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The Timken Company

1Q 2022 Earnings Investor Presentation

May 2, 2022

Advancing as a Global Industrial Leader

Agenda

INTRODUCTION	**Neil Frohnapple – Director, Investor Relations**
OVERVIEW AND BUSINESS UPDATE	**Rich Kyle – President and Chief Executive Officer**
FINANCIAL REVIEW	**Phil Fracassa – Executive Vice President and Chief Financial Officer**
Q&A	**Question and Answer Session**

Forward-Looking Statements Safe Harbor and Non-GAAP Financial Information

Certain statements in this presentation (including statements regarding the company's forecasts, beliefs, estimates and expectations) that are not historical in nature are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, the statements related to Timken’s plans, outlook, future financial performance, targets, projected sales, cash flows, liquidity, cost reduction measures and expectations regarding the future financial performance of the company, including the information under the headings, “1Q 2022 Performance Highlights”, “Growth Outlook – FY 2022 By Market/Sector”, “2022 Outlook”, “Acquisition of Spinea: Expanding in Robotics and Automation”, “Global Industrial Automation”, “Key Takeaways”, “1Q-22 Financial Comparison – Net Income & Diluted EPS” and “Cash Flow, Leverage & Capital Allocation” are forward-looking.

The Company cautions that actual results may differ materially from those projected or implied in forward-looking statements due to a variety of important factors, including: the finalization of the company's financial statements for the first quarter of 2022; the company's ability to respond to changes in its end markets that could affect demand for the company's products or services; unanticipated changes in business relationships with customers or their purchases from the company; changes in the financial health of the company's customers, which may have an impact on the company's revenues, earnings and impairment charges; logistical issues associated with port closures or congestion, delays or increased costs; the impact of changes to the company’s accounting methods; political risks associated with government instability; recent world events that have increased the risk posed by international trade disputes, tariffs and sanctions; weakness in global or regional general economic conditions and capital markets; the impact of inflation on employee expenses, shipping costs, raw material costs, energy and fuel prices, and other production costs; the company’s ability to satisfy its obligations under its debt agreements and renew or refinance borrowings on favorable terms; fluctuations in currency valuations; changes in the expected costs associated with product warranty claims; the ability to achieve satisfactory operating results in the integration of acquired companies, including realizing any accretion, synergies, and expected cashflow generation within expected timeframes or at all; fluctuations in customer demand; the impact on the company’s pension obligations and assets due to changes in interest rates, investment performance and other tactics designed to reduce risk; the introduction of new disruptive technologies; unplanned plant shutdowns; the effects of government-imposed restrictions and commercial requirements meant to address climate change; unanticipated litigation, claims, investigations or assessments; the Company’s ability to maintain appropriate relations with unions and works councils; the company’s ability to compete for skilled labor; negative impacts to the company’s operations or financial position as a result of COVID-19 or other epidemics and associated governmental measures; and the company’s ability to complete and achieve the benefits of announced plans, programs, initiatives, acquisitions and capital investments. Additional factors are discussed in the company's filings with the Securities and Exchange Commission, including the company's Annual Report on Form 10-K for the year ended Dec. 31, 2021, quarterly reports on Form 10-Q and current reports on Form 8-K. Except as required by the federal securities laws, the company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures as defined by the rules and regulations of the Securities and Exchange Commission. Reconciliation of those measures to the most directly comparable GAAP financial measures are provided in the Appendix to this presentation.

The Timken Company

Overview and Business Update

Rich Kyle
President and Chief Executive Officer

Advancing as a Global Industrial Leader



1Q 2022 Performance Highlights

Record sales of $1.125 billion in 1Q-22, up nearly 10% from prior-year period

- Revenue up 11% organically
  - Growth in most end-market sectors led by industrial distribution and off-highway
  - Strong price realization
  - Order-intake rates remain strong, with backlog up both YOY and sequentially
- Total sales up nearly 12% from 4Q-21

Adjusted EBITDA margin of 20.0% compared to 19.9% in prior-year period

- Strong margin performance despite significant inflation and continued supply chain challenges
- Margins up 660 bps vs. 4Q-21, reflecting price realization and better operational performance

Record adjusted EPS of $1.61, up from $1.38 per share in the prior-year period

Returned $124 million of cash to shareholders during the quarter

- Repurchased 1.5M shares (~2% of total shares outstanding)
- Payment of 399th consecutive quarterly dividend

Announced acquisition of Spinea: will strengthen Timken's position in robotics and automation

See appendix for reconciliations of adjusted EBITDA, adjusted EBITDA margin and adjusted EPS to their most directly comparable GAAP financial measures.

Growth Outlook – FY 2022 By Market/Sector

(Market/Sector Placement Reflects Mid-Point of Guidance)

NEGATIVE (down HSD+)	------------------- (down MSD)	NEUTRAL (flat to +/- LSD)	------------------- (up MSD)	POSITIVE (up HSD+)
		Renewable Energy	Automotive	Aerospace
			Marine	General Industrial
			Rail	Heavy Industries
				Heavy Truck
				Ind. Distribution
				Industrial Services
				Off-Highway

Process Industries   Mobile Industries

LSD = low-single digit percentage change
MSD = mid-single digit percentage change
HSD = high-single digit percentage change

Expect revenue to be up 8% in total, 10% organic, in 2022 (at mid-point)

- Higher demand across most end markets; strong price realization
- Currency expected to be a greater headwind (-2%)

2022 Outlook

	PRIOR OUTLOOK (FEB. 3, 2022)	CURRENT OUTLOOK (MAY 2, 2022)
Net Sales	~+10%	~+8%
Adjusted EPS	$5.00 to $5.40	$5.00 to $5.40
Free Cash Flow	~70% conversion	~65% conversion

CURRENT OUTLOOK: FULL YEAR 2022 vs. 2021

Total sales up ~8% for the year (organic: +10%; FX: -2%)

- Higher demand across most end markets and positive pricing
- Reflects unfavorable impact from suspending operations in Russia
- Does not include Spinea acquisition (expected closing June)

Adj. EBITDA margin flattish YOY at the mid-point

- Positive impact from higher volume and price-mix
- Higher operating costs, including labor and energy inflation
- Assumes a greater impact from supply chain and inflationary pressures for the rest of 2022, compared to prior outlook

