OVERVIEW OF LEANTEQ ACQUISITION

JULY 22, 2019

EnPro Industries



FORWARD-LOOKING STATEMENTS

Statements made in the course of this presentation that express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to uncertainties with respect to the timing of the closing of the acquisition of LeanTeq, including when and whether all conditions to closing will be satisfied, uncertainties with respect to the future performance of LeanTeq following its acquisition by EnPro, including the impact of the acquisition on existing customer relationships, uncertainties with respect to general economic conditions in the markets it serves and the impact of fluctuations in relevant foreign currency exchange rates, as well as the following uncertainties and risks with respect to EnPro: general economic conditions in the markets served by EnPro's businesses, some of which are cyclical and experience periodic downturns; prices and availability of its raw materials; the impact of fluctuations in relevant foreign currency exchange rates; unanticipated delays or problems in introducing new products; the incurrence of contractual penalties for the late delivery of long lead-time products; announcements by competitors of new products, services or technological innovations; changes in its pricing policies or the pricing policies of its competitors; and the amount of any payments required to satisfy contingent liabilities related to discontinued operations of its predecessors, including liabilities for certain products, environmental matters, employee benefit obligations and other matters. EnPro's filings with the Securities and Exchange Commission, including its most recent Form 10-K, describe these and other risks and uncertainties in more detail. EnPro does not undertake to update any forward-looking statements made in this press release to reflect any change in management's expectations or any change in the assumptions or circumstances on which such statements are based.

We own a number of direct and indirect subsidiaries and, from time to time, we may refer collectively to EnPro and one or more of our subsidiaries as "we" or to the businesses, assets, debts or affairs of EnPro or a subsidiary as "ours." These and similar references are for convenience only and should not be construed to change the fact that EnPro and each subsidiary is an independent entity with separate management, operations, obligations and affairs.

This presentation also contains certain non-GAAP financial measures as defined by the Securities and Exchange Commission. A reconciliation of historical non-GAAP measures to the most directly comparable GAAP equivalents is included as an appendix to this presentation.

LEANTEQ INTRODUCTION

濂達科技有限公司
LeanTeq Co., Ltd



ENPRO (NYSE: NPO) | ATTRACTIVE PORTFOLIO OF BUSINESSES

Company Overview

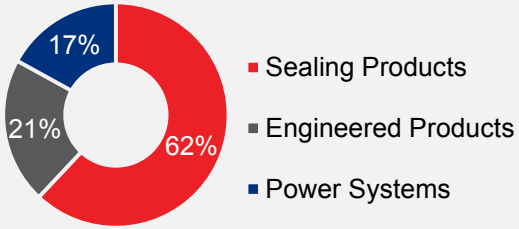
Headquarters	**Charlotte, NC**
Manufacturing Facilities	**30 primary**
Global Employees	**~6,000**
Customers	**50,000+**

Financial Overview

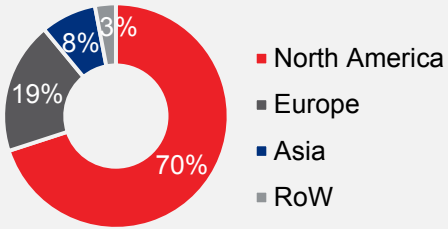
Market-Cap[1]	**$1.3B**
Revenue[2]	**$1.5B**
Adj. EBITDA (Margin)[2]	**$209M (13.7%)**
2018 Aftermarket Rev.	**52%**
Dividend Yield[1]	**1.6%**

