

First Quarter 2021 Earnings Review

May 7, 2021

ENPRO

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: impacts from the COVID-19 pandemic and governmental responses to limit the further spread of COVID-19, including impacts on the company's operations, and the operations and businesses of its customers and vendors, including whether the company's operations and those of its customers and vendors will continue to be treated as "essential" operations under government orders restricting business activities or, even if so treated, whether site-specific health and safety concerns might otherwise require certain of the company's operations to be halted for some period of time; uncertainty with respect to the duration and severity of these impacts from the COVID-19 pandemic, including impacts on the general economy; other 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; uncertainties with respect to the company's ability to achieve anticipated growth within the semiconductor, life sciences, and other technology-enabled markets; the impact of fluctuations in relevant foreign currency exchange rates; unanticipated delays or problems in introducing new products; announcements by competitors of new products, services or technological innovations; changes in pricing policies or the pricing policies of 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 the course of this presentation 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 non-GAAP measures to the most directly comparable GAAP equivalents is included as an appendix to this presentation.



Q1 2021 Update

Marvin Riley
President & Chief Executive Officer

ENPRO

Q1 2021 Highlights



- Adjusted EBITDA* increased 28.1% to $52.0M; adjusted EBITDA* margin increased 420 bps to 18.6%
- Sales decreased 1.2% to $279.3M as a result of strategic divestitures in 2020; On an organic basis, sales increased 5.5%
- Strong balance sheet with net debt to adjusted EBITDA* of 1.4x and ample liquidity



- Sales of $146.5 million decreased 15.6% due to portfolio reshaping actions last year; Strong demand in food and pharma, petrochemical and heavy-duty truck markets was partially offset by the general industrial, aerospace and oil & gas markets
- Adjusted segment EBITDA increased 1.2% to $33.9M. Adjusted segment EBITDA margin expanded 380 bps to 23.1%, driven primarily by divesting low-margin businesses, savings from headcount reductions and lower travel expenses, as well as by pricing increases



- Sales of $54.7 million increased 49.0%, driven by strong demand in the semiconductor market and by the acquisition of Alluxa
- Adjusted segment EBITDA increased 137.0% to $17.3M; adjusted segment EBITDA margin expanded 1,170 bps to 31.6%; driven primarily by the Alluxa acquisition and sales volume growth in the balance of the segment



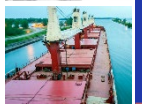
- Sales of $80.4 million increased 7.1%, driven by stronger sales in general industrial, automotive and petrochemical markets, partially offset by weakness in the oil & gas and aerospace markets
- Adjusted segment EBITDA increased 51.8% to $12.6M; adjusted segment EBITDA margin expanded 460 bps to 15.7%; driven primarily by sales volume recovery, manufacturing cost reductions, and savings from headcount reductions and travel expenses

* Non-GAAP measure; refer to appendix for reconciliation to GAAP.

Enpro's Strategy and Portfolio Transformation

1. Focusing on niche, high-margin materials science-related businesses with strong cash flow
2. Investing in faster growth markets, including technology, while maintaining a strong aftermarket exposure
3. Leveraging the Enpro Capability Center to increase margins and cash flow return on investment
4. Maximizing long-term shareholder returns through commitment to sustainability and disciplined capital allocation

Successful Execution of Portfolio Shaping Actions Resulting in a More Durable Business Model

	Transaction	Strategic Rationale
 Acquisitions	**Alluxa** *Closed 4Q20*	• Materials science • High-growth, high-margin business • Fragmented competitive base • Robust end market growth • Strong, experienced management • Meets stated M&A criteria
 Acquisitions	**LeanTeq Co., Ltd.** *Closed 3Q19*	
 Acquisitions	**The Aseptic Group** *Closed 3Q19*	
 Divestitures	**Air Springs** *Closed 4Q20*	• Non-core businesses and product lines • Reduces exposure to non-materials science-based sectors • Low return on operating capital
 Divestitures	**Heavy-Duty Truck Product Lines** *Announced/Completed 3Q19 – 3Q20*	
 Divestitures	**GGB Bushing Block** *Closed 4Q20*	
 Divestitures	**Fairbanks Morse** *Closed 1Q20*	

Clear Strategy, Durable Business Model and Strong Balance Sheet to Drive Profitable Growth

Sustainability is in Our DNA

Environment

Recent Accomplishments

- ✓ **Won the U.S. Environmental Protection Agency's** Clean Air Excellence Award
- ✓ **Divested certain carbon-intensive lines of business** and selectively disengaged with market sectors that are highly carbon-intensive

