Materion Corporation
4Q 2021 Earnings Call

February 17, 2022

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Agenda

Introduction	John Zaranec – Vice President, Corporate Controller and Investor Relations
Opening Remarks & Business Update	Jugal Vijayvargiya – President and Chief Executive Officer
Financial Review	Shelly Chadwick – Vice President and Chief Financial Officer
Q&A	Question and Answer Session

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Forward Looking Statements and Non-GAAP Financial Information

These slides contain (and the accompanying oral discussion will contain, where applicable) "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors that could cause our actual results to differ materially from the results expressed or implied by these statements, including, but not limited to, our ability to achieve the strategic and other objectives related to the acquisition of HCS-Electronic Materials, including any expected synergies; our ability to successfully integrate the HCS-Electronic Materials business and other such acquisitions and achieve the expected results of the acquisition, the ultimate impact of the COVID-19 pandemic on our business, results of operations, financial condition, and liquidity; the global economy, including the impact of tariffs and trade agreements; the condition of the markets which we serve, whether defined geographically or by segment; changes in product mix and the financial condition of customers; our success in developing and introducing new products and new product ramp-up rates; our success in passing through the costs of raw materials to customers or otherwise mitigating fluctuating prices for those materials, including the impact of fluctuating prices on inventory values; our success in implementing our strategic plans and the timely and successful completion and start-up of any capital projects; other financial and economic factors, including the cost and availability of raw materials (both base and precious metals), physical inventory valuations, metal financing fees, tax rates, exchange rates, interest rates, pension costs and required cash contributions and other employee benefit costs, energy costs, regulatory compliance costs, the cost and availability of insurance, credit availability, and the impact of the Company's stock price on the cost of incentive compensation plans; the uncertainties related to the impact of war, terrorist activities, and acts of God; changes in government regulatory requirements and the enactment of new legislation that impacts our obligations and operations; the conclusion of pending litigation matters in accordance with our expectation that there will be no material adverse effects; the disruptions on operations from, and other effects of, catastrophic and other extraordinary events including the COVID-19 pandemic; and other risk factors disclosed in periodic reports filed with the Securities and Exchange Commission. Consequently, these forward-looking statements should be regarded as the Company's current plans, estimates, and beliefs.

The Company does not undertake and specifically declines any obligation to update or publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

To supplement our consolidated financial statements presented in accordance with GAAP, the Company considers certain financial measures that are not prepared in accordance with GAAP, including value-added sales (VA sales), adjusted earnings before interest and taxes (EBIT), adjusted earnings before interest and taxes depreciation and amortization (EBITDA), adjusted net income, adjusted earnings per diluted share and net debt (cash). The company uses these non-GAAP financial measures, in addition to GAAP financial measures, to evaluate our operating and financial performance and to compare such performance to that of prior periods and to the performance of our competitors. Also, the company uses these non-GAAP financial measures in making operational and financial decisions and in establishing operational goals. The Company also believes providing these non-GAAP financial measures to investors, as a supplement to GAAP financial measures, helps investors evaluate our operating and financial performance and trends in our business, consistent with how management evaluates such performance and trends. The company also believes these non-GAAP financial measures may be useful to investors in comparing its performance to the performance of other companies, although its non-GAAP financial measures are specific to the company and the non-GAAP financial measures of other companies may not be calculated in the same manner.

It is not possible for the Company to identify the amount or significance of future adjustments associated with potential insurance and litigation claims, legacy environmental costs, acquisition and integration costs, certain income tax items, or other non-routine costs that the Company adjusts in the presentation of adjusted earnings guidance. These items are dependent on future events that are not reasonably estimable at this time. Accordingly, the Company is unable to reconcile without unreasonable effort the forecasted range of adjusted earnings guidance for the full year to a comparable GAAP range. However, items excluded from the Company's adjusted earnings guidance include the historical adjustments noted in slides 26 through 30 in the appendix.

For more information on Non-GAAP measures, please refer to the Appendix.

Opening Remarks & Business Update

Jugal Vijayvargiya
President and Chief Executive Officer

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Q4 2021 Performance Highlights

Record Value-Added Sales, Adjusted EBIT and EPS*

Delivered value-added (VA) sales of $237.4 million, up 27% year-over-year

- Continued strong end-market demand combined with meaningful organic outgrowth
- Closed transformational acquisition of HCS-Electronic Materials
  - Day 1 integration activities seamless
  - Q4 contribution in line with expectations

Achieved adjusted EBIT of $28.1 million, an increase of 50% year-over-year

- Adjusted EBIT margin of 11.8%; 180 bps increase year-over-year
- Record VA sales, improved pricing, and strong operating performance despite Omicron challenges

Achieved adjusted EBITDA of $39.8 million, 16.8% of VA

Adjusted EPS of $1.03, an increase of 47% versus prior year

- Adjusted EPS excluding acquisition amortization of $1.13

**VA Sales and adjusted EBIT are record setting for any quarter, and adjusted EPS is a record for the fourth quarter.*

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See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EPS and EPS excluding acquisition amortization to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