Adj. EPS up 10% at the mid-point compared to 2021

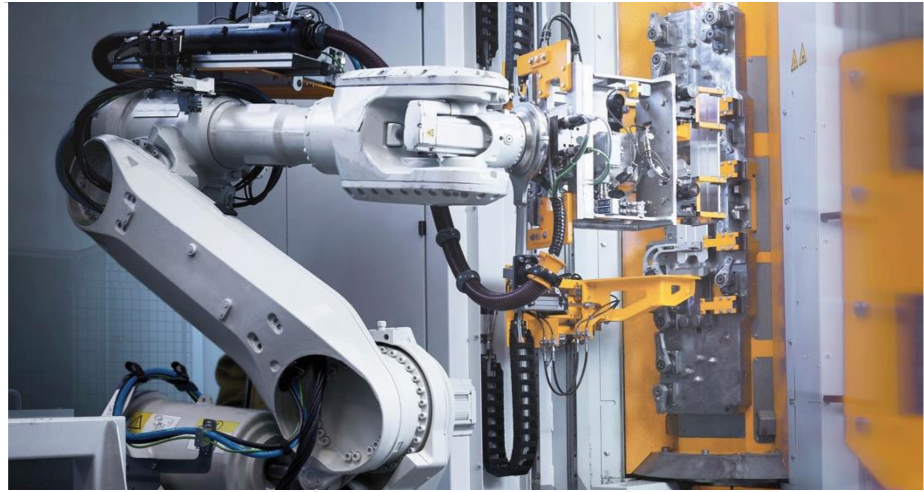
- Holding EPS guidance
- Assumes full-year adjusted tax rate of ~25.5% (~25% prior)
- Higher interest expense
- Positive impact from Q1 share repurchases

Free cash flow conversion expected to be roughly 65% of adj. net income

EPS outlook does not include the impact of any potential mark-to-market pension remeasurement adjustments. See appendix for reconciliations of adjusted EPS and free cash flow conversion to their most directly comparable GAAP financial measures. Free cash flow is defined as net cash provided by operating activities minus capital expenditures.

Acquisition of Spinea: Expanding in Robotics and Automation

- Spinea is a technology leader and manufacturer of highly engineered cycloidal reduction gears and actuators
- The company’s solutions primarily serve precision automation and robotics applications in the factory automation sector
- Spinea’s well-established position in demanding robotics applications will increase our presence in the growing automation space
- Spinea sales are expected to be around $40 million for the full year 2022
- Based in Presov, Slovakia

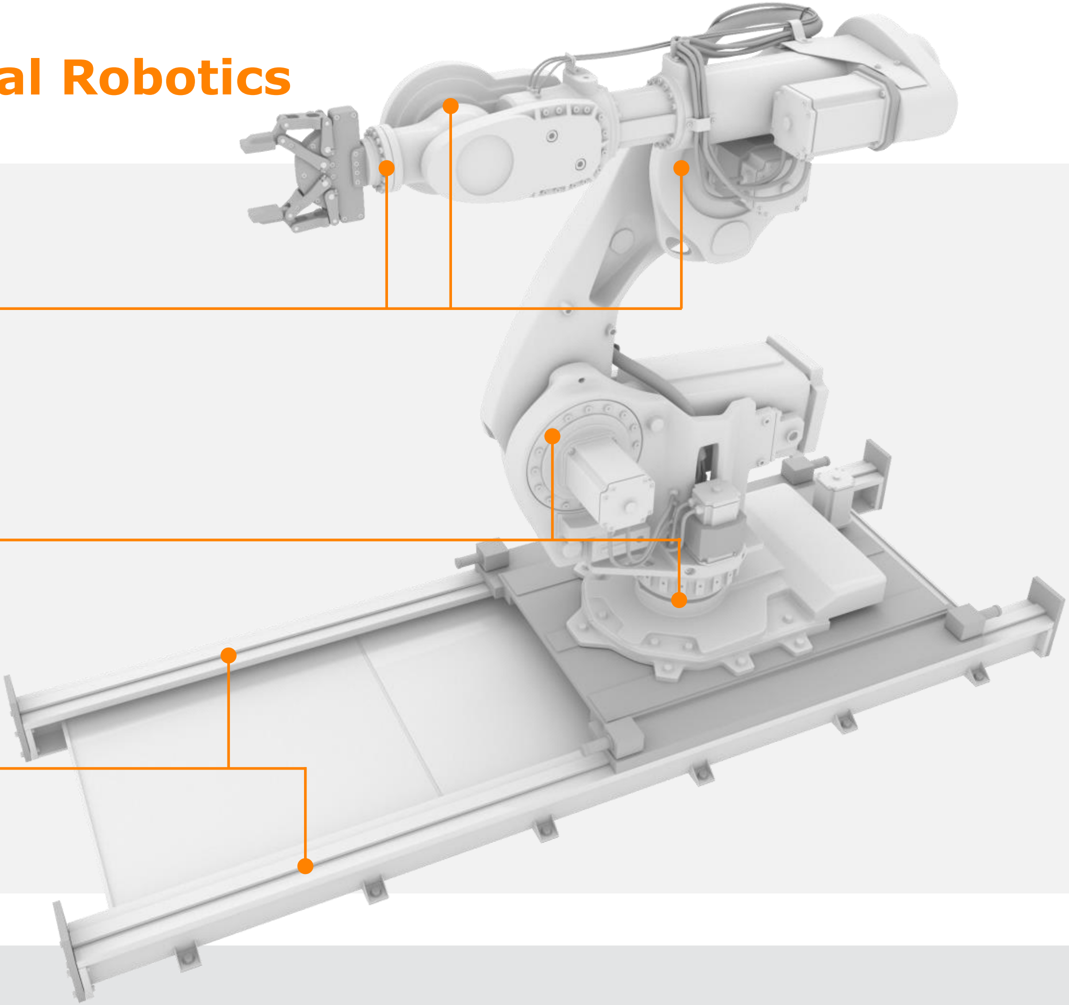


Solutions for Industrial Robotics

Cone Drive
Harmonic Gearing

Spinea
Cycloidal Reduction Gears

Rollon and iMS
Robotic Transfer Units



Global Industrial Automation

- Automation is Timken's 2nd largest individual end market, and growing
- Well-positioned to serve current and future global industrial automation trends
- Diverse product portfolio serves high-growth automation end-markets including lubrication, robotics, logistics, packaging, conveyance, medical and others
- With Groeneveld-BEKA, Timken is the world's 2nd largest producer of automatic lubrication systems
- Expect above-GDP growth broadly across this sector moving forward, driven by strong market macros and Timken outgrowth initiatives

AUTOMATIC LUBRICATION SYSTEMS

- Spinea Cycloidal Reduction Gears
- Cone Drive Harmonic Gearing
- Rollon Robotic Transfer Units
- Timken Sensors/Encoders

INDUSTRIAL ROBOTICS

- Timken Sensors/Encoders
- Rollon Telescopic Rails
- Timken Mounted, Ball and Tapered Roller Bearings
- Timken Belts and Diamond Chain

AUTOMATED WAREHOUSES

- Timken Sensors/Encoders
- Rollon Telescopic Rails
- Timken Tapered Roller Bearings