Supporting Sustainability

- Design, manufacture and sell numerous products that **support the supply of electricity from sustainable sources**
- **Our products, such as gaskets and seals, protect environment** by containing and preventing release of harmful substances
- Diligently **exploring all opportunities to reduce our energy usage** and minimizing greenhouse gas emissions as economically feasible

Social

Employee Development and Safety

- **Our core values of Safety, Excellence and Respect** drive our focus on how we conduct business and care for our people
- **"Dual Bottom Line" philosophy** is the backbone from which we operate
- Strive to create **an environment where all employees can flourish**

Diversity and Inclusion

- **10% increase in female promotions** in the U.S. since January 2019
- **5% increase in female and minority representation** among our senior leadership since December 2019

Supporting Our Communities

- **In 2020, launched the Enpro Foundation** to support charitable, educational and organizations advancing equality and diversity
- Initially funded **$1 million**

Governance

- **8 out of 9** are Independent Directors, including our Chairman
- Average tenure of **8.4 years**
- Directors are elected to **one-year terms**
- Directors must be elected by a **majority vote**
- Our independent directors **meet regularly** in executive session
- Our directors are **required to own Enpro stock**
- Our directors and each committee perform **comprehensive annual evaluations**
- Our directors have **diverse experience and qualifications**
- **Diverse board**, including two female directors, one director who is a person of color, and three directors whose careers involved working either entirely or substantially outside the United States.

Taking Care of All Stakeholders, Including Our Planet



Overview of Financial Results

Milt Childress

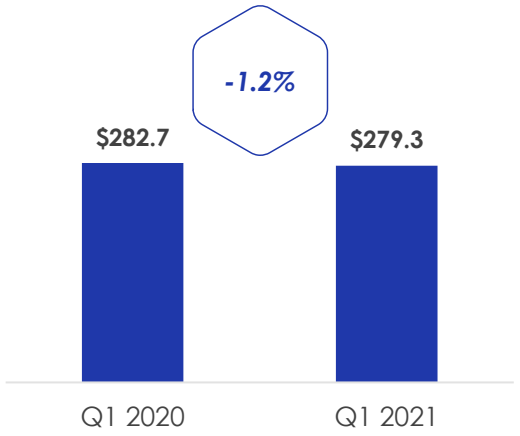
EVP & Chief Financial Officer

ENPRO

Q1 2021 Financial Performance

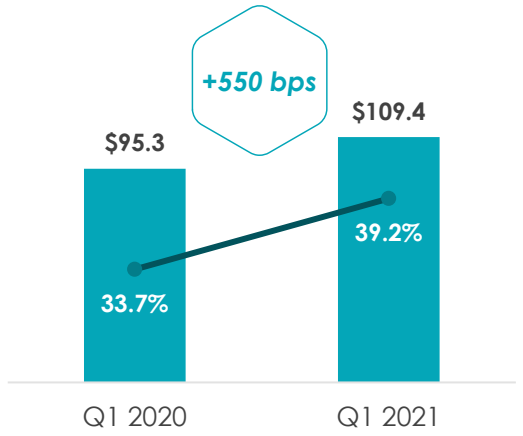
$ in millions, except per share data

Sales



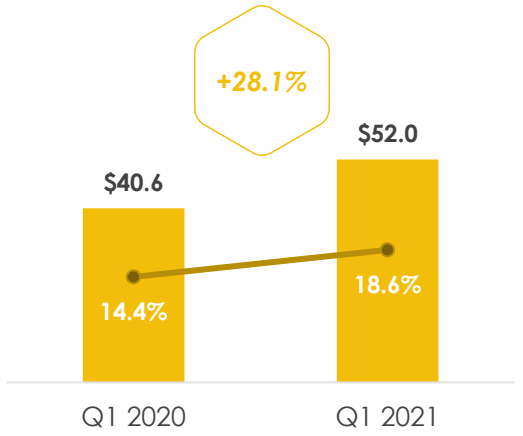
- Sales decline due to portfolio reshaping actions last year
- Positive momentum in semiconductor, food and pharma, petrochemical, automotive, heavy-duty truck and power generation markets and contribution from Alluxa, was offset by weakness in oil and gas and aerospace markets
- Excluding the impact of foreign exchange translation, acquired and divested businesses, sales increased 5.5%