2021 Performance Highlights

Record Value-Added Sales, Adjusted EBIT and EPS

Delivered <u>record</u> VA sales of $859.7 million, up 29% year-over-year

- Double-digit organic VA sales growth across all major end markets with significant outgrowth
- Acquisitions of Optics Balzers and HCS-Electronic Materials building out portfolio and contributing

Achieved <u>record</u> adjusted EBIT of $99.4 million, an increase of 79% year-over-year

- Adjusted EBIT margin of 11.6%; up 330 bps year-over-year
- Increased demand, favorable mix, improved pricing, and strong operating performance drove the expansion

<u>Record</u> Adjusted EPS of $3.81, an increase of 88% versus prior year

- Adjusted EPS excluding acquisition amortization of $4.06

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See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, adjusted EPS and EPS excluding acquisition amortization to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

2021 Performance Highlights

Significant Advancement of Our Strategic Initiatives

- **Completed transformational acquisition of HCS-Electronic Materials**
  - Largest acquisition in company's history
- **Completed construction of customer funded Precision Clad Strip plant**
  - On track to contribute more meaningfully in 2022
- **Increased automotive content, in particular EV applications with strong upside**
- **Delivered $2M of cost synergies from Optics Balzers acquisition; building strong portfolio of new optics opportunities**
- **Implemented pilot AI initiative in manufacturing to improve first time quality and increase yields**
- **Continued to increase investment in R&D, 1st year >3% VA; focused on near and mid-term customer opportunities**
- **Invested ~$100M in Capital Expenditures to support accelerated organic growth**

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End Market Performance

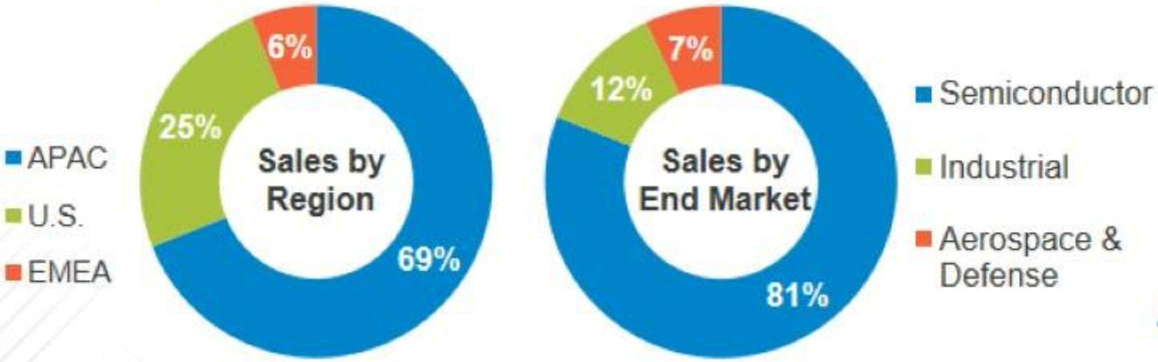
	Q4 2021			FY 2021	
Market	VA Sales	vs. Q4 2020	Q4 Comments	VA Sales	vs. FY 2020
Semiconductor	$71.4	81%	• Demand remains very strong led by increasing applications across customers and end market demand • 27% increase without HCS	$214.5	45%
Industrial	$50.2	48%	• Industrial market recovery driving expansion across all products • Increase in construction driving demand for nickel beryllium alloys • 37% increase without HCS	$169.5	37%
Aerospace & Defense	$30.4	24%	• Aerospace gaining momentum with third straight quarter of growth - airplane builds continuing to grow from 2020 lows • Defense orders remain strong • 17% increase without HCS	$106.5	22%
Automotive	$21.6	26%	• EV application growth continues to be well above market growth • Increasing content across global platforms	$88.0	52%
Consumer Electronics	$17.6	0%	• Chip availability impacting YoY growth in electronic devices	$69.1	20%
Energy	$14.5	20%	• Oil & Gas sees fourth quarter of consecutive growth • Continued growth in smart glass applications	$54.5	11%
Telecom & Data Center	$11.4	20%	• Strong connector demand driven by increasing 5G deployments	$43.4	14%

HCS-Electronic Materials Update

Company Overview

Location	Newton, MA
2021E Sales[1]	$145M
2021E Adj. EBITDA Margin[1]	~20%

Sales Mix[1]



Early Integration Update

Commercial Update

- Strong customer engagement, positive meetings with all top customers
- Ended year with record order book, with semiconductor leading the way
- Planned investments initiated to support capacity/growth objectives
- Combined technical teams collaborating on next gen products

Integration Highlights

- Integration office established; key tasks identified; all on track
- Management team set and highly engaged
- Early synergy identification ahead of plan; purchasing savings an early win

Strategic Rationale

- ✓ Strong Strategic Fit
- ✓ Industry-Leading Solutions
- ