W. R. Grace & Co.

Grace to Create Two New Industry-Leading Public Companies

Investor Presentation February 5, 2015



Disclaimer

Statement Regarding Safe Harbor For Forward-Looking Statements

This presentation contains forward-looking statements, that is, information related to future, not past, events. Such statements generally include the words "believes," "plans," "intends," "targets," "will," "expects," "suggests," "anticipates," "outlook," "continues" or similar expressions. Forward-looking statements include, without limitation, expected financial positions; results of operations; cash flows; financing plans; business strategy; operating plans; capital and other expenditures; competitive positions; growth opportunities for existing products; benefits from new technology and cost reduction initiatives, plans and objectives; and markets for securities. For these statements, Grace claims the protection of the safe harbor for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act. Like other businesses, Grace is subject to risks and uncertainties that could cause its actual results to differ materially from its projections 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 forwardlooking statements include, without limitation: risks related to foreign operations, especially in emerging regions; the cost and availability of raw materials and energy; the effectiveness of its research and development and growth investments; acquisitions and divestitures of assets and gains and losses from dispositions; developments affecting Grace's outstanding indebtedness; developments affecting Grace's funded and unfunded pension obligations; its legal and environmental proceedings; uncertainties that may delay or negatively impact the spin-off or cause the spin-off to not occur at all; uncertainties related to the company's ability to realize the anticipated benefits of the spin-off; the inability to establish or maintain certain business relationships and relationships with customers and suppliers or the inability to retain key personnel during the period leading up to and following the spin-off; costs of compliance with environmental regulation; and those additional factors set forth in Grace's most recent Annual Report on Form 10-K, quarterly report on Form 10-Q and current reports on Form 8-K, which have been filed with the Securities and Exchange Commission and are readily available on the Internet at www.sec.gov. Reported results should not be considered as an indication of future performance. Readers are cautioned not to place undue reliance on Grace's projections and forwardlooking statements, which speak only as the date thereof. Grace 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 Terms

These slides contain certain "non-GAAP financial terms" which are defined in the Appendix. Reconciliations of non-GAAP terms to the closest GAAP term (i.e., net income) are provided in the Appendix.

Conference Call Details

Call to Discuss Q4 Earnings and Creation of Two New Companies

Time: February 5, 2015, 8:30 a.m. EST

Dial-in: +1 877.415.3178 (U.S.) or +1 857.244.7321 (International)

Passcode: 20461224

Webcast: http://investor.grace.com/

Grace Participants:

- Fred Festa, Chairman and Chief Executive Officer
- Hudson La Force, Senior Vice President and Chief Financial Officer
- Tania Almond, Investor Relations Officer



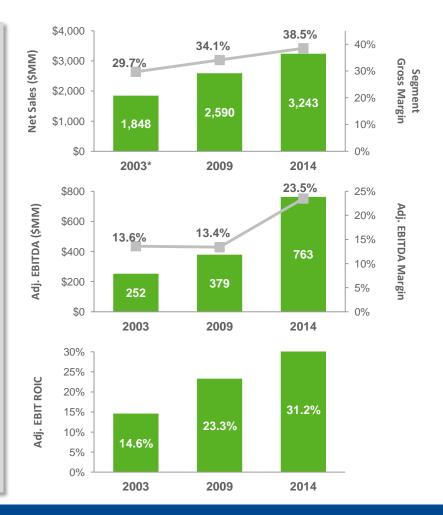
Excludes sales from ART JV which was deconsolidated in December 2009.

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Grace's Strong Track Record of Shareholder Value Creation

Since 2003...

- Increased market cap by more than \$6.0 billion
- Grew sales and gross margin:
 - Upgraded the quality of our business portfolio
 - Successfully completed 22 acquisitions and 6 divestitures
 - Tripled sales in emerging regions
- Significantly improved profitability, cash flow and ROIC:
 - 2014 Adj. EBITDA margins of >23%
 - 2014 Adj. Free Cash Flow of >\$450 million
 - 2014 Adjusted EBIT ROIC >30%
- Returned ~\$1 billion of capital since emergence:
 - Completed \$500 million share repurchase program
 - Completed \$490 million warrant settlement
 - Announced second \$500 million share repurchase program



Separation is the Next Step in Shareholder Value Creation



Grace to Create Two Industry-Leading Public Companies



"New Grace"