AUTONOMOUS GUIDED VEHICLES (AGV)

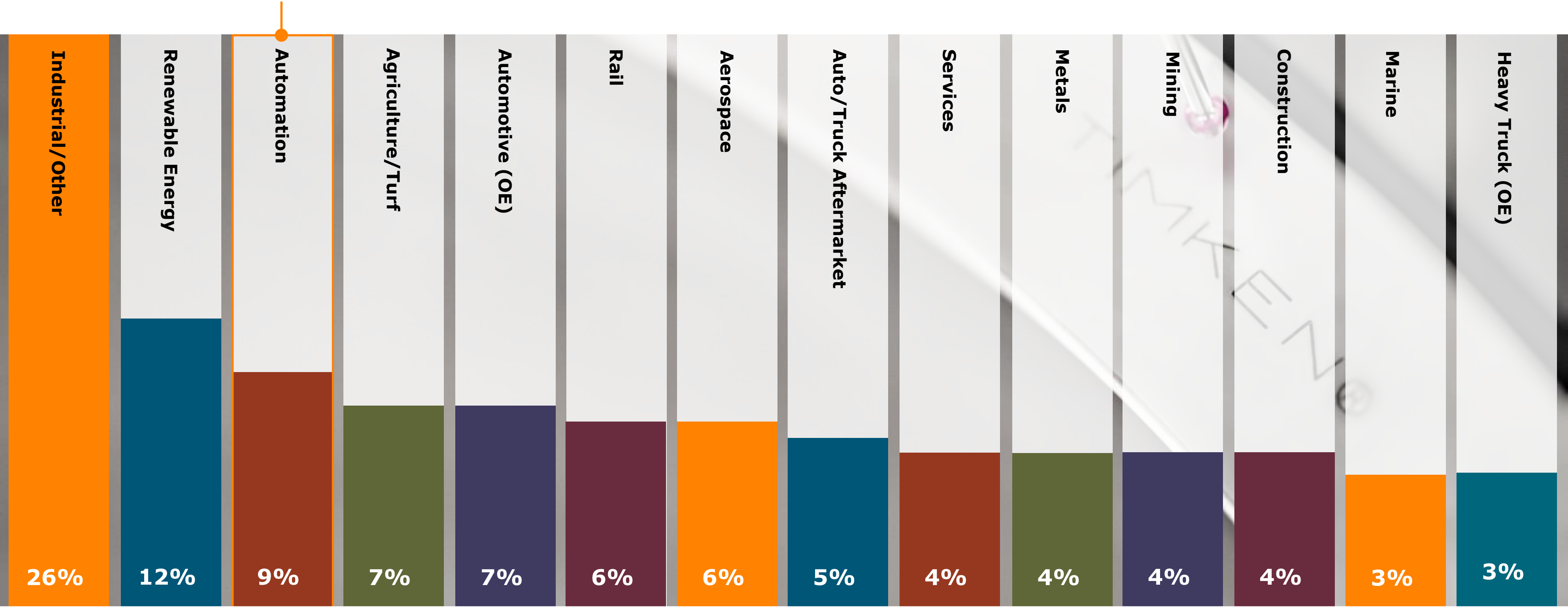
- Cone Drive Harmonic Gearing
- Rollon Actuators
- Timken Precision Ball Bearings

SURGICAL ROBOTICS

Serving an Attractive and Diverse End-Market Sector Mix

(End-market sector sales mix based on 2021 full year actual sales)

AUTOMATION IS OUR 2ND LARGEST INDIVIDUAL END-MARKET SECTOR – PRIOR TO THE ACQUISITION OF SPINEA



Certain data contained in the bar charts above has been rounded for presentation purposes.

Key Takeaways

Looking back on 1Q-22

- Record revenue and adjusted EPS performance, with strong operating margin performance
  - Adjusted EBITDA margin of 20.0%, despite supply chain disruptions and inflationary pressures
  - Improved operational execution
  - Strong price realization
- Increase in share buybacks – repurchased 1.5M shares (~2% of total shares outstanding)

Looking ahead

- Remain focused on serving customers and driving profitable growth strategy in this dynamic environment
- Strong price realization mitigating inflationary pressures
- Environment remains uncertain – i.e., Russia-Ukraine war, China COVID-19 lockdowns and related indirect impacts
  - Outlook assumes a greater impact from supply chain disruptions and inflationary pressures for the rest of 2022
  - Timken well-positioned to deliver strong results through changing economic conditions
- Continue to drive operational excellence initiatives and other tactics to mitigate higher costs and other headwinds
- CapEx focused on advancing long-term growth initiatives and driving labor efficiencies
- Capital allocation to be accretive to earnings growth

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The Timken Company

Financial Performance

Phil Fracassa

Executive Vice President and Chief Financial Officer

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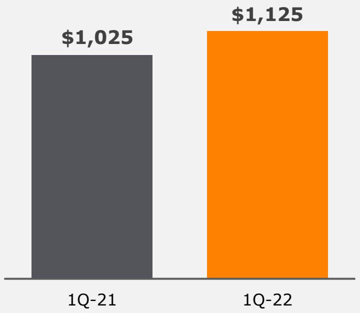
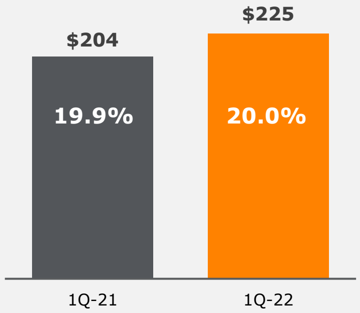
1Q 2022 Financial Overview

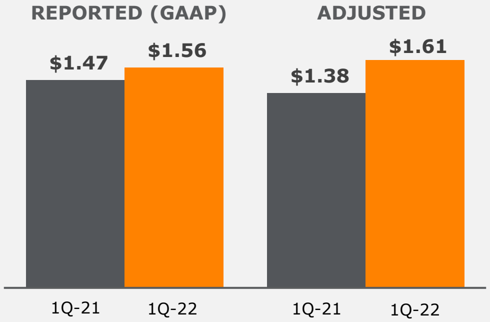
Net Sales ($M)



Adjusted EBITDA ($M)



Earnings Per Share



Record sales of $1.125 billion, up approximately 10% from 1Q-21

- Increase driven by growth across most end-market sectors and the impact of higher pricing