2018 Revenue Contribution

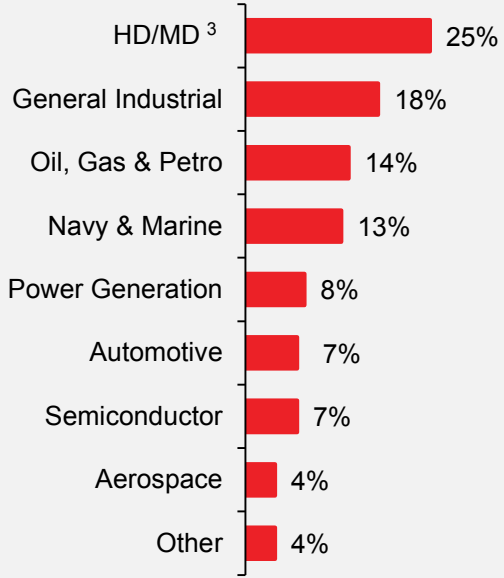
SALES BY SEGMENT



SALES BY GEOGRAPHY



SALES BY MARKET



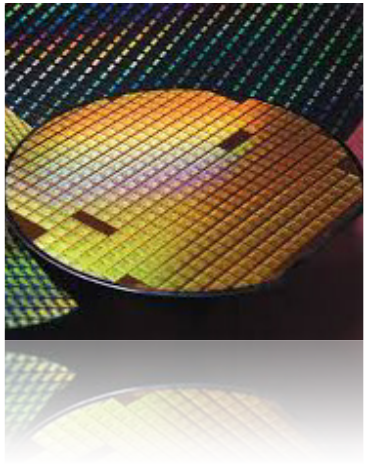
Leading Provider of Highly-Engineered Solutions for Mission Critical Applications with #1-3 Market Positions

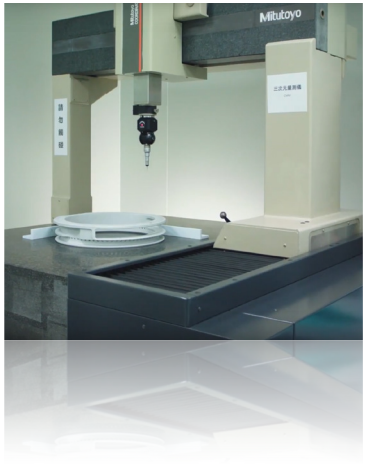
[1] Trading metrics as of 7/19/19; [2] LTM (3/31/19); [3] Heavy-duty and Medium-duty trucks.

LEANTEQ ADDS SIGNIFICANT VALUE TO OUR PORTFOLIO

Strengthens and expands EnPro's existing $100M+ presence in the semiconductor industry, with a primary focus on the aftermarket	Adds proprietary technology, capabilities and a highly differentiated service offering for semiconductor manufacturing equipment	Aligns with EnPro's growth strategy and fits its acquisition criteria with a focus on technical expertise, niche markets, mission-critical applications and significant aftermarket contribution	Compelling growth and margin profile with consistent cash generation track record	Expected to be accretive to adjusted EPS in the first full year following closing











ACQUISITION MEETS BOTH M&A AND GROWTH OBJECTIVES

LEANTEQ COMPLEMENTS ENPRO'S M&A CRITERIA

STRATGIC FIT

- ✓ Highly engineered products with mission-critical applications; "high-value niches"
- ✓ IP-rich / proprietary technology and know-how
- ✓ Attractive and growing end markets; cycle resistant
- ✓ Experienced management team with proven track record

SYNERGIES

- ✓ Product, technology, customer, channel and/or operating synergies

FINANCIAL PROFILE

- ✓ Favorable margins with attractive free cash flow profile
- ✓ Expected to be accretive to adjusted EPS in the first full year following closing

Semiconductor | **Aerospace** | **Hygienic**

ENPRO GROWTH OBJECTIVES



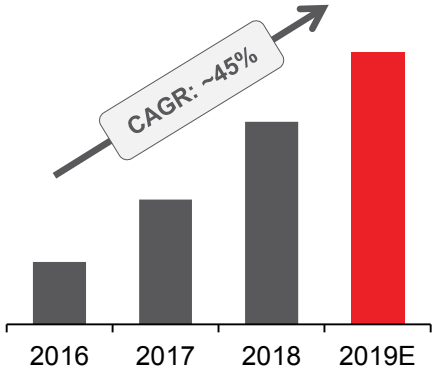
Disciplined Approach to Delivering Shareholder Value

LEANTEQ AT A GLANCE

KEY STATISTICS

Founded	2011
Global Employees	260
Facilities	3 (2 Taiwan, 1 U.S.)