Catalysts Technologies and Materials Technologies

- Global leader in process catalysts and specialty silicas
- High margin, technologically advanced business focused on growth, margin expansion and strong cash flow
- Manufacturing and technology focus with strong technical sales and service component
- More capital intensive, complex manufacturing operations

"New GCP"

Construction Products and Darex Packaging

- Global leader in specialty construction chemicals, specialty building materials, and packaging technologies
- Leverage independent company platform and strong cash flow to accelerate growth in global markets
- Sales and marketing focus with strong technical sales and service component
- Less capital intensive, simpler manufacturing operations

Improved Strategic Focus, Simplified Operating Structures, and More Efficient Capital Allocation and Capital Structures



Compelling Rationale for Spin-Off

Enhanced Strategic Focus

- Two strong, focused operating companies:
 - Industry-leading market and technology positions
 - Strong free cash flow
 - High returns on invested capital
- Positioned to capture distinct growth opportunities
- More efficient capital allocation:
 - Investment decisions optimized at each company

Simplified Operating Structure

- Compelling growth and margin profiles
- Simplified operating structures:
 - Improved management focus
 - Cost productivity and optimized functional support
- Strong leadership teams focused on value creation

Strong Financial Profiles

- Optimized capital structures
- Financial flexibility to pursue growth and M&A opportunities
- Two unique and compelling investment opportunities:
 - Simpler investor thesis
 - Distinct investment identity

Separation Expected to Increase Shareholder Value

"New Grace" Overview

Global Leader in Process Catalysts and Specialty Silicas

Key Business Highlights

- Agile, focused competitor in catalysts and specialty silicas
- Best in-class financial profile with high margins and cash flow
- Attractive growth drivers in catalysts end markets
- Technology leadership position with footprint to support growth
- Materials science and complex manufacturing expertise
- Blue chip customer base

Leadership

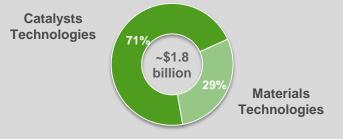
- Fred Festa to remain Chairman and CEO
- Hudson La Force to remain CFO

Financial Highlights

2014 Financials Metrics⁽¹⁾

- ~\$1.8 billion sales
 - ~\$2.2 billion with sales from ART JV
- ~\$500 million Adjusted EBITDA
- ~28% Adjusted EBITDA margin





Key Metrics

- Expected leverage at time of spin-off:
 - Net Debt / Adj. EBITDA: 2.0x 2.5x
- Expected cash tax rate:
 - 10% 15% until 2021

¹ Year ended December 31, 2014, reflecting business segment separation with corporate costs allocated proportionate to sales.



"New Grace" Overview – Business Segment Detail

Business Overview	Market Size								
 Refining Technologies FCC catalysts and additives for petroleum refiners #1 in FCC catalysts Advanced Refining Technologies⁽¹⁾ Hydroprocessing catalysts #1 in resid hydroprocessing catalysts Specialty Catalysts Catalysts, supports, and technology licensing for polyolefins 	 ~\$20B market opportunity \$1.2B \$6.7B \$4.7B \$5.5B \$3.8B \$5.5B 								
 Chemical catalysts and supports for specialty chemicals #1 in independent polyethylene catalysts #2 in polypropylene catalysts and process technology licensing 	Sales by Product Line ~\$1.8B in sales in 2014 								
 Engineered Materials Specialized silica-based materials used as process aids, additives, and adsorbents #1 in specialty silica gel 	\$0.5B \$0.5B \$0.5B \$0.5B \$0.6B \$0.70 \$0.8B \$0.70 \$0.8B \$0.70 \$0.8B \$0.70 \$0								

¹ HPC applications served through the Company's Advanced Refining Technologies (ART) joint venture with Chevron.

Catalysts Technologies

Materials Technologies

"New GCP" Overview

Global leader in specialty construction products and packaging technologies

Key Business Highlights

- Agile, focused construction player supported by packaging business with high cash flow
- Poised to accelerate organic growth and bolt-on acquisitions as standalone company
- Global leader in construction chemicals and packaging technologies
- Reputation as an industry innovator
- Global footprint to support emerging regions growth
- Low capital intensity ~2% of sales

Leadership

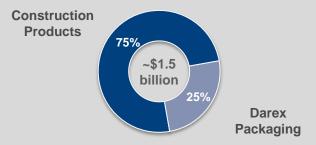
• **Greg Poling**, currently President and COO of Grace, to become CEO

