6	0.5	F	30.1
Net income (loss)	145.2	1.6		146.8
Less: Net income (loss) attributable to noncontrolling interests	18.7	—		18.7
Net income (loss) attributable to Ingevity stockholders	$ 126.5	$ 1.6		$ 128.1
Diluted earnings (loss) per common share attributable to Ingevity stockholders				
Diluted	$ 2.97			$ 3.01

A, B, C, D, E, and F - Refer to the "Notes to the Unaudited Pro Forma Adjustments" included herein for a description of these adjustments.

Reconciliation of Condensed Statement of Operations to Pro Forma Condensed Statement of Operations
Year Ended December 31, 2018

In millions, except per share data	Historical Ingevity	Pro Forma Adjustment		Pro Forma
Net sales	$ 1,133.6	$ 20.2	A	$ 1,153.8
Cost of sales	716.8	14.0	B	730.8
Gross profit	416.8	6.2		423.0
Selling, general and administrative expenses	132.4	3.7	C	136.1
Research and technical expenses	21.5	—		21.5
Separation costs	—	—		—
Restructuring and other (income) charges, net	(0.5)	—		(0.5)
Acquisition-related costs	10.8	(3.8)	D	7.0
Other (income) expense, net	1.0	—		1.0
Interest expense, net	29.8	0.9	E	30.7
Income (loss) before income taxes	221.8	5.4		227.2
Provision (benefit) for income taxes	40.0	1.3	F	41.3
Net income (loss)	181.8	4.1		185.9
Less: Net income (loss) attributable to noncontrolling interests	12.7	—		12.7
Net income (loss) attributable to Ingevity stockholders	$ 169.1	$ 4.1		$ 173.2
Diluted earnings (loss) per common share attributable to Ingevity stockholders				
Diluted	$ 3.97			$ 4.07

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A, B, C, D, E, and F - Refer to the "Notes to the Unaudited Pro Forma Adjustments" included herein for a description of these adjustments.

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Reconciliation of Net Income (Loss) to Pro Forma Adjusted EBITDA
Year Ended December 31, 2017

In millions, expect percentages (unaudited)	Historical Ingevity	Pro Forma Adjustment [A]	Pro Forma
Net income (loss)	$ 145.2	$ 1.6	$ 146.8
Provision (benefit) for income taxes	29.6	0.5	30.1
Interest expense, net	15.8	14.2	30.0
Separation costs	0.9	—	0.9
Depreciation and amortization	40.4	17.7	58.1
Restructuring and other (income) charges, net	3.7	—	3.7
Acquisition and other related costs	7.1	(7.1)	—
Adjusted EBITDA	$ 242.7	$ 26.9	$ 269.6
Net sales	$ 972.4	$ 100.6	$ 1,073.0
Net income (loss) margin	14.9%		13.7%
Adjusted EBITDA margin	25.0%		25.1%
Performance Chemicals operating profit	$ 80.3	$ 9.2	$ 89.5
Depreciation and amortization	20.6	17.7	38.3
Segment EBITDA	$ 100.9	$ 26.9	$ 127.8
Net sales	$ 623.1		$ 723.7
Segment operating margin	12.9%		12.4%
Segment EBITDA margin	16.2%		17.7%

A - Refer to the "Notes to the Unaudited Pro Forma Adjustments" included herein for a description of these adjustments.

Comparison of Year Ended December 31, 2018 to Pro Forma December 31, 2017

In millions, expect percentages (unaudited)		2018	Pro Forma 2017	$ Change	% Change
Total Ingevity	**Net sales**	$ 1,133.6	$ 1,073.0	$ 60.6	5.6%
	Adjusted EBITDA	320.5	269.6	50.9	18.9%
Performance Chemicals Segment	Net sales	$ 733.2	$ 723.7	$ 9.5	1.3%
	Adjusted EBITDA	151.1	127.8	23.3	18.2%

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Reconciliation of Net Income (Loss) to Pro Forma Adjusted EBITDA
Year Ended December 31, 2018

In millions, expect percentages (unaudited)	Historical Ingevity	Pro Forma Adjustment [A]	Pro Forma
Net income (loss)	$ 181.8	$ 4.1	$ 185.9
Provision (benefit) for income taxes	40.0	1.3	41.3
Interest expense, net	29.8	0.9	30.7
Separation costs	—	—	—
Depreciation and amortization	57.0	3.1	60.1
Restructuring and other (income) charges, net	(0.5)	—	(0.5)
Acquisition and other related costs	12.2	(4.6) [B]	7.6
Pension and postretirement settlement and curtailment charges (income)	$ 0.2	$ —	$ 0.2
Adjusted EBITDA	$ 320.5	$ 4.8	$ 325.3
Net sales	$ 1,133.6	$ 20.2	$ 1,153.8
Net income (loss) margin	16.0%		16.1%
Adjusted EBITDA margin	28.3%		28.2%
Performance Chemicals operating profit	$ 116.3	$ 1.7	$ 118.0
Depreciation and amortization	34.8	3.1	37.9
Segment EBITDA	$ 151.1	$ 4.8	$ 155.9
Net sales	$ 733.2		$ 753.4
Segment operating margin	15.9%		15.7%
Segment EBITDA margin	20.6%		20.7%

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A - Refer to the "Notes to the Unaudited Pro Forma Adjustments" included herein for a description of these adjustments.