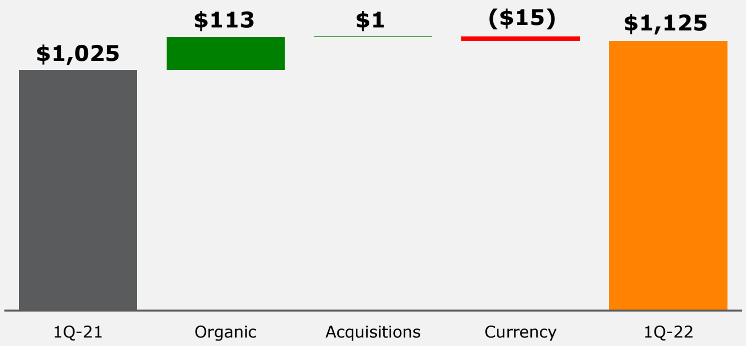
Adjusted EBITDA margin of 20.0%, up 10 bps from 1Q-21

- Strong EBITDA margin performance, with the impact of higher volume and favorable price/mix offsetting significantly higher operating costs

First quarter adjusted EPS of $1.61 per diluted share (a quarterly record), up 17% from 1Q-21

See appendix for reconciliations of adjusted EBITDA, adjusted EBITDA margin and adjusted EPS to their most directly comparable GAAP financial measures.

1Q 2022 Financial Highlights - Sales



Sales of $1.125 billion, up 9.7% from a year ago

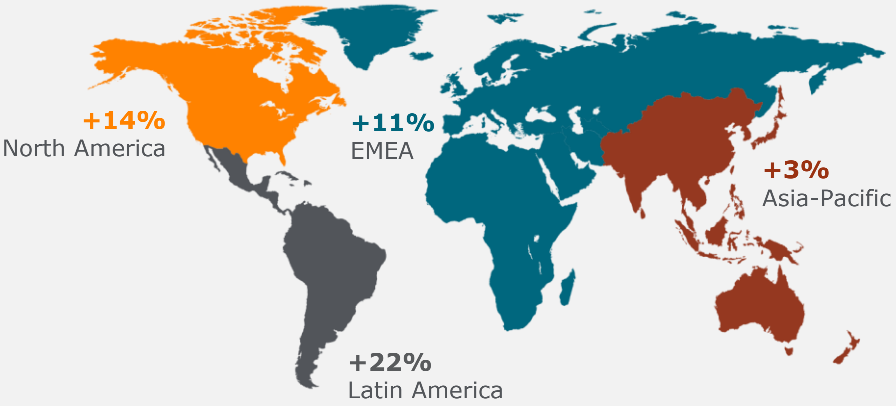
- Organically, revenue was up 11.0% in the quarter
- Currency was negative 1.5%; modest contribution from iMS

Organic revenue up in all regions

- Double-digit organic growth in the Americas and EMEA

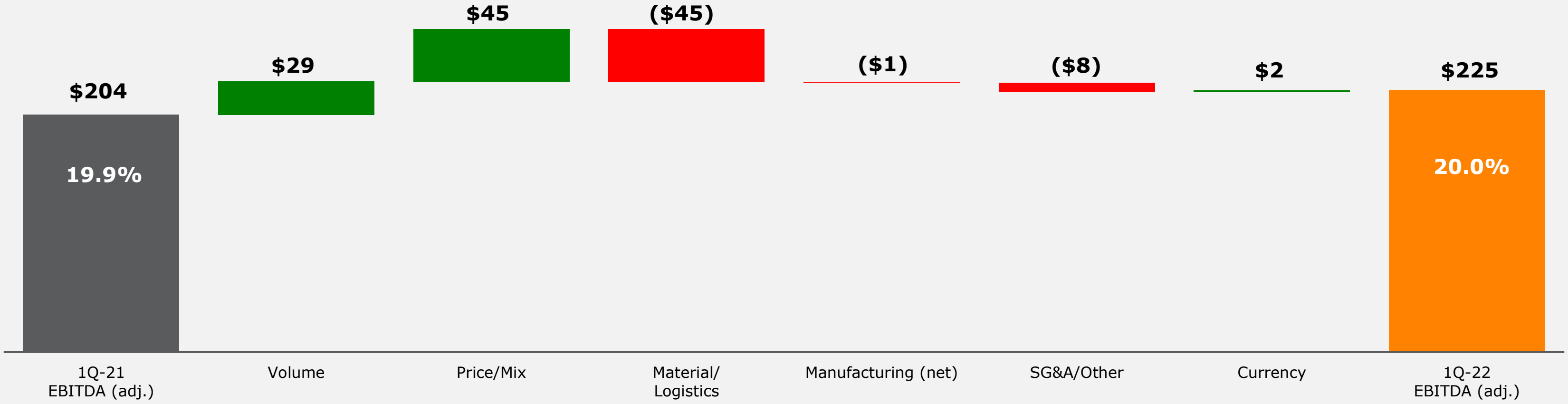
1Q-22 vs. 1Q-21 SALES BY GEOGRAPHY – ORGANIC

(Excludes Acquisitions and Currency Impact)



Certain data contained in the bar graph above has been rounded for presentation purposes.

1Q 2022 Financial Comparison – Adjusted EBITDA



Adjusted EBITDA of $225 million or 20.0% of sales compared with $204 million or 19.9% of sales in the same period a year ago

- The increase in adjusted EBITDA reflects the impact of higher volume and favorable price/mix, partially offset by higher operating costs
- Price-mix fully offset the significant increase in material & logistics costs in the quarter
- SG&A expense up in dollars to support sales growth; down as a percentage of sales

Certain data contained in the bar graph above has been rounded for presentation purposes. See appendix for reconciliations of adjusted EBITDA and adj. EBITDA margin to their most directly comparable GAAP financial measures.

1Q 2022 Financial Comparison – Net Income & Diluted EPS

	1Q-21		1Q-22	
	$M	EPS	$M	EPS
Net Income / EPS	$113.3	$1.47	$118.2	$1.56
Adjustments	(6.6)	(0.09)	3.5	0.05
Adjusted Net Income / Adjusted EPS	$106.7	$1.38	$121.7	$1.61
Average diluted shares outstanding:	77.3 million		75.5 million	
GAAP tax rate:	17.9%		23.9%	
Adjusted tax rate:	25.5%		25.5%	

Adjusted EPS of $1.61, up 17% from the prior year
- Net interest expense of $13.7 million in the quarter, down slightly from $14.4 million in 1Q-21
- Average diluted shares down YOY reflecting share buybacks

GAAP tax rate of 23.9% in 1Q-22, versus rate of 17.9% in 1Q-21
- Higher rate reflects a more favorable impact from discrete tax items in the prior year

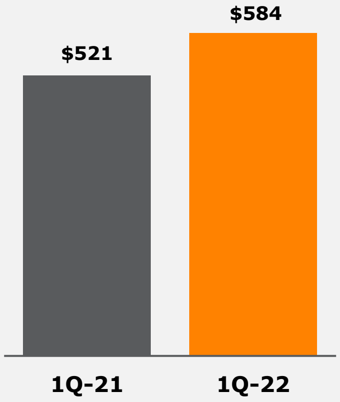
Adjusted tax rate of 25.5% in 1Q-22, consistent with prior year
- Currently expect FY 2022 adj. tax rate of ~25.5% (~25% prior) driven by geographic mix and higher US effective rate

See appendix for reconciliations of adjusted net income and adjusted EPS to their most directly comparable GAAP financial measures. Certain data above has been rounded for presentation purposes.