Gross Profit & Margin



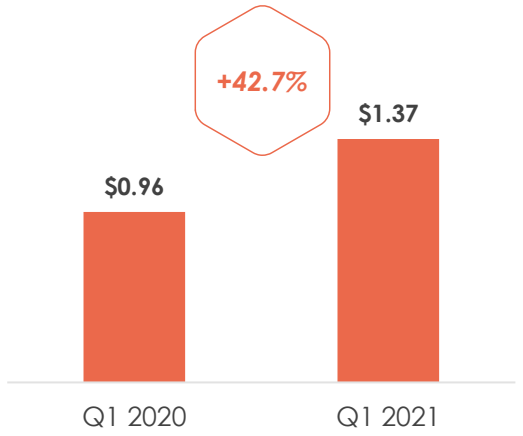
- Driven by strong organic sales growth, higher exposure to more profitable businesses resulting from portfolio actions taken last year, and continuous cost savings initiatives driven by our Capability Center

Adjusted EBITDA* & Margin*



- Adjusted EBITDA margin* of 18.6%, increased 420 bps
- Increase was driven primarily by organic sales growth, the addition of Alluxa, divestitures of low-margin businesses made in 2020, savings from headcount reductions, lower production & travel-related costs and favorable FX
- Corporate expenses of $11.6M increased from $8.5M due primarily to higher incentive compensation accruals

Adjusted Diluted EPS*



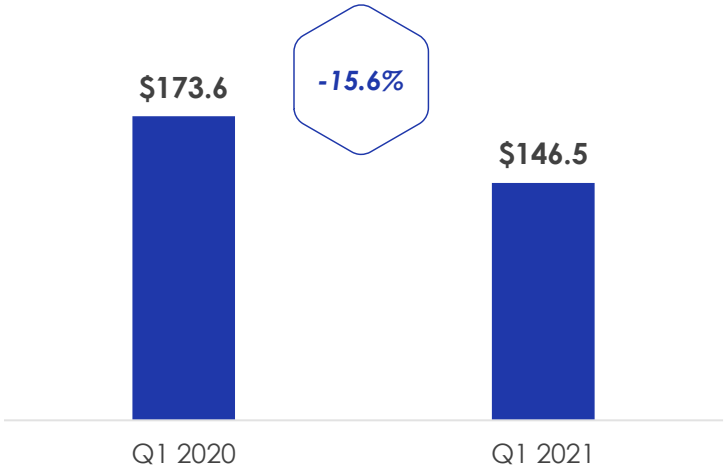
- As of Q4 2020, Adjusted EPS* excludes after-tax acquisition-related intangible amortization to better reflect operating results and offer a more meaningful measure for comparison against prior periods, which have been restated
- Normalized tax rate of 30% used in determining adjusted net income

* Non-GAAP measure; refer to appendix for reconciliation to GAAP.

Sealing Technologies – Q1 2021 Performance

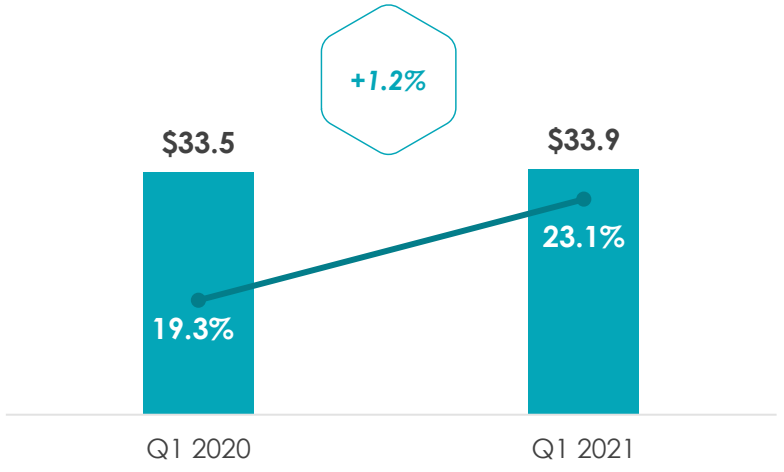
$ in millions

Sales



- Sales decrease due to portfolio reshaping actions last year
- Strong demand in food and pharma, petrochemical and heavy-duty truck markets was partially offset by the general industrial, aerospace and oil & gas markets
- Excluding the impact of foreign exchange translation and divested businesses, sales increased 0.9%