B - Includes $3.8 million of Acquisition-related costs and $0.8 million of fair market value inventory step-up amortization which was included in Cost of sales.

Comparison of Year Ended Pro Forma December 31, 2018 to Pro Forma December 31, 2017

In millions, expect percentages (unaudited)		Pro Forma 2018	Pro Forma 2017	$ Change	% Change
Total Ingevity	**Net sales**	$ 1,153.8	$ 1,073.0	$ 80.8	7.5%
	Adjusted EBITDA	325.3	269.6	55.7	20.7%
Performance Chemicals Segment	Net sales	$ 753.4	$ 723.7	$ 29.7	4.1%
	Adjusted EBITDA	155.9	127.8	28.1	22.0%

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Notes to the Unaudited Pro Forma Adjustments

A - Net sales

Represents the historical sales of the Pine Chemical Business. Table below represents the pro forma sales by product line.

In millions (unaudited)	**2017**	**2018**
Pro Forma Net Sales	$ 100.6	$ 20.2
Oilfield Technologies product line	*24.1*	*4.6*
Pavement Technologies product line	*1.2*	*0.2*
Industrial Specialties product line	*75.3*	*15.4*

B - Cost of sales

Adjustments to cost of sales were as follows:

In millions (unaudited)	**2017**	**2018**
Pine Chemical Business historical results [(1)]	$ 84.7	$ 17.4
Depreciation of acquired property, plants and equipment [(2)]	0.2	—
Pro forma adjustment to remove historical amortization[(3)]	(1.2)	(0.2)
Adjustment for long term supply agreement [(4)]	(11.7)	(2.4)
Amortization of inventory step-up [(5)]	—	(0.8)
Total pro forma adjustment to cost of sales	$ 72.0	$ 14.0

(1) Represents the historical results of the Pine Chemical Business, adjusted to align with Ingevity's presentation.

(2) Represents the adjustment to Pine Chemical Business historical depreciation as a result of preliminary fair value adjustments to the acquired depreciable assets and adjustments to their respective estimated remaining useful lives.

(3) Represents the adjustment to Pine Chemical Business historical amortization of planned major maintenance activities costs that were determined to have a preliminary acquisition date fair value of zero.

(4) Represents an adjustment from historical transfer pricing to market-based pricing per long term supply agreement. Relates to a long-term supply agreement between Ingevity and Georgia-Pacific for the purchase of crude tall oil ("CTO"). The supply agreement was entered into on March 8, 2018 whereby Ingevity has agreed to purchase CTO originating from Georgia-Pacific mills at market-based prices for a term of 20 years.

(5) Fair value of finished good inventories acquired included a step-up in the value of approximately $1.4 million, of which $0.8 million was expensed in the three months ended March 31, 2018.

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Notes to the Unaudited Pro Forma Adjustments

C - Selling, general and administrative expenses

Adjustments to selling, general and administrative expenses ("SG&A") were as follows:

In millions (unaudited)	2017	2018
Pine Chemical Business historical results [(1)]	$ 6.8	$ 1.4
Amortization of acquired intangible assets [(2)]	12.6	2.3
Total pro forma adjustment to SG&A	$ 19.4	$ 3.7

(1) Represents the historical results of the Pine Chemical Business, adjusted to align with Ingevity's presentation.

(2) Represents the adjustment to Pine Chemical Business historical depreciation as a result of preliminary fair value adjustments to the acquired depreciable assets and adjustments to their respective estimated remain

D - Acquisition costs

Ingevity incurred one time transaction costs related to the Acquisition. An adjustment was made to reflect the reversal of these one-time costs recognized in Ingevity's historical condensed combined statement of operations.

In millions (unaudited)	2017	2018
Acquisition costs	$ 7.1	$ 3.8

E - Interest expense

On January 24, 2018, Ingevity issued $300.0 million aggregate principal amount of 4.50 percent senior unsecured notes (the "Notes") due 2026. The net proceeds from the sale of the Notes, after deducting deferred financing fees and other expenses of $5.7 million, were $294.3 million. Ingevity used the net proceeds from the sale of the Notes to finance the Acquisition.

Interest payments on the Notes are due semiannually in arrears on February 1st and August 1st of each year, beginning on August 1, 2018, at a rate of 4.50 percent per year. The Notes will mature on February 1, 2026.

For the preparation of the unaudited condensed combined pro forma financial information, interest expense was estimated using the interest rate of 4.50 percent.

In millions (unaudited)	2017	2018
Interest expense on new long term debt	$ 13.5	$ 0.8
Amortization of new debt issuance costs	0.7	0.1
Total pro forma adjustment to Ingevity's interest expense	$ 14.2	$ 0.9

F - Provision (benefit) for income taxes

Represents a combination of the Pine Chemical Business's historical results and the tax impact from the pro forma adjustments. A blended statutory rate of 37.2 percent was applied to the pro forma adjustments. The total effective tax rate of the combined company is subject to change based upon post-acquisition income by jurisdiction and other factors.