Financial Highlights

2014 Financials Metrics⁽¹⁾

- ~\$1.5 billion sales
- ~\$260 million Adjusted EBITDA
- ~17% Adjusted EBITDA margin

Sales by Product Line



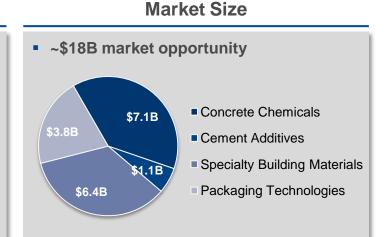
Key Metrics

- Expected leverage at time of spin-off:
 - Net Debt / Adj. EBITDA: 3.0x 3.5x
- Expected cash tax rate:
 - **25%** 30%

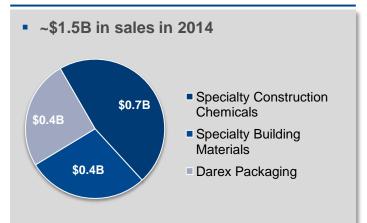
"New GCP" Overview – Business Segment Detail

Business Overview

- Specialty Construction Chemicals
 - Dispersants that improve concrete flow, placement and strength
 - Quality improvers and grinding aids that enhance cement producer efficiencies
 - #1 in cement additives
 - #2 in concrete admixtures
 - Specialty Building Materials
 - Waterproofing for below grade and horizontal deck applications
 - Residential roofing underlayment's and flashing
 - Fire protection materials
- Darex Packaging
 - Formulated coatings and sealants for metal cans and closures used in consumer and industrial applications
 - #1 in can sealants



Sales by Product Line



¹ HPC applications served through the Company's Advanced Refining Technologies (ART) joint venture with Chevron.



Darex Packaging

Spin-Off Transaction Details

Transaction Structure	 Distribution of 100% of New GCP shares to Grace shareholders Expected tax-free distribution to shareholders for U.S. federal income tax purposes
Timing	 Transaction targeted to be completed in approximately 12 months
Financial Policy	 Both companies expected to be well capitalized and positioned for growth Disciplined, returns-based approaches to capital allocation Combined leverage of the two new companies about the same as existing Grace
Principal Closing Conditions	 Separation is subject to customary closing conditions, including final approval of Grace Board of Directors

Separation Will Create Two Companies **Better Positioned for Growth and Value Creation**



Key Summary Points

- Creating two strong, independent companies with:
 - Improved strategic focus
 - Simplified operating structures
 - More efficient capital allocation and capital structures
- Experienced and proven management teams and highly skilled employees dedicated to driving growth and creating value for customers
- Separation strategy is consistent with Grace's strong track record of driving growth and creating value for shareholders
- Targeting completion in approximately 12 months





For additional information, please visit grace.com or contact:

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Appendix: Definitions and Reconciliations of Non-GAAP Measures

Non-GAAP Financial Terms

Adjusted EBIT means net income adjusted for interest income and expense, income taxes, costs related to Chapter 11, asbestos-related costs, restructuring expenses and related asset impairments, pension costs other than service and interest costs, expected returns on plan assets, and amortization of prior service costs/credits, certain income and expense items related to divested businesses, product lines, and certain other investments and gains and losses on sales of businesses, product lines, and certain other investments. In the 2013 first quarter, we also adjusted for the currency transaction loss incurred on our Venezuelan cash balances of \$6.9 million.

Adjusted EBITDA means Adjusted EBIT adjusted for depreciation and amortization.

Adjusted Free Cash Flow means net cash provided by or used for operating activities minus capital expenditures plus the net cash flow from costs related to Chapter 11, cash paid to resolve contingencies subject to Chapter 11, accelerated payments under defined benefit pension arrangements, and expenditures for asbestos-related items. Grace uses Adjusted Free Cash Flow as a liquidity measure to evaluate its ability to generate cash to support its ongoing business operations, to invest in its businesses, and to provide a return of capital to shareholders.

Adjusted Earnings Per Share (EPS) means Diluted EPS adjusted for costs related to Chapter 11, asbestos-related costs, restructuring expenses and related asset impairments, pension costs other than service and interest costs, expected returns on plan assets, and amortization of prior service costs/credits, certain income and expense items related to divested businesses, product lines, and certain other investments and gains and losses on sales of businesses, product lines, and certain other investments, and certain discrete tax items..