Adjusted EBITDA & Margin

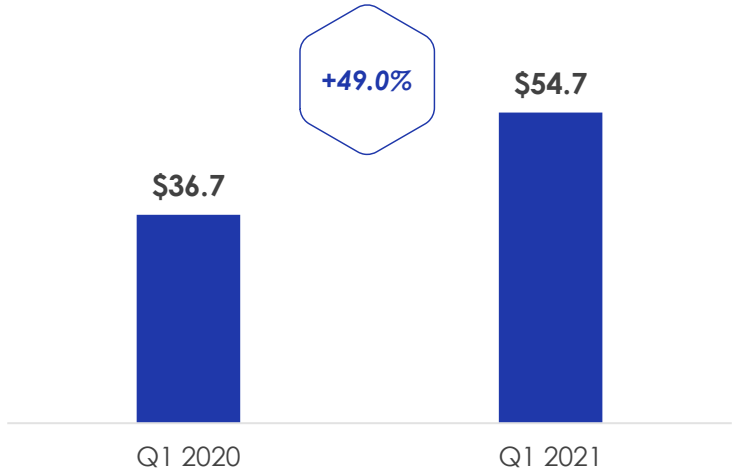


- Adjusted segment EBITDA margin expanded 380 bps to 23.1% driven primarily by the portfolio reshaping actions made over the prior year, savings from headcount reductions and lower travel expenses, and pricing increases,
- Excluding the impact of foreign exchange translation and divestitures, adjusted segment EBITDA increased 6.1%

Advanced Surface Technologies – Q1 2021 Performance

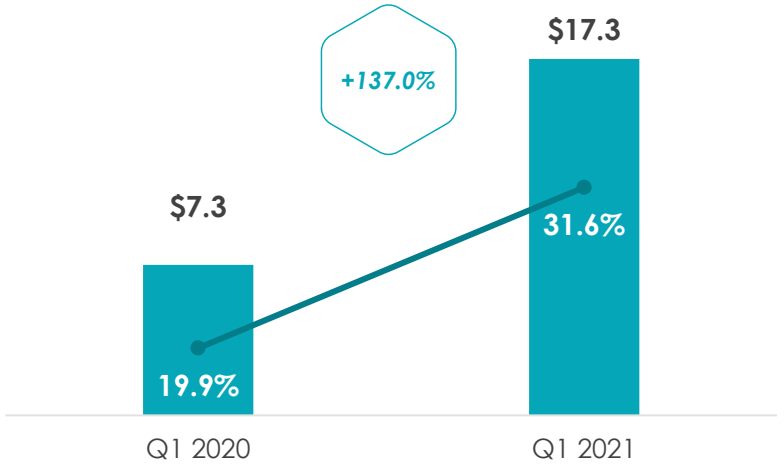
$ in millions

Sales



- Increase driven primarily by strong demand in the semiconductor market and the acquisition of Alluxa
- Excluding the impact of foreign exchange translation and the acquisition of Alluxa, sales increased 22.6%

Adjusted EBITDA & Margin

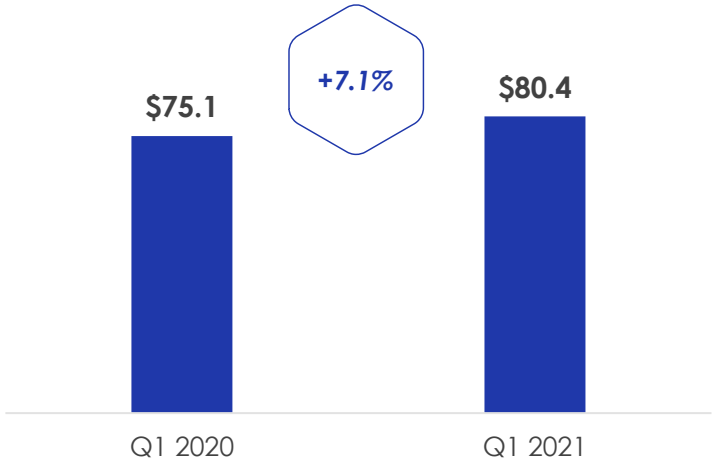


- Adjusted segment EBITDA margin expanded 1,170 bps to 31.6%, driven primarily by the Alluxa acquisition and sales volume growth in the balance of the segment
- Excluding the impact of foreign exchange translation and the acquisition of Alluxa, adjusted segment EBITDA increased 57.5%