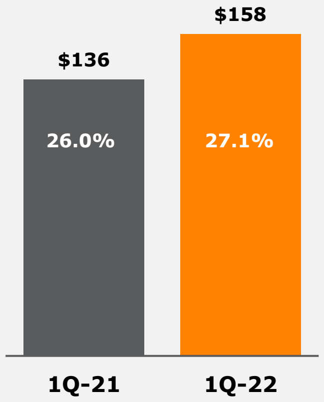
1Q 2022 Segment Performance

Process Industries

Net Sales ($M)



Adjusted EBITDA ($M)



Sales of $584 million, up 12.2% from the same period last year

- Organically, sales up 13.1% YOY: distribution and general industrial posted the largest gains; heavy industries, marine and services also up; renewable energy down (as expected); pricing positive
- Drives & Gears posted the strongest percentage gain among non-bearing product lines
- Sales down 1.1% from currency

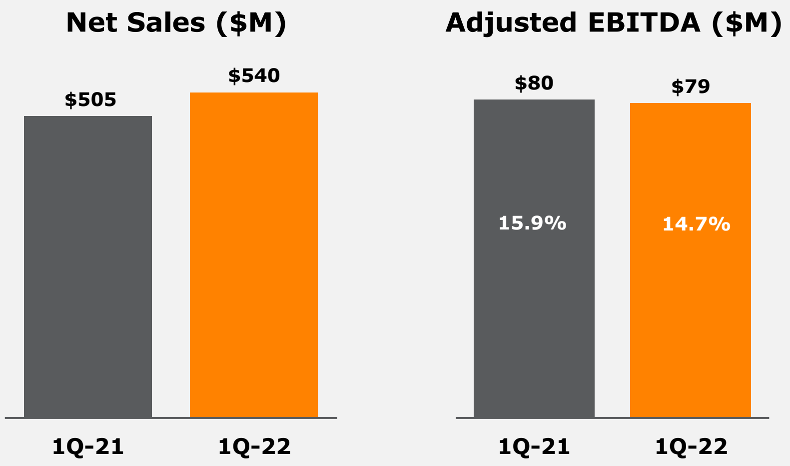
Adjusted EBITDA of $158 million, or 27.1% of sales

- Increase in adjusted EBITDA reflects the impact of higher volume and favorable price/mix, partially offset by higher operating costs

See appendix for reconciliations of adjusted EBITDA and adjusted EBITDA margin to their most directly comparable GAAP financial measures.
Certain data presented above has been rounded for presentation purposes.

1Q 2022 Segment Performance

Mobile Industries



Sales of $540 million, up 7.1% from the same period last year

- Organically, sales up 8.9% YOY: off-highway up significantly; rail also up; aerospace and heavy-truck up slightly; automotive down modestly (tough comp.); pricing positive
- Sales down 1.8% from currency

Adjusted EBITDA of $79 million, or 14.7% of sales

- Slight decrease in adjusted EBITDA reflects the impact of higher operating costs, mostly offset by higher volume and positive price/mix
- Significant increase in adj. EBITDA margin from 4Q-21 levels driven by meaningful improvement in price-cost performance and higher volume

See appendix for reconciliations of adjusted EBITDA and adjusted EBITDA margin to their most directly comparable GAAP financial measures.
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Cash Flow, Leverage & Capital Allocation

($M)	1Q-21	1Q-22
Net Cash from Operations	**$31.7**	**($1.2)**
Capital Expenditures	**(29.4)**	**(34.3)**
Free Cash Flow (FCF)	**$2.3**	**($35.5)**

1Q-22 FCF reflects higher working capital to support sales growth and customer service levels

Capital Structure ($M)	12/31/21	03/31/22
Cash	**$257**	**$424**
Total Debt	**1,465**	**1,788**
Net Debt	**$1,208**	**$1,364**
Adjusted EBITDA (TTM)	**$718**	**$739**
Net Debt/Adj. EBITDA	**1.7x**	**1.8x**

Commentary:

- 1Q is normally a seasonally low quarter for free cash flow; expect significant step-up from 1Q over the rest of the year
- Paid 399th consecutive quarterly dividend of $0.30/share in 1Q-22
- Repurchased 1.5 million shares during the first quarter
- Net debt/adj. EBITDA of 1.8x as of March 31 (TTM)
  - Near low-end of 1.5-2.5x targeted range
  - Gross debt reflects March bond issuance ($350M, 4.125%, 10 years)

FY-22 Outlook:

- CapEx of 4.0-4.5% of sales; spend supports long-term growth and operational excellence initiatives, incl. labor efficiencies
- FY-22 net interest expense: ~$65M (pre-tax)
- Continue to pay an attractive dividend(1)
- Drive profitable growth strategy with accretive M&A
- Share buyback remains an attractive option

Free cash flow is defined as net cash provided by operating activities minus capital expenditures.
See appendix for reconciliations of net debt, adjusted EBITDA and net debt/adjusted EBITDA to their most directly comparable GAAP equivalents.
(1) Subject to Board approval

2022 Outlook

	PRIOR OUTLOOK (FEB. 3, 2022)	CURRENT OUTLOOK (MAY 2, 2022)
Net Sales	~+10%	~+8%
Adjusted EPS	$5.00 to $5.40	$5.00 to $5.40
Free Cash Flow	~70% conversion	~65% conversion

CURRENT OUTLOOK: FULL YEAR 2022 vs. 2021

Total sales up ~8% for the year (organic: +10%; FX: -2%)

- Higher demand across most end markets and positive pricing
- Reflects unfavorable impact from suspending operations in Russia
- Does not include Spinea acquisition (expected closing June)

Adj. EBITDA margin flattish YOY at the mid-point

- Positive impact from higher volume and price-mix
- Higher operating costs, including labor and energy inflation
- Assumes a greater impact from supply chain and inflationary pressures for the rest of 2022, compared to prior outlook

Adj. EPS up 10% at the mid-point compared to 2021

- Holding EPS guidance
- Assumes full-year adjusted tax rate of ~25.5% (~25% prior)
- Higher interest expense
- Positive impact from Q1 share repurchases

Free cash flow conversion expected to be roughly 65% of adj. net income

EPS outlook does not include the impact of any potential mark-to-market pension remeasurement adjustments. See appendix for reconciliations of adjusted EPS and free cash flow conversion to their most directly comparable GAAP financial measures. Free cash flow is defined as net cash provided by operating activities minus capital expenditures.