Adjusted EBIT Return On Invested Capital means Adjusted EBIT (on a trailing four quarters basis) divided by the sum of net working capital, properties and equipment and certain other assets and liabilities.

Segment Gross Margin means gross margin adjusted for pension-related costs included in cost of goods sold.

We use Adjusted EBIT as a performance measure in significant business decisions and in determining certain incentive compensation. We use Adjusted EBIT as a performance measure because it provides improved period-to-period comparability for decision making and compensation purposes, and because it better measures the ongoing earnings results of our strategic and operating decisions by excluding the earnings effects of our Chapter 11 proceedings, asbestos liabilities, restructuring activities, and divested businesses.

Adjusted EBIT, Adjusted EBITDA, Adjusted Free Cash Flow, Adjusted EPS, and Adjusted EBIT Return On Invested Capital do not purport to represent income measures as defined under U.S. GAAP, and should not be used as alternatives to such measures as an indicator of our performance. These measures are provided to investors and others to improve the period-to-period comparability and peer-to-peer comparability of our financial results, and to ensure that investors understand the information we use to evaluate the performance of our businesses. We have provided in the following tables a reconciliation of these non-GAAP measures to the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

Adjusted EBIT has material limitations as an operating performance measure because it excludes Chapter 11- and asbestos-related costs and may exclude income and expenses from restructuring activities and divested businesses, which historically have been material components of our net income. Adjusted EBITDA also has material limitations as an operating performance measure because it excludes the impact of depreciation and amortization expense. Our business is substantially dependent on the successful deployment of capital, and depreciation and amortization expense is a necessary element of our costs. We compensate for the limitations of these measurements by using these indicators together with net income as measured under U.S. GAAP to present a complete analysis of our results of operations. Adjusted EBITDA should be evaluated together with net income measured under U.S. GAAP for a complete understanding of our results of operations.



Appendix: Reconciliations of Non-GAAP Financial Measures (continued)

-	2012	2013	2014	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Adjusted EBIT	558.2	550.8	626.2	116.8	153.3	142.1	138.6	111.3	166.1	160.9	167.9
Costs related to Chapter 11	(15.6)	(16.4)	(11.3)	(3.8)	(3.3)	(3.9)	(5.4)	(6.3)	(3.0)	(1.8)	(0.2)
Asbestos-related costs	(6.0)	(7.8)	(7.9)	(1.4)	(1.3)	(1.3)	(3.8)	(0.4)	(0.9)	(2.5)	(4.1)
Asbestos and bankruptcy-related charges, net	(384.6)	(21.9)	(7.1)	_	_	_	(21.9)	(8.8)	2.4	(0.4)	(0.3)
Default interest settlement	_	(129.0)	_	_	_	_	(129.0)	_	_	_	_
Pension MTM adjustment and other related costs, net	(119.2)	50.6	(128.3)	(2.5)	_	_	53.1	4.8	_	_	(133.1)
Gain on termination of postretirement plans related to divested businesses	_	_	15.9	_	_	_	_	_	3.2	9.5	3.2
Restructuring expenses and asset impairments	(6.9)	(12.5)	(22.4)	(0.8)	(4.3)	(3.6)	(3.8)	(0.7)	(11.7)	(5.4)	(4.6)
Gain (loss) on sale of product line	(0.2)	(1.0)	0.2	—	_	—	(1.0)	—	0.2	_	_
Income and expense items related to divested businesses	(2.8)	(4.1)	(5.2)	(0.7)	(0.8)	(2.2)	(0.4)	(1.1)	(3.6)	(2.1)	1.6
Interest expense and related financing costs	(46.5)	(43.8)	(61.5)	(10.5)	(10.9)	(10.7)	(11.7)	(11.2)	(11.1)	(14.7)	(24.5)
Interest accretion on deferred payment obligations	—	—	(65.7)	—	_	—	—	(8.2)	(13.6)	(43.7)	(0.2)
Currency and other financial losses in Venezuela	_	(6.9)	(1.0)	(6.9)	_	_	_	_	_	(1.0)	_
Interest income	1.0	1.0	1.4	0.2	0.1	0.2	0.5	0.5	0.5	0.3	0.1
Benefit from (provision for) income taxes	61.6	(102.9)	(67.0)	(31.3)	(42.5)	(43.6)	14.5	(29.8)	7.7	(44.6)	9.7
Net income attributable to W. R. Grace & Co. shareholders	40.0	256.1	276.3	59.1	90.3	77.0	29.7	50.1	136.2	74.5	15.5
Costs related to Chapter 11:											
Chapter 11 expenses, net of interest income	16.6	15.3	11.0	4.8	3.3	2.9	4.3	6.1	3.0	1.7	0.2
D&O insurance costs related to Chapter 11	0.3	0.2	0.1	0.1	_	0.1	—	—	0.1	_	_
Translation effects-intercompany loans (D)	(5.6)	(11.9)	4.6	7.4	(3.9)	(10.1)	(5.3)	4.6	_	_	_
Value of currency forward contracts—intercompany loans (D)	3.7	10.9	(4.5)	(7.7)	3.5	9.9	5.2	(4.5)	_	_	_
Certain other currency translation costs, net (D)	0.6	1.9	0.1	(0.8)	0.4	1.1	1.2	0.1	(0.1)	0.1	_
Costs related to Chapter 11	15.6	16.4	11.3	3.6	3.3	3.9	5.4	6.3	3.0	1.8	0.2