Engineered Materials – Q1 2021 Performance

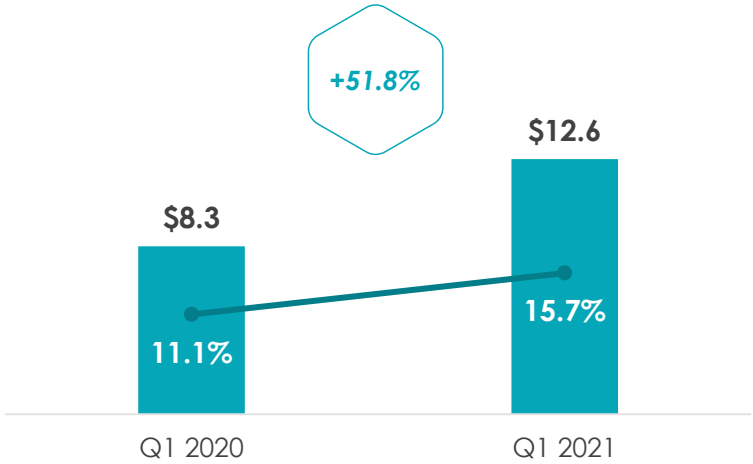
$ in millions

Sales



- Stronger sales in general industrial, automotive and petrochemical markets, partially offset by weakness in oil & gas and aerospace markets
- Excluding the impact of foreign exchange translation and the divestiture of the GGB bushing block business, sales increased 5.3%

Adjusted EBITDA & Margin



- Adjusted segment EBITDA margin expanded 460 bps to 15.7%, driven primarily by sales volume recovery, manufacturing cost reductions, and savings from headcount reductions and travel expenses
- Excluding the impact of foreign exchange translation and the divestiture of the GGB bushing block business, adjusted segment EBITDA increased 39.3%

Balance Sheet, Cash Flow & Capital Allocation

$ in millions

Net Leverage		
Reported March 31, 2021		
	Credit Facility	**$0**
	Senior Notes[1]	**$346**
	Term Loan[2]	**$144**
	Capital Lease Obligations	**$1**
A	Debt Components	**$491**
B	Cash and Equivalents	**$232**
C = (A – B)	Net Debt	**$259**
D	LTM Adjusted EBITDA*	**$180**
E = (C / D)	**Leverage Ratio**	**1.4x**

Commentary

- Strong balance sheet; net debt to adjusted EBITDA* of 1.4x and ample liquidity consisting of $232M cash and $389M[3] available under revolver
- Q1 free cash flow* of $14.1M was up from ($4.9M) from the prior year
- Paid $5.7M in dividends, or $0.27 per share in Q1 2021
- Prioritizing investments in organic and inorganic growth

[1] Includes impact from unamortized debt issue costs. [2] The Term Loan Facility amortizes on a quarterly basis in an annual amount equal to 2.50% of the original principal amount of the Term Loan Facility in each of years one through three, 5.00% of such original principal amount in year four, and 1.25% of such original principal amount in each of the first three quarters of year five, with the remaining outstanding principal amount payable at maturity. [3] Company has full availability of $400M revolver, less $11M in outstanding letters of credit. * Non-GAAP measure; refer to appendix for reconciliation to GAAP.

Strong Balance Sheet Provides Company with Flexibility to Capitalize on Further Opportunities

Updating 2021 Guidance

	Previous 2021 Guidance* *(as of 2/23/21)*	**Current 2021 Guidance*** *(as of 5/7/21)*
Sales	$1.04B – $1.08B	**$1.05B – $1.10B**
Adjusted EBITDA	$178M – $188M	**$190M – $200M**
Adjusted Diluted EPS	$4.32 – $4.66	**$4.74 – $5.08**

Assumptions:

- Anticipate a moderately stronger first half of the year relative to the second half
- Amortization of acquisition-related intangible assets of $44M to $46M
- Depreciation and other amortization of $33M to $35M
- Net interest expense of $15M to $17M
- Normalized tax rate of 30%

2021 Interest Expense *($ in Millions)*

	Interest Expense, Before Net Investment Hedge	$23-$25
	Net Investment Hedge	($8)
A	Total Interest Expense	$15 - $17
B	Interest Income	$0
C = A – B	Net Interest Expense	$15 - $17

* Full-year guidance excludes changes in the number of shares outstanding, impacts from future acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs subsequent to the end of the first quarter, the impact of foreign exchange rate changes subsequent to the end of the first quarter, impacts from further spread of COVID-19, and environmental and litigation charges.



Closing Comments

Marvin Riley

President & Chief Executive Officer

Closing Comments

Enpro is a leading industrial technology company using materials science to push boundaries in semiconductor, life sciences, and other technology-enabled sectors

"I am confident that our profitable growth strategy, experienced leadership team, increasingly diverse and dedicated workforce, and strong financial position will lead to continuous growth and long-term shareholder value."