REVENUE ($M)



2018 REVENUE CONTRIBUTION

65% USED KITS/PARTS[1]

- Aftermarket / refurbishment
- Chip manufacturers send kits/parts from their process chambers to LeanTeq to be cleaned, coated and tested according to specifications
- Serves the aftermarket through OEM partnership

35% NEW KITS/PARTS[1]

- OEMs send new kits/parts to LeanTeq to be cleaned, coated, tested and verified before the kits/parts are integrated into new process tools

Leading Provider of Cleaning, Testing and Verification Services for Advanced Semiconductor Technology Nodes

[1] % of 2018 Revenue.

COMPELLING STRATEGIC AND FINANCIAL BENEFITS

1 PROPRIETARY CAPABILITIES AND TECHNOLOGY	Maintains a market-leading position with highly differentiated, proprietary technology and processes, and a commitment to stringent technical specifications; LeanTeq is a leader in cleaning for advanced nodes.
2 GROWTH ACCELERATION	Serves the faster-growing advanced technology node market, which is expected to grow 4.5x faster than the broader market through 2025[1], that is benefiting from demand for the latest smartphone technology, autonomous vehicles, high-speed wireless connectivity (5G), artificial intelligence, and other leading-edge applications
3 STRONG CUSTOMER RELATIONSHIPS	Unique value proposition, including fast turnaround times and improved yield rates, has resulted in strategic relationships with leading semiconductor companies
4 EXPERIENCED LEADERSHIP	Senior executives, who will continue with the business after closing, possess an average of over 20 years of semiconductor industry experience, both in Asia and the U.S., resulting in deep domain expertise and industry relationships
5 COMPELLING FINANCIAL PROFILE	Strong recurring revenue given aftermarket focus; expected double-digit growth rate; insulation from industry and economic cyclicality; consistent cash generation; and high return on operating capital

[1] Source: International Business Strategies, Wall Street Research

HIGHLY DIFFERENTIATED, TECHNICAL SERVICE OFFERING

PROPRIETARY, TECHNOLOGY-ENABLED PROCESS

- End-to-end, multi-phase process designed around quality measurement and control
- Detailed documentation at every phase
- Proprietary software application enables real-time tracking from point of receipt at facility to point of delivery to customer

INDUSTRY-LEADING TECHNICAL QUALIFICATIONS

- Cleaning of critical parts for advanced nodes
- 7 “Class 100” clean rooms with “Class 10” mini environments in Taiwan
- Certified by Tier 1 OEM as the regional failure analysis lab



LeanTeq has Developed an Advantaged Position

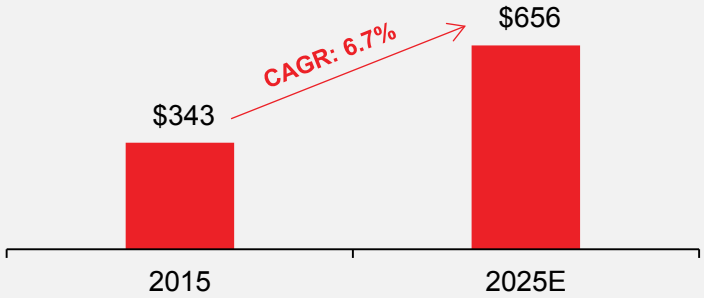
2

HIGHLY ATTRACTIVE MARKET DYNAMICS

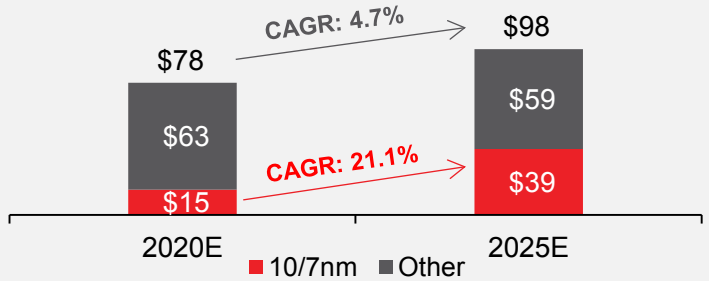
KEY TRENDS

- Increased demand for semiconductor logic and memory due to the rapidly expanding digital economy
  - Smartphones
  - Autonomous vehicles
  - High-speed wireless connectivity (5G)
  - Artificial intelligence
- Advanced technology nodes expected to grow materially faster than overall semiconductor market
  - Continued demand for advanced technology nodes
- By 2025, advanced nodes expected to represent ~50% of overall foundry market