Appendix: Reconciliations of Non-GAAP Financial Measures (continued)

Catalysis Technologies segment operating income 393.8 327.5 376.3 77.2 92.8 77.4 78.1 71.2 97.5 100.9 100.7 Materials Technologies segment operating income 182.0 181.8 185.2 44.3 44.8 46.8 45.9 45.7 48	Adjusted EBIT by Operating Segment:	2012	2013	2014	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
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Chapter 11 expenses paid 15.5 15.0 31.6 Chapter 11 emergence payments, including accounts payable - - 1,348.7 Cash paid to settle deferred payment obligation contributions - - 632.0 Accelerated defined beneft pension plan contributions 83.4 50.0 75.0 Expenditures for subestos-related items 7.2 5.0 6.8 Adjusted Free Cash Flow 2012 2013 2014 Adjusted EBIT Return On the substance 190.4 481.8 481.1 Invested Capital: - 196.7 328.6 Trade accounts receivable 490.4 481.8 481.1 Inventories 22.0 514.6 558.6 Other current assets (sculuding noome taxes) 624.3 12.2 76.9 Properties and equipment, net 770.5 828.9 833.5 Goodwill 825.7 316.6 231.6 Other current labilities (sculuding noome taxes) 624.8 112.7 76.9 Properties and equipment, net (770.5 828.9 833.5 20.0 Other current labilities (sculuding comice faces, anet)<	Capital expenditures	(138.5)	(156.2)	(171.2)								
Chapter 11 emergence payments, including - - 1,348.7 Cash paid to settle defered payment obligation - - 632.0 Accelerated defined benefit pension plan 83.4 50.0 75.0 Expendtures for asbestor-related terms 7.2 5.0 6.8 Adjusted Fee Cash Flow 4212 429.7 452.2 Calculation of Adjusted EBIT Return On Invested Capital 2013 2014 Adjusted FEIT 558.2 550.8 626.2 Invested Capital 202.0 2013 322.8 Accounts provise 490.4 491.8 491.1 Inventories 223.6 220.5 322.8 Accounts payable 522.0 514.6 558.6 Other current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 829.9 833.5 Goddili 196.7 347.5 422.9 Technology and other intangible assets, net 82.7 315.5 288.0 Investment in unconsolidated affiliate 85.5 96.2 113.1 Other current labilities (Free Cash Flow	315.1	359.7	(1,641.9)								
accounts payable	Chapter 11 expenses paid	15.5	15.0	31.6								
Accelerated defined benefit pension plan contributions83.450.075.0Expenditures for asbestos-related items7.25.06.8Adjusted Fee Cash Flow421.2429.7452.2Calculation of Adjusted EBIT Return On invested Capital (trailing four quarters):201220132014Adjusted FEIT558.2550.8626.2Trade accounts receivable490.4481.8491.1Inventories283.6295.3332.8Accounts payable(222.0)(226.2)(226.5)522.0514.6558.6Other current assets (excluding income taxes)62.481.2Properties and equipment, net770.5829.9Restor Capital (trailing four quarters):23.596.2Unvestment in unconsolidated affiliate85.596.2Investment in unconsolidated affiliate85.596.2Other current labilities (excluding income taxes, and divested businesses, Chapter 11, neatroction related to sobestors and divested businesses (captal to related to sobestors and dive		_	_	1,348.7								
B34 50.0 75.0 Expenditures for asbestos-related items 7.2 5.0 6.8 Adjusted Free Cash Flow 2012 2013 2014 Calculation of Adjusted EBT Return On Invested Capital (trailing four guarters): 2012 2013 2014 Adjusted FBT 558.2 550.8 626.2 Invested Capital: 72 5.0 63.8 Trade accounts receivable 490.4 481.8 481.1 Invested Capital: 72.0 522.0 514.6 Checounts payable (252.0) (262.5) (255.3) Cother current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 822.9 833.5 Goodwill 196.7 457.5 482.9 Other current inuconsolidated affiliate 85.5 96.2 113.1 Cher assets (excluding capitalized financing fees) 24.5 40.0 23.0 Other current liabilities (excluding chrome taxes, environmental mediation charles to absetos environmental mediation charles to absetos metarion charion charles (Cash paid to settle deferred payment obligation	—	—	632.0								