– Marvin Riley –
President and CEO



Results demonstrate the benefits of our clear and consistent strategy, the capability center, and portfolio reshaping actions



Driving operational excellence by leveraging the Enpro Capability Center to reduce costs, improve productivity, and maintain high quality control across all our businesses



Extremely proud of our progress transforming Enpro into a leading industrial technology company

Q&A





Appendix

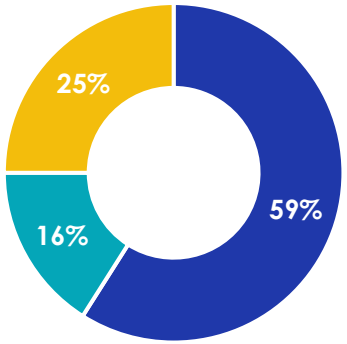
Enpro (NYSE: NPO) | Attractive Portfolio of Businesses

Company Overview	
Headquarters	**Charlotte, NC**
Manufacturing Facilities	**22 primary**
Global Employees	**~4,400**

Financial Overview	
Market-Cap[1]	**$1.8B**
LTM Revenue[3]	**$1.1B**
LTM Adj. EBITDA (Margin)[2,3]	**$180M (16.8%)**
2020 Aftermarket Rev. %	**53%**
Dividend Yield[1]	**1.2%**

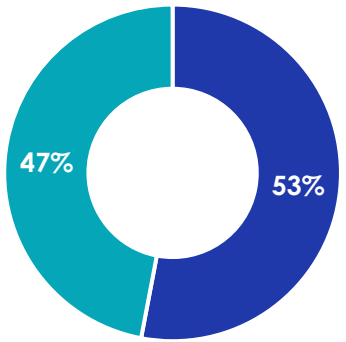
2020 Revenue Contribution

Sales by Segment



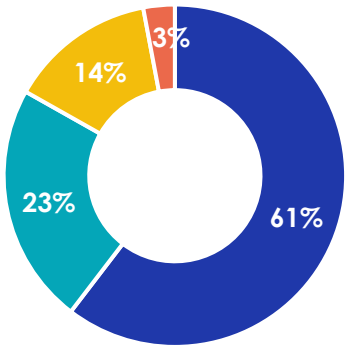
- Sealing Technologies
- Advanced Surface Technologies
- Engineered Materials

Sales by Channel



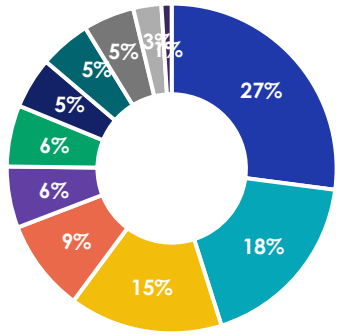
- Aftermarket
- OE

Sales by Geography



- North America
- Europe
- Asia
- RoW

Sales by Market[4]



- General Industrial
- Semiconductor
- MD/HD Truck
- Oil & Gas
- Petrochemical
- Auto
- Food & Pharma
- Power Generation
- Aerospace
- Metals and Mining
- Other

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

[1] As of 5/5/21; [2] Refer to appendix for Non-GAAP reconciliation; [3] As of 3/31/2021. [4] Pro forma sales based on 2020 actual results and includes Alluxa acquisition, the sale of GGB's bushing block business and the reshaping activities in Sealing Technologies segment as if those transactions had closed effective January 1, 2020. The pro forma sales also reflected the reclassification of certain sales in the Engineered Materials segment for 2020 resulting in a reduction in sales reported in the automotive and power generation markets. This resulted in an offsetting increase to our general industrial and medium-duty/heavy-duty truck markets.

Reconciliation of LTM Results

EnPro Industries, Inc. ($ in millions)	Revenue	Adjusted EBITDA	Adjusted EBITDA Margin
Plus:			
Three Months Ended March 31, 2021	$ 279.3	$ 52.0	18.6%
Year Ended December 31, 2020	1074.0	168.3	15.7%
Less:			
Three Months Ended March 31, 2020	282.7	40.6	14.4%
LTM Ended March 31, 2021	$ 1070.6	$ 179.7	16.8%

Consolidated Adjusted EBITDA (1/2)

For the Years Ended December 31, 2020 and 2019
(Stated in Millions of Dollars)