Global Semiconductor Wafer Market[1] ($B) (Aftermarket)



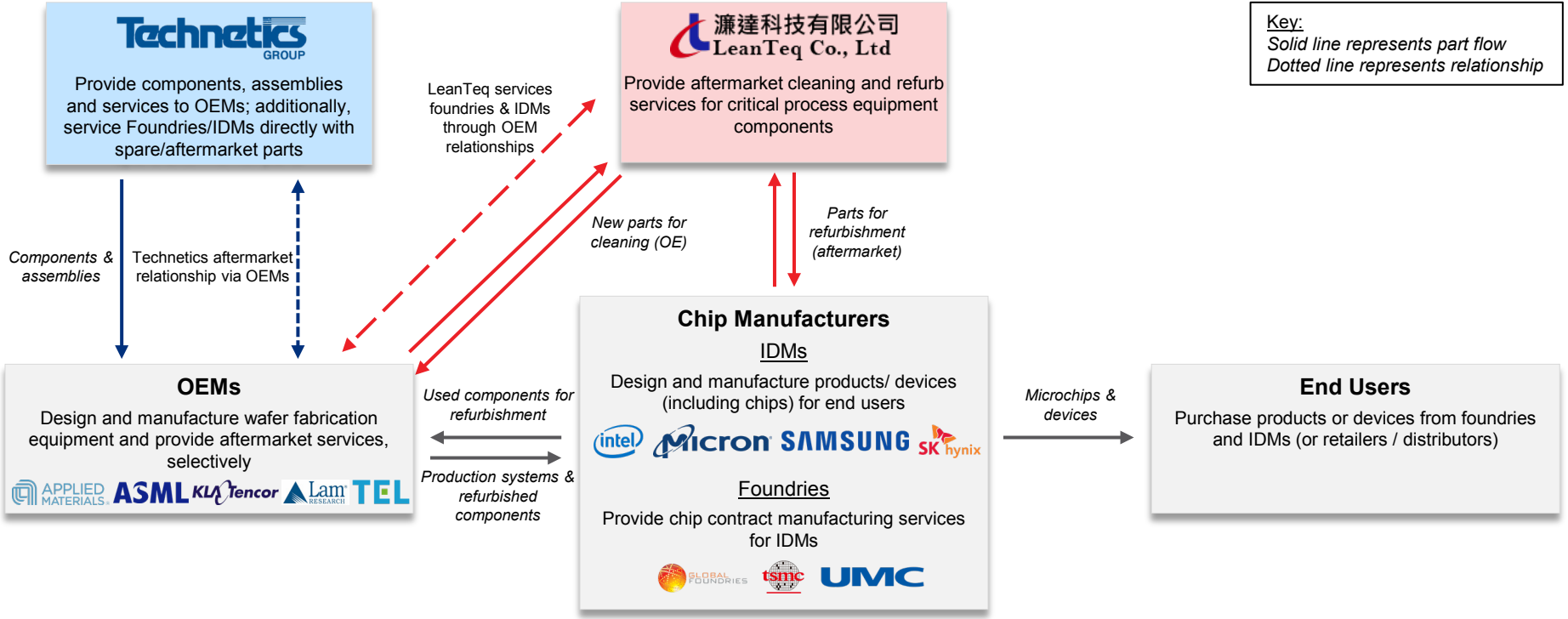
Global Chip Manufacturing Equipment Market[1] ($B) (OE)



LeanTeq Commands a Leading Position within the Rapid Growth Segment of Semiconductor Chip Manufacturing

[1] Source: International Business Strategies, Wall Street Research.

WELL-POSITIONED IN SEMICONDUCTOR VALUE CHAIN



LeanTeq's Service Offering Complements EnPro's Existing Value-added Semiconductor Presence

DEEPLY EXPERIENCED LEADERSHIP TEAM

KING KOO
Founder & General Manager



- 20+ years experience industry experience
- Formerly Asia Regional Head for the Metron Group within Applied Materials in Asia and U.S.