Adjusted Free Cash Flow 421.2 429.7 452.2 Calculation of Adjusted EBIT Return On Invested Capital (trailing four quarters): 2012 2013 2014 Adjusted EBIT 558.2 550.8 626.2 Invested Capital: 7 2012 2013 Trade accounts receivable 490.4 481.8 481.1 Inventories 283.6 295.3 332.8 Accounts payable (252.0) (262.5) (255.3) 522.0 514.6 558.0 Other current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 829.9 833.5 Goodwill 196.7 457.5 452.9 Technology and other intangible assets, net 82.7 315.5 96.2 Invested Capital framediation related to asbestos and divested businesses, Chapter 1). (251.9) (248.0) 23.0 Other asset (excluding come taxes, environmental remediation related to asbestos and divested businesses, Chapter 1). (251.9) (248.0) (256.7). Other asset (excluding come taxes, environmental remediation related to asbestos and divested businesses, Chapter 1). (251.9) (248.0) (256.7). Other asset (ascluding inducreant larges) 1436.9 2,014.2 2,007.5		83.4	50.0	75.0								
Calculation of Adjusted EBIT Return On Invested Capital (traiting four quarters):201220132014Adjusted EBIT Invested Capital:558.2550.8626.2Trade accounts receivable490.4481.8481.1Inventories283.6295.3322.8Accounts payable(252.0)(262.5.3)Other current assets (excluding income taxes)62.481.2Properties and equipment, net770.5829.9Boodwill196.7457.5Technology and other intangible assets, net82.596.2Invested (sculding come taxes)24.540.0Cher current in unconsolidated affiliate85.596.2Invested (sculding come taxes)24.540.0Cher current in unconsolidated affiliate85.596.2Investment in unconsolidated affiliate85.596.2Cher current liabilities (sculding newizmental restructuring, and accrued interest)(251.9)(248.0)Cher carrent liabilities (sculding newizmental restructuring, and accrued interest)(251.9)(248.0)Cher carrent liabilities (sculding newizmental remediation related to asbestos and divested businesses)(25.5)(72.7)Cher carrent liabilities (sculding newizmental remediation related to asbestos and divested businesses)1,436.92,014.2Total invested capital1,436.92,014.22,007.5	Expenditures for asbestos-related items	7.2	5.0	6.8								
Invested Capital Adjusted EBIT 2012 2013 2014 Adjusted EBIT 558.2 550.8 656.2 Invested Capital 558.2 550.8 6826.2 Trade accounts receivable 490.4 481.8 481.1 Inventories 283.6 295.3 332.8 Accounts payable (252.0) (262.5) (556.3) Cother current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 829.9 833.5 Goodwill 196.7 457.5 452.9 Invested Louing capitalized financing fees) 24.5 40.0 23.0 Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested busineses, Chapter 11, restructuring, and accrued interest) (251.9) (248.0) (256.7) Other issetse(uscluding environmental remediation related to asbestos and divested busineses) (251.9) (248.0) (256.7) Other labilities (excluding environmental remediation related to asbestos and divested busineses) (251.9) (248.0) (256.7) Total invested capital	Adjusted Free Cash Flow	421.2	429.7	452.2								
Invested Capital: Invested 490.4 481.8 481.1 Inventories 283.6 295.3 332.8 Accounts payable (252.0) (262.5) (255.3) 522.0 522.0 583.6 5 Other current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 829.9 833.5 Goodwill 196.7 457.5 452.9 Technology and other intangible assets, net 82.7 315.5 288.0 Investment in unconsolidated affiliate 85.5 96.2 113.1 Other current labilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest) (248.0) (256.7) Other labilities (excluding environmental remediation related to asbestos and divested businesses) (251.9) (248.0) (256.7) Other labilities (excluding environmental remediation related to asbestos and divested businesses) (251.9) (248.0) (256.7) Total invested capital 1,436.9 2,014.2 2,007.5 (81.8)	- Calculation of Adjusted EBIT Return On Invested Capital (trailing four quarters):	2012	2013	2014								
Trade accounts receivable 490.4 481.8 481.1 Inventories 283.6 295.3 332.8 Accounts payable (252.0) (282.5) (285.3) S22.0 514.6 558.6 Other current assets (excluding income taxes) 62.4 81.2 76.9 Properties and equipment, net 770.5 829.9 833.5 Goodwill 196.7 457.5 452.9 Technology and other intangible assets, net 82.7 315.5 288.0 Investment in unconsolidated affiliate 85.5 96.2 113.1 Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest) (251.9) (248.0) (256.7) Other liabilities (excluding environmental remediation related to asbestos and divested businesses, Chapter 11, remediation related to asbestos and divested businesses, Chapter 11, remediation related to asbestos and divested businesses, Chapter 11, remediation related to asbestos and divested businesses) (251.9) (248.0) (256.7) Other liabilities (excluding environmental remediation related to asbestos and divested businesses) (55.5) (72.7) (81.8) Total invested capital 1436.9	Adjusted EBIT	558.2	550.8	626.2								