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The Timken Company

Appendix: GAAP Reconciliations

Advancing as a Global Industrial Leader

Supplemental Information: EBITDA Adjustments and Depreciation & Amortization by Segment

(Unaudited)

(Dollars in millions)	**Three Months Ended March 31, 2022**				Three Months Ended March 31, 2021			
	Mobile Industries	**Process Industries**	**Corporate**	**Timken**	Mobile Industries	Process Industries	Corporate	Timken
Cost of products sold	**$ 1.1**	**$ 0.6**	**$ —**	**$ 1.7**	$ 0.3	$ 0.9	$ —	$ 1.2
Selling, general and administrative expense	**2.0**	**1.9**	**0.7**	**4.6**	—	—	(0.5)	(0.5)
Impairment and restructuring charges	**1.0**	**—**	**—**	**1.0**	0.2	3.8	—	4.0
Other expense (income), net	**—**	**—**	**2.6**	**2.6**	—	—	0.3	0.3
Total Adjustments to EBITDA	**$ 4.1**	**$ 2.5**	**$ 3.3**	**$ 9.9**	$ 0.5	$ 4.7	$ (0.2)	$ 5.0

(Unaudited)

(Dollars in millions)	**Three Months Ended March 31, 2022**				Three Months Ended March 31, 2021			
	Mobile Industries	**Process Industries**	**Corporate**	**Timken**	Mobile Industries	Process Industries	Corporate	Timken
Depreciation and amortization expense (GAAP)	**$ 19.2**	**$ 21.9**	**$ 0.3**	**$ 41.4**	$ 20.4	$ 22.3	$ 0.3	$ 43.0
Adjusted depreciation and amortization expense	**19.2**	**21.9**	**0.3**	**41.4**	20.4	22.0	0.3	42.7
Total Adjustments to Depreciation and Amortization	**$ —**	**$ —**	**$ —**	**$ —**	$ —	$ 0.3	$ —	$ 0.3
Total Adjustments to Income Before Income Taxes	**$ 4.1**	**$ 2.5**	**$ 3.3**	**$ 9.9**	$ 0.5	$ 5.0	$ (0.2)	$ 5.3

GAAP Reconciliation: Net Income & EPS

Reconciliations of Adjusted Net Income to GAAP Net Income and Adjusted Earnings Per Share to GAAP Earnings Per Share:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's performance deemed useful to investors. Management believes that the non-GAAP measures of adjusted net income and adjusted diluted earnings per share are important financial measures used in the management of the business, including decisions concerning the allocation of resources and assessment of performance. Management believes that reporting adjusted net income and adjusted diluted earnings per share is useful to investors as these measures are representative of the Company's core operations.

(Dollars in millions, except share data)	**Three Months Ended March 31,**			
	2022	**EPS**	2021	EPS
Net Income Attributable to The Timken Company	**$ 118.2**	**$ 1.56**	$ 113.3	$ 1.47
Adjustments: (1)				
Impairment, restructuring and reorganization charges (2)	**$ 1.6**		$ 5.2	
Corporate pension and other postretirement benefit related expense (3)	**2.6**		0.9	
Acquisition-related charges (gain) (4)	**1.1**		(0.8)	
Russia-related charges (5)	**4.6**		—	
Noncontrolling interest of above adjustments	**(1.3)**		0.2	
Provision for income taxes (6)	**(5.1)**		(12.1)	
Total Adjustments:	**3.5**	**0.05**	(6.6)	(0.09)
Adjusted Net Income Attributable to The Timken Company	**$ 121.7**	**$ 1.61**	$ 106.7	$ 1.38

(1) Adjustments are pre-tax, with the net tax provision listed separately.

(2) Impairment, restructuring and reorganization charges (including items recorded in cost of products sold) relate to: (i) plant closures; (ii) the rationalization of certain plants; (iii) severance related to cost reduction initiatives and (iv) related depreciation and amortization. The Company re-assesses its operating footprint and cost structure periodically, and makes adjustments as needed that result in restructuring charges. However, management believes these actions are not representative of the Company's core operations.

(3) Corporate pension and other postretirement benefit related expense represents actuarial losses and (gains) that resulted from the remeasurement of plan assets and obligations as a result of changes in assumptions or experience. The Company recognizes actuarial losses and (gains) in connection with the annual remeasurement in the fourth quarter, or if specific events trigger a remeasurement. Refer to the Retirement Benefit Plans and Other Postretirement Benefit Plans footnotes within the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q for additional discussion.

(4) Acquisition-related charges (gain) represent the contingent consideration related to the acquisition of Intelligent Machine Solutions ("iMS") that closed on August 20, 2021, and deal-related expenses associated with completed and certain unsuccessful transactions, as well as any resulting inventory step-up impact. In addition, the 2021 acquisition-related gain includes measurement period adjustments to the bargain purchase gain on the acquisition of the assets of Aurora Bearing Company ("Aurora") that closed on November 30, 2020.

(5) Russia-related charges include allowances or impairments recorded against certain trade receivables, inventory and other assets to reflect the current impact of Russia's invasion of Ukraine (and associated sanctions) on the Company's operations. Refer to Russia Operations in Management Discussion and Analysis within the Company's quarterly report on Form 10-Q for additional information.

(6) Provision for income taxes includes the net tax impact on pre-tax adjustments (listed above), the impact of discrete tax items recorded during the respective periods as well as other adjustments to reflect the use of one overall effective tax rate on adjusted pre-tax income in interim periods.

GAAP Reconciliation: EBITDA and EBITDA, After Adjustments to GAAP Net Income

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Reconciliation of EBITDA to GAAP Net Income, EBITDA Margin to Net Income as a Percentage of Sales, and EBITDA Margin, After Adjustments, to Net Income as a Percentage of Sales, and EBITDA, After Adjustments, to Net Income:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's performance deemed useful to investors. Management believes consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP measure that is useful to investors as it is representative of the Company's performance and that it is appropriate to compare GAAP net income to consolidated EBITDA. Management also believes that adjusted EBITDA, adjusted EBITDA margin and EBITDA margin are useful to investors as they are representative of the Company's core operations and are used in the management of the business, including decisions concerning the allocation of resources and assessment of performance.