KEN LOO
Technical Director



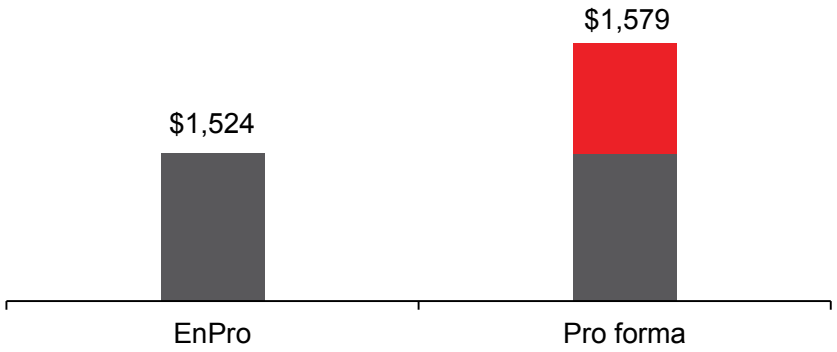
- 20+ years experience industry experience
- Formerly Site Manager for the Metron Group within Applied Materials in Singapore

- Senior leadership has an average ~20+ years experience in semiconductor industry, in both Asia and U.S.
- Deep chemical, engineering and manufacturing expertise
- Long-standing, strategic industry relationships
- Educated at Oklahoma State University and started careers at US firms within semiconductor industry

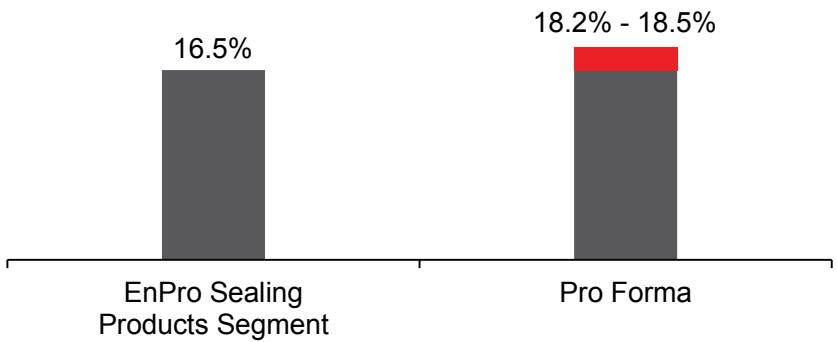
Deep Industry Expertise; Excited to Join EnPro

ENHANCES ENPRO'S FINANCIAL PROFILE

ENPRO LTM REVENUE [1] ($M)



SEALING PRODUCTS SEGMENT LTM ADJUSTED EBITDA MARGIN [1]



- The two transactions, The Aseptic Group and LeanTeq, add approximately $55 million to annualized sales, and their strong value propositions and favorable market trends improve EnPro's revenue growth profile
- The transactions enhance EnPro's pro forma Adj. EBITDA margin by 175 to 200 bps within the Sealing Products segment
- Both LeanTeq and The Aseptic Group generate consistent cash flow and high returns on operating capital

Expected to be accretive to adjusted EPS in the first full year following closing

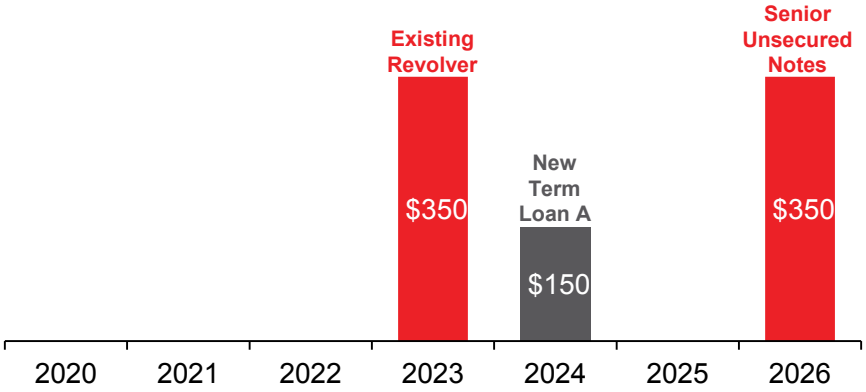
[1] LTM (3/31/19)