Inventories283.6295.3332.8Accounts payable(252.0)(262.5)(255.3)522.0514.6558.6Other current assets (excluding income taxes)62.481.276.9Properties and equipment, net770.5829.9833.5Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(255.)(72.7)Other interested to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(255.)(72.7)Other interested to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(255.)(72.7)Other interested to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(255.)(72.7)Other interested to asbestos and divested businesses(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Invested Capital:											
Accounts payable(252.0)(262.5)(255.3)522.0514.6558.6Other current assets (excluding income taxes)62.481.276.9Properties and equipment, net770.5829.9833.5Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(251.9)(248.0)(256.7)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Trade accounts receivable	490.4	481.8	481.1								
S22.0514.6558.6Other current assets (excluding income taxes)62.481.276.9Properties and equipment, net770.5829.9833.5Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding nome taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)(256.7)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Inventories	283.6	295.3	332.8								
Other current assets (excluding income taxes)62.481.276.9Properties and equipment, net770.5829.9833.5Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)(256.7)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Accounts payable	(252.0)	(262.5)	(255.3)								
Properties and equipment, net770.5829.9833.5Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5		522.0	514.6	558.6								
Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Other current assets (excluding income taxes)	62.4	81.2	76.9								
Goodwill196.7457.5452.9Technology and other intangible assets, net82.7315.5288.0Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Properties and equipment, net	770.5	829.9	833.5								
Investment in unconsolidated affiliate85.596.2113.1Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11. restructuring, and accrued interest)(251.9)(248.0)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(255.5)(72.7)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(35.5)(72.7)Total invested capital1,436.92,014.22,007.5	Goodwill	196.7	457.5	452.9								
Other assets (excluding capitalized financing fees)24.540.023.0Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)(251.9)(248.0)(256.7)Other liabilities (excluding environmental remediation related to asbestos and divested businesses)(55.5)(72.7)(81.8)Total invested capital1,436.92,014.22,007.5	Technology and other intangible assets, net	82.7	315.5	288.0								
Other current liabilities (excluding income taxes, environmental remediation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest) (251.9) (248.0) (256.7) Other liabilities (excluding environmental remediation related to asbestos and divested businesses) (55.5) (72.7) (81.8) Total invested capital 1,436.9 2,014.2 2,007.5	Investment in unconsolidated affiliate	85.5	96.2	113.1								
environmental remèdiation rélated to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest) (251.9) (248.0) (256.7) Other liabilities (excluding environmental remediation related to asbestos and divested businesses) (55.5) (72.7) (81.8) Total invested capital 1,436.9 2,014.2 2,007.5	Other assets (excluding capitalized financing fees)	24.5	40.0	23.0								
remediation related to asbestos and divested businesses) (55.5) (72.7) (81.8) Total invested capital 1,436.9 2,014.2 2,007.5	environmental remèdiation related to asbestos and divested businesses, Chapter 11, restructuring, and accrued interest)	(251.9)	(248.0)	(256.7)								
Total invested capital 1.436.9 2.014.2 2.007.5	remediation related to asbestos and divested	(55.5)	(72.7)	(81.8)								
Adjusted EBIT Return On Invested Capital 38.8% 27.3% 31.2%	-	1,436.9	2,014.2	2,007.5								
	= Adjusted EBIT Return On Invested Capital	38.8%	27.3%	31.2%								