(Dollars in millions)	Three Months Ended March 31,			
	2022	**Percentage to Net Sales**	2021	Percentage to Net Sales
Net Income	**$ 121.9**	**10.8 %**	$ 116.0	11.3 %
Provision for income taxes	**38.2**		25.3	
Interest expense	**14.3**		14.9	
Interest income	**(0.6)**		(0.5)	
Depreciation and amortization	**41.4**		43.0	
Consolidated EBITDA	**$ 215.2**	**19.1 %**	$ 198.7	19.4 %
Adjustments:				
Impairment, restructuring and reorganization charges [(1)]	**$ 1.6**		$ 4.9	
Corporate pension and other postretirement benefit related expense [(2)]	**2.6**		0.9	
Acquisition-related charges (gain) [(3)]	**1.1**		(0.8)	
Russia-related charges [(4)]	**4.6**		—	
Total Adjustments	**9.9**	**0.9 %**	**5.0**	0.5 %
Adjusted EBITDA	**$ 225.1**	**20.0 %**	$ 203.7	19.9 %

(1) Impairment, restructuring and reorganization charges (including items recorded in cost of products sold) relate to: (i) plant closures; (ii) the rationalization of certain plants; and (iii) severance related to cost reduction initiatives. The Company re-assesses its operating footprint and cost structure periodically, and makes adjustments as needed that result in restructuring charges. However, management believes these actions are not representative of the Company's core operations.

(2) Corporate pension and other postretirement benefit related expense represents actuarial losses and (gains) that resulted from the remeasurement of plan assets and obligations as a result of changes in assumptions or experience. The Company recognizes actuarial losses and (gains) in connection with the annual remeasurement in the fourth quarter, or if specific events trigger a remeasurement. Refer to the Retirement Benefit Plans and Other Postretirement Benefit Plans footnotes within the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q for additional discussion.

(3) Acquisition-related charges (gain) represent the contingent consideration related to the acquisition of iMS that closed on August 20, 2021, and deal-related expenses associated with completed and certain unsuccessful transactions, as well as any resulting inventory step-up impact. In addition, the 2021 acquisition-related gain includes measurement period adjustments to the bargain purchase gain on the acquisition of the assets of Aurora that closed on November 30, 2020.

(4) Russia-related charges include allowances or impairments recorded against certain trade receivables, inventory and other assets to reflect the current impact of Russia's invasion of Ukraine (and associated sanctions) on the Company's operations. Refer to Russia Operations in Management Discussion and Analysis within the Company's quarterly report on Form 10-Q for additional information.

GAAP Reconciliation: Q4 2021 EBITDA and EBITDA, After Adjustments to GAAP Net Income

Reconciliation of EBITDA to GAAP Net Income, EBITDA Margin to Net Income as a Percentage of Sales, and EBITDA Margin, After Adjustments, to Net Income as a Percentage of Sales, and EBITDA, After Adjustments, to Net Income:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's performance deemed useful to investors. Management believes consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP measure that is useful to investors as it is representative of the Company's performance and that it is appropriate to compare GAAP net income to consolidated EBITDA. Management also believes that adjusted EBITDA, adjusted EBITDA margin and EBITDA margin are useful to investors as they are representative of the Company's core operations and are used in the management of the business, including decisions concerning the allocation of resources and assessment of performance.

(Dollars in millions)		Three Months Ended December 31,	
		2021	Percentage to Net Sales
Net Income	$	66.7	6.6 %
Provision for income taxes		20.0	
Interest expense		13.8	
Interest income		(0.6)	
Depreciation and amortization		41.3	
Consolidated EBITDA	$	141.2	14.0 %
Adjustments:			
Impairment, restructuring and reorganization charges [1]	$	1.8	
Corporate pension and other postretirement benefit related income [2]		(8.0)	
Acquisition-related charges [3]		0.2	
Other, net		0.2	
Total Adjustments		(5.8)	(0.6)%
Adjusted EBITDA	$	135.4	13.4 %

[1] Impairment, restructuring and reorganization charges (including items recorded in cost of products sold) relate to: (i) plant closures; (ii) the rationalization of certain plants; and (iii) severance related to cost reduction initiatives. The Company re-assesses its operating footprint and cost structure periodically, and makes adjustments as needed that result in restructuring charges. However, management believes these actions are not representative of the Company's core operations.

[2] Corporate pension and other postretirement benefit related income represents actuarial gains that resulted from the remeasurement of plan assets and obligations as a result of changes in assumptions or experience. The Company recognizes actuarial (gains) and losses in connection with the annual remeasurement in the fourth quarter, or if specific events trigger a remeasurement. Refer to the Retirement Benefit Plans and Other Postretirement Benefit Plans footnotes within the Company's annual reports on Form 10-K and quarterly reports on Form 10-Q for additional discussion.

[3] Acquisition-related charges represent deal-related expenses associated with completed and certain unsuccessful transactions, as well as any resulting inventory step-up impact.

GAAP Reconciliation: Segment EBITDA & EBITDA Margin

Reconciliation of segment EBITDA Margin, After Adjustments, to segment EBITDA as a Percentage of Sales and segment EBITDA, After Adjustments, to segment EBITDA:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's Mobile Industries and Process Industries segment performance deemed useful to investors. Management believes that non-GAAP measures of adjusted EBITDA and adjusted EBITDA margin for the segments are useful to investors as they are representative of each segment's core operations and are used in the management of the business, including decisions concerning the allocation of resources and assessment of performance.

Mobile Industries

	Three Months Ended March 31,			
(Dollars in millions)	**2022**	**Percentage to Net Sales**	2021	Percentage to Net Sales
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**$ 75.1**	**13.9 %**	$ 79.6	15.8 %
Impairment, restructuring and reorganization charges (1)	**1.0**		0.3	
Acquisition-related charges (2)	**—**		0.2	
Russia-related charges (3)	**3.1**		—	
Adjusted EBITDA	**$ 79.2**	**14.7 %**	**$ 80.1**	15.9 %

Process Industries

	Three Months Ended March 31,			
(Dollars in millions)	**2022**	**Percentage to Net Sales**	2021	Percentage to Net Sales
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**$ 155.6**	**26.6 %**	$ 131.0	25.1 %
Impairment, restructuring and reorganization charges (1)	**0.6**		4.6	
Acquisition-related charges (2)	**0.4**		0.1	
Russia-related charges (3)	**1.5**		—	
Adjusted EBITDA	**$ 158.1**	**27.1 %**	$ 135.7	26.0 %

(1) Impairment, restructuring and reorganization charges (including items recorded in cost of products sold) relate to: (i) plant closures; (ii) the rationalization of certain plants; and (iii) severance related to cost reduction initiatives. The Company re-assesses its operating footprint and cost structure periodically, and makes adjustments as needed that result in restructuring charges. However, management believes these actions are not representative of the Company’s core operations.

(2) The acquisition-related charges represent contingent consideration related to the acquisition of iMS that closed on August 20, 2021 and the inventory step-up impact of the acquisitions.