	2020	2019
Income from continuing operations attributable to EnPro Industries, Inc.	$ (23.7)	$ 7.8
Income attributable to redeemable non-controlling interest, net of tax	0.4	—
Income from continuing operations	(23.3)	7.8
Adjustments to arrive at earnings from continuing operations before interest, income taxes, depreciation, amortization, and other selected items ("Adjusted EBITDA"):		
Interest expense, net	14.9	18.2
Income tax benefit	(3.5)	(3.5)
Depreciation and amortization expense	70.8	67.9
Restructuring and impairment expense	30.6	27.2
Environmental reserve adjustments	36.2	12.7
Costs associated with previously disposed businesses	2.0	1.8
Net loss on sale of businesses	2.6	16.3
Acquisition and divestiture expenses	11.2	8.9
Pension expense (income) (non-service cost)	(3.0)	3.3
Non-controlling interest compensation allocation[1]	2.9	0.5
Impairment of indefinite-lived trademarks	16.1	7.9
Legal settlement - legacy matter	7.5	—
Amortization of the fair value adjustment to acquisition date inventory	3.0	—
Other	0.3	0.3
Adjusted EBITDA	$ 168.3	$ 169.4

1Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred.

Supplemental disclosure: Adjusted EBITDA as presented also represents the amount defined as "EBITDA" under the indenture governing the Company's 5.75% Senior Notes due 2026. For the year ended December 31, 2020, approximately 71% 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.

Consolidated Adjusted EBITDA (2/2)

For the Three Months Ended March 31, 2021 and 2020
(Stated in Millions of Dollars)

	2021	2020
Income from continuing operations attributable to EnPro Industries, Inc.	$ 18.0	$ 10.1
Income attributable to redeemable non-controlling interest, net of tax	0.1	0.1
Income from continuing operations	18.1	10.2
Adjustments to arrive at earnings from continuing operations before interest, income taxes, depreciation, amortization, and other selected items (Adjusted EBITDA):		
Interest expense, net	3.8	4.0
Income tax expense	5.2	7.7
Depreciation and amortization expense	18.9	17.2
Restructuring and impairment expense	1.8	1.4
Costs associated with previously disposed businesses	0.3	0.4
Net loss (gain) on sale of businesses	1.9	(1.1)
Acquisition and divestiture expenses	—	0.9
Pension income (non-service cost)	(2.1)	(0.7)
Non-controlling interest compensation allocation[1]	1.6	0.5
Amortization of the fair value adjustment to acquisition date inventory	2.4	—
Other	0.1	0.1
Adjusted EBITDA	$ 52.0	$ 40.6

1Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred.

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Segment Information

For the Three Months Ended March 31, 2021 and 2020
(Stated in Millions of Dollars)

Sales

	2021	2020
Sealing Technologies	$146.5	$173.6
Advanced Surface Technologies	54.7	36.7
Engineered Materials	80.4	75.1
	281.6	285.4
Less: intersegment sales	(2.3)	(2.7)
	$279.3	$282.7

Income from continuing operations attributable to EnPro Industries, Inc.	$ 18.0	$ 10.1

Earnings before interest, income taxes, depreciation, amortization and other selected items (Adjusted Segment EBITDA)

	2021	2020
Sealing Technologies	$ 33.9	$ 33.5
Advanced Surface Technologies	17.3	7.3
Engineered Materials	12.6	8.3
	$ 63.8	$ 49.1

Adjusted Segment EBITDA Margin

	2021	2020
Sealing Technologies	23.1 %	19.3 %
Advanced Surface Technologies	31.6 %	19.9 %
Engineered Materials	15.7 %	11.1 %
	22.8 %	17.4 %

	2021	2020
Adjusted Segment EBITDA	$ 63.8	$ 49.1
Acquisition and divestiture expenses	(0.1)	(0.9)
Non-controlling interest compensation allocation[1]	(1.6)	(0.5)
Amortization of the fair value adjustment to acquisition date inventory	(2.4)	—
Restructuring and impairment expense	(1.8)	(1.4)
Depreciation and amortization expense	(18.8)	(17.2)
Corporate expenses	(11.6)	(8.5)
Interest expense, net	(3.8)	(4.0)
Other income (expense), net	(0.4)	1.3
Income from continuing operations before income taxes	23.3	17.9
Income tax expense	(5.2)	(7.7)
Income from continuing operations	18.1	10.2
Less: income attributable to redeemable non-controlling interest, net of taxes	0.1	0.1
Income from continuing operations attributable to EnPro Industries, Inc.	$ 18.0	$ 10.1

	Three Months Ended March 31, 2021			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Acquisition and divestiture expenses	$ 0.1	$ —	$ —	$ 0.1
Non-controlling interest compensation allocation[1]	$ —	$ 1.6	$ —	$ 1.6
Amortization of the fair value adjustment to acquisition date inventory	$ —	$ 2.4	$ —	$ 2.4
Restructuring and impairment expense	$ 1.4	$ —	$ 0.4	$ 1.8
Depreciation and amortization expense	$ 7.9	$ 7.7	$ 3.2	$ 18.8