Appendix: Reconciliations of Non-GAAP Financial Measures (continued)

	Three Months Ended December 31.																	
				201	14					2013								
(In millions, except per share amounts)	Pre- Tax				After- Tax		Per Share		Pre- Tax		Tax Effect		After- Tax			Per Share		
Diluted Earnings Per Share (GAAP)							\$	0.21							\$	0.38		
Costs related to Chapter 11	\$	0.2	\$	_	\$	0.2		_	\$	5.4	\$	3.1	\$	2.3		0.03		
Asbestos-related costs		4.1		1.5		2.6		0.03		3.8		1.9		1.9		0.02		
Asbestos and bankruptcy-related charges, net		0.3		0.1		0.2		_		21.9		8.2		13.7		0.18		
Default interest settlement		_		_		—		_		129.0		48.3		80.7		1.03		
Pension MTM adjustment and other related costs, net		133.1		48.7		64.4		1.13		(53.1)		(21.5)		(31.6)		(0.40)		
Gain on termination of postretirement plans related to divested businesses		(3.2)		(1.1)		(2.1)		(0.03)		_		—		—		_		
Restructuring expenses and asset impairments		4.6		1.2		3.4		0.05		3.8		1.0		2.8		0.04		
Income and expense items related to divested businesses		(1.6)		(0.6)		(1.0)		(0.01)		1.4		0.5		0.9		0.01		
Discrete tax items:																		
Release of valuation allowances				_		_		_				24.4		(24.4)		(0.31)		
Discrete tax items, including adjustments to uncertain tax positions				1.1		(1.1)		(0.01)				(8.4)		8.4		0.11		
Adjusted EPS (non-GAAP)							\$	1.37							\$	1.09		
Certain items included in Adjusted EPS: Gain on termination of postretirement plans related to current businesses Differential between effective tax rate and cash tax rate Total							\$	(0.04) 0.40 0.36							\$			

	Twelve Months Ended December 31,																	
	2014 2013																	
(In millions, except per share amounts)	Pre- Tax		Tax Effect		After- Tax		Per Share		Pre- Tax		Tax Effect		After-			Per hare		
Diluted Earnings Per Share (GAAP)							\$	3.63							\$	3.30		
Costs related to Chapter 11	\$	11.3	\$	2.2	\$	9.1		0.12	\$	16.4	\$	6.0	\$	10.4		0.13		
Asbestos-related costs		7.9		2.9		5.0		0.07		7.8		3.0		4.8		0.06		
Asbestos and bankruptcy-related charges, net		7.1		2.6		4.5		0.06		21.9		8.2		13.7		0.18		
Default interest settlement		_		_		_		_		129.0		48.3		80.7		1.04		
Pension MTM adjustment and other related costs, net		128.3		46.9		61.4		1.07		(50.6)		(20.0)		(30.6)		(0.39)		
Gain on termination of postretirement plans related to divested businesses		(15.9)		(5.9)		(10.0)		(0.13)		—		_		_		_		
Restructuring expenses and asset impairments		22.4		7.6		14.8		0.19		12.5		3.5		9.0		0.12		
Currency and other financial losses in Venezuela		1.0		0.3		0.7		0.01		6.9		—		6.9		0.09		
Gain (loss) on sale of product line		(0.2)		(0.1)		(0.1)		—		1.0		0.4		0.6		0.01		
Income and expense items related to divested businesses		5.2		1.9		3.3		0.04		4.1		1.4		2.7		0.04		
Discrete tax items: Release of valuation allowances Discrete tax items, including adjustments to uncertain tax positions						(45.2)		(0.63)				24.4 (9.4)		(24.4) 9.4		(0.31) 0.12		
Adjusted EPS (non-GAAP)						(,	\$	4.43				(=)			\$	4.39		
Certain items included in Adjusted EPS:																		
Interest accretion on deferred payment obligations Gain on termination of postretirement plans related to current businesses							\$	0.58 (0.21)							\$	_		
Differential between effective tax rate and cash tax rate								1.87								1.35		
Total							\$	2.24							\$	1.35		

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