LEANTEQ AND ASEPTIC GROUP TRANSACTION SUMMARY

Terms	• Valued at $345 million, includes The Aseptic Group, announced July 2, 2019 and LeanTeq • Key LeanTeq management to rollover equity investment and continue in leadership role
Financing	• Mix of cash, revolving credit facility, new term loan, and rollover equity – Rollover Equity: ~10% attributable to rollover of a portion of equity by selected management to align incentives with future LeanTeq performance; put/call options exercisable after 2022
Timing and Closing Conditions	• LeanTeq expected to close in Q4 2019, subject to customary closing conditions, including regulatory approvals • Aseptic Group closed July 2, 2019

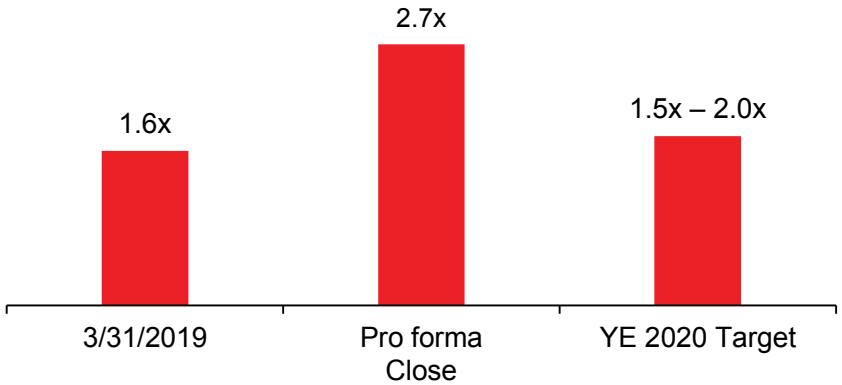
FUNDING STRATEGY AND FINANCIAL PROFILE

PRO FORMA MATURITY SCHEDULE ($M)



- Well-balanced capital structure with favorable mix of pre-payable floating rate debt and long-term fixed rate bonds
- Expect to refinance revolver at time of term loan financing in order to extend maturity and increase availability

PRO FORMA LEVERAGE



- Pro forma Net Debt to Adjusted EBITDA is expected to be approximately 2.7x at the closing of LeanTeq
- EnPro's cash generation capacity is expected to provide sufficient funds for reducing net debt to within our stated long-term target range of 1.5x to 2.0x by the end of 2020

Cash Generation Capacity is Expected to Provide Funds to Reduce Net Debt to Target Range by End of 2020

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EnPro Industries

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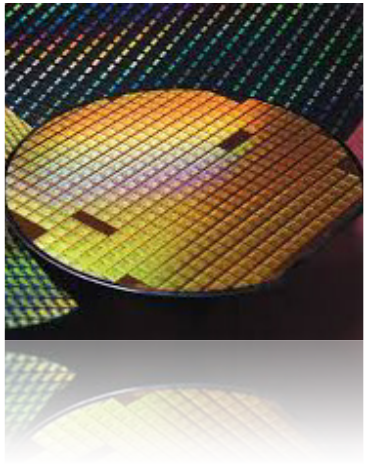

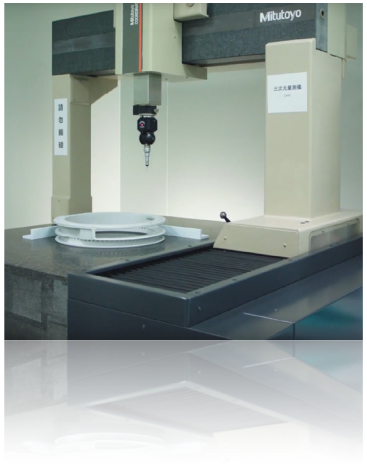





APPENDIX

RECONCILIATION OF ADJUSTED EBITDA

(Stated in Millions of Dollars)

For the Three Months Ended March 31, 2019 and 2018
(Stated in Millions of Dollars)