	Three Months Ended March 31, 2020			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Acquisition and divestiture expenses	$ 0.8	$ 0.1	$ —	$ 0.9
Non-controlling interest compensation allocation[1]	$ —	$ 0.5	$ —	$ 0.5
Restructuring and impairment expense	$ 0.1	$ —	$ 1.3	$ 1.4
Depreciation and amortization expense	$ 9.4	$ 4.4	$ 3.4	$ 17.2

Adjusted Segment EBITDA is total segment revenue reduced by operating expenses and other costs identifiable with the segment, excluding acquisition and divestiture expenses, restructuring and impairment expense, non-controlling interest compensation, amortization of the fair value adjustment to acquisition date inventory, and depreciation and amortization.
Corporate expenses include general corporate administrative costs. Expenses not directly attributable to the segments, corporate expenses, net interest expense, gains/losses related to the sale of assets, and income taxes are not included in the computation of Adjusted Segment EBITDA. The accounting policies of the reportable segments are the same as those for the Company.
1Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred.

Consolidated Adjusted Net Income

For the Three Months Ended March 31, 2021 and 2020
(Stated in Millions of Dollars, Except Per Share Data)

	2021			2020		
	$	Average common shares outstanding, diluted (millions)	Per Share	$	Average common shares outstanding, diluted (millions)	Per Share
Income from continuing operations attributable to EnPro Industries, Inc.	$18.0	20.7	$ 0.87	$10.1	20.6	$0.49
Income from redeemable non-controlling interest, net of taxes	0.1			0.1		
Income tax expense	5.2			7.7		
Income from continuing operations before income taxes	23.3			17.9		
Adjustments from selling, general, and administrative:						
Acquisition and divestiture expenses	—			0.9		
Non-controlling interest compensation allocations[1]	1.6			0.5		
Amortization of acquisition-related intangible assets	11.3			9.0		
Adjustments from other operating expense and cost of sales:						
Restructuring and impairment expense	1.8			1.4		
Amortization of the fair value adjustment to acquisition date inventory	2.4			—		
Adjustments from other non-operating expense:						
Costs associated with previously disposed businesses	0.3			0.4		
Net loss (gain) on sale of businesses	1.9			(1.1)		
Pension income (non-service cost)	(2.1)			(0.7)		
Other adjustments:						
Other	0.1			0.1		
Adjusted income from continuing operations before income taxes	40.6			28.4		
Adjusted income tax expense	(12.2)			(8.5)		
Income from redeemable non-controlling interest, net of taxes	(0.1)			(0.1)		
Adjusted income from continuing operations attributable to EnPro Industries, Inc.[2]	$28.3	20.7	$ 1.37	$19.8	20.6	$0.96[2]

Management of the Company believes that it would be helpful to the readers of the financial statements to understand the impact of certain selected items on the Company's reported income from continuing operations attributable to EnPro Industries, Inc. and diluted earnings per share attributable to EnPro Industries, Inc., including items that may recur from time to time. The items adjusted for in this schedule are those that are excluded by management in budgeting or projecting for performance in future periods, as they typically relate to events specific to the period in which they occur. This presentation enables readers to better compare EnPro Industries, Inc. to other diversified industrial manufacturing companies that do not incur the sporadic impact of restructuring activities, costs associated with previously disposed of businesses, acquisitions and divestitures, or other selected items. Management acknowledges that there are many items that impact a company's reported results and this list is not intended to present all items that may have impacted these results.Other adjustments are included in selling, general, and administrative, cost of sales, and other operating expenses on the consolidated statements of operations.

The adjusted income tax expense presented above is calculated using a normalized company-wide effective tax rate excluding discrete items of 30.0% for continuing operations. Per share amounts were calculated by dividing by the weighted-average shares of diluted common stock outstanding during the periods.

1Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred.

2 Adjusted diluted earnings per share.

Free Cash Flow

(Stated in Millions of Dollars)

Free Cash Flow -Three Months Ended March 31, 2021		
Net cash provided by operating activities of continuing operations	$	20.3
Purchases of property, plant, and equipment		(6.2)
Free cash flow	$	14.1

Free Cash Flow -Three Months Ended March 31, 2020		
Net cash provided by operating activities of continuing operations	$	0.3
Purchases of property, plant, and equipment		(5.2)
Free cash flow	$	(4.9)