(3) Russia-related charges include allowances or impairments recorded against certain trade receivables, inventory and other assets to reflect the current impact of Russia's invasion of Ukraine (and associated sanctions) on the Company's operations. Refer to Russia Operations in Management Discussion and Analysis within the Company's quarterly report on Form 10-Q for additional information.

GAAP Reconciliation: Net Debt & Free Cash Flow

Reconciliation of Total Debt to Net Debt, the Ratio of Net Debt to Capital, and the Ratio of Net Debt to Adjusted EBITDA:

(Unaudited)

These reconciliations are provided as additional relevant information about the Company's financial position deemed useful to investors. Capital, used for the ratio of net debt to capital, is a non-GAAP measure defined as total debt less cash and cash equivalents plus total shareholders' equity. Management believes Net Debt, the Ratio of Net Debt to Capital, Adjusted EBITDA (see above), and the Ratio of Net Debt to Adjusted EBITDA are important measures of the Company's financial position, due to the amount of cash and cash equivalents on hand. The Company presents net debt to adjusted EBITDA because it believes it is more representative of the Company's financial position as it is reflective of the ability to cover its net debt obligations with results from its core operations.

(Dollars in millions)

		March 31, 2022		December 31, 2021
Short-term debt, including current portion of long-term debt	**$**	**41.0**	$	53.8
Long-term debt		**1,747.2**		1,411.1
Total Debt	**$**	**1,788.2**	$	1,464.9
Less: Cash and cash equivalents		**(424.5)**		(257.1)
Net Debt	**$**	**1,363.7**	$	1,207.8
Total Equity	**$**	**2,358.2**	$	2,377.7
Ratio of Net Debt to Capital		**36.6 %**		33.7 %
Adjusted EBITDA for the Twelve Months Ended	**$**	**739.4**	$	718.0
Ratio of Net Debt to Adjusted EBITDA		**1.8**		1.7

Reconciliation of Free Cash Flow to GAAP Net Cash Provided by Operating Activities:

(Unaudited)

Management believes that free cash flow is a non-GAAP measure that is useful to investors because it is a meaningful indicator of cash generated from operating activities available for the execution of its business strategy.

(Dollars in millions)

		Three Months Ended March 31,		
		2022		2021
Net cash (used in) provided by operating activities	**$**	**(1.2)**	$	31.7
Less: capital expenditures		**(34.3)**		(29.4)
Free cash flow	**$**	**(35.5)**	$	2.3

GAAP Reconciliation: Consolidated EBITDA

Reconciliation of EBITDA and EBITDA, After Adjustments, to GAAP Net Income:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's performance deemed useful to investors. Management believes consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP measure that is useful to investors as it is representative of the Company's performance and that it is appropriate to compare GAAP net income to consolidated EBITDA. Management also believes that the non-GAAP measure of adjusted EBITDA is useful to investors as it is representative of the Company's core operations and is used in the management of the business, including decisions concerning the allocation of resources and assessment of performance.

(Dollars in millions)	**Twelve Months Ended March 31, 2022**	Twelve Months Ended December 31, 2021
Net Income	**$ 387.4**	$ 381.5
Provision for income taxes	**108.0**	95.1
Interest expense	**58.2**	58.8
Interest income	**(2.4)**	(2.3)
Depreciation and amortization	**166.2**	167.8
Consolidated EBITDA	**$ 717.4**	$ 700.9
Adjustments:		
Impairment, restructuring and reorganization charges [(1)]	**$ 11.0**	$ 14.3
Corporate pension and other postretirement benefit related expense [(2)]	**2.0**	0.3
Acquisition-related charges [(3)]	**4.2**	2.3
Russia-related charges [(4)]	**4.6**	—
Tax indemnification and related items	**0.2**	0.2
Total Adjustments	**22.0**	17.1
Adjusted EBITDA	**$ 739.4**	$ 718.0

[(1)] Impairment, restructuring and reorganization charges (including items recorded in cost of products sold) relate to: (i) plant closures; (ii) the rationalization of certain plants and (iii) severance related to cost reduction initiatives. The Company re-assesses its operating footprint and cost structure periodically, and makes adjustments as needed that result in restructuring charges. However, management believes these actions are not representative of the Company's core operations.

[(2)] Corporate pension and other postretirement benefit related expense represents actuarial losses and (gains) that resulted from the remeasurement of plan assets and obligations as a result of changes in assumptions or experience. The Company recognizes actuarial losses and (gains) in connection with the annual remeasurement in the fourth quarter, or if specific events trigger a remeasurement.

[(3)] Acquisition-related charges represent contingent consideration related to the acquisition of iMS that closed on August 20, 2021, and deal-related expenses associated with completed and certain unsuccessful transactions, as well as any resulting inventory step-up impact. Also included is the acquisition-related gain related to measurement period adjustments to the bargain purchase gain on the acquisition of the assets of Aurora that closed on November 30, 2020.

[(4)] Russia-related charges include allowances or impairments recorded against certain trade receivables, inventory and other assets to reflect the current impact of Russia's invasion of Ukraine (and associated sanctions) on the Company's operations. Refer to Russia Operations in Management Discussion and Analysis within the Company's quarterly report on Form 10-Q for additional information.

GAAP Reconciliation: Adjusted EPS and FCF Conversion Outlook

Reconciliation of Adjusted Earnings per Share to GAAP Earnings per Share for Full Year 2022 Outlook:

(Unaudited)

The following reconciliation is provided as additional relevant information about the Company's outlook deemed useful to investors. Forecasted full year adjusted diluted earnings per share is an important financial measure that management believes is useful to investors as it is representative of the Company's expectation for the performance of its core business operations.

	Low End Earnings Per Share	High End Earnings Per Share
Forecasted full year GAAP diluted earnings per share	$ 4.85	$ 5.25
Forecasted Adjustments:		
Restructuring and other special items, net [1]	0.15	0.15
Total Adjustments:	$ 0.15	$ 0.15
Forecasted full year adjusted diluted earnings per share	$ 5.00	$ 5.40

[1] Restructuring and other special items, net do not include the impact of any potential mark-to-market pension and other postretirement remeasurement adjustments, because the amounts will not be known until incurred.

Reconciliation of Free Cash Flow Conversion on Adjusted Net Income to Free Cash Flow Conversion on GAAP Net Income for Full Year 2022 Outlook:

(Unaudited)

Forecasted full year free cash flow conversion on adjusted net income is a non-GAAP measure that is useful to investors because it is representative of the Company's expectation of cash that will be generated from operating activities and available for the execution of its business strategy.

	2022 Outlook
Free cash flow conversion on net income	67 %
Impact of adjustments	(2)%
Free cash flow conversion on adjusted net income	65 %