	2019	2018
Net income	$ 13.1	$ 12.6
Adjustments to arrive at earnings before interest, income taxes, depreciation and amortization (EBITDA):		
Interest expense, net	4.5	7.8
Income tax expense	4.8	12.2
Depreciation and amortization expense	17.4	18.3
EBITDA	39.8	50.9
Adjustments to arrive at earnings before interest, income taxes, depreciation, amortization and other selected items (Adjusted EBITDA):		
Restructuring costs	1.3	0.3
Environmental reserve adjustments and other costs associated with previously disposed businesses	0.9	-
Pension expense (income) (non-service cost)	0.6	(0.6)
Other	0.5	0.8
Adjusted EBITDA	$ 43.1	$ 51.4

* Adjusted EBITDA as presented also represents the amount defined as "EBITDA" under the indenture governing the Company's 5.75% senior notes due 2026.

Supplemental disclosure: For the three months ended March 31, 2019, approximately 47% of the adjusted EBITDA as presented above was attributable to EnPro's subsidiaries that do not guarantee the Company's 5.75% Senior Notes due 2026

	Years Ended December 31, 2018
Net income (loss)	$ 24.6
Adjustments to arrive at earnings before interest, income taxes, depreciation and amortization (EBITDA):	
Interest expense, net	27.3
Income tax expense (benefit)	22.0
Depreciation and amortization expense	73.7
EBITDA	147.6
Adjustments to arrive at earnings before interest, income taxes, depreciation, amortization and other selected items (Consolidated Adjusted EBITDA):	
Restructuring costs	22.4
Loss on extinguishment of debt	18.1
Environmental reserve adjustments and other costs associated with previously disposed businesses	13.4
Pension expense (non-service cost)	11.9
Other	4.0
Consolidated adjusted EBITDA	$ 217.4

RECONCILIATION OF ADJUSTED SEGMENT EBITDA

(Stated in Millions of Dollars)

	Three Months Ended March 31, 2019			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Segment profit	$ 20.8	$ 6.2	$ 6.7	$ 33.7
Acquisition expenses	0.2	0.3	-	0.5
Restructuring costs	0.7	0.3	-	1.0
Depreciation and amortization expense	12.0	3.6	1.8	17.4
Adjusted segment EBITDA	$ 33.7	$ 10.4	$ 8.5	$ 52.6
Adjusted segment EBITDA margin	15.0%	13.1%	14.8%	14.6%

	Three Months Ended March 31, 2018			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Segment profit	$ 23.7	$ 14.4	$ 4.0	$ 42.1
Restructuring costs	-	0.3	-	0.3
Depreciation and amortization expense	13.0	4.0	1.3	18.3
Adjusted segment EBITDA	$ 36.7	$ 18.7	$ 5.3	$ 60.7
Adjusted segment EBITDA margin	15.8%	21.8%	10.2%	16.5%

	Year Ended December 31, 2018			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Segment profit	$ 85.2	$ 40.1	$ 29.3	$ 154.6
Acquisition expenses	1.8	0.1	-	1.9
Restructuring costs	21.4	0.7	0.3	22.4
Depreciation and amortization expense	50.7	15.4	7.6	73.7
Adjusted segment EBITDA	$ 159.1	$ 56.3	$ 37.2	$ 252.6
Adjusted segment EBITDA margin	16.7%	17.4%	14.4%	16.5%

RECONCILIATION OF LTM RESULTS

EnPro *($ in millions)*	**Revenue**	**Adjusted EBITDA**	**Adjusted EBITDA Margin %**
Plus:			
Three Months Ended March 31, 2019	360	43	12.0%
Year Ended December 31, 2018	1,532	217	14.2%
Less:			
Three Months Ended March 31, 2018	369	51	13.9%
LTM Ended March 31, 2019	1,524	209	13.7%

Sealing Products *($ in millions)*	**Revenue**	**Adjusted EBITDA**	**Adjusted EBITDA Margin %**
Plus:			
Three Months Ended March 31, 2019	225	34	15.0%
Year Ended December 31, 2018	954	159	16.7%
Less:			
Three Months Ended March 31, 2018	232	37	15.8%
LTM Ended March 31, 2019	947	156	16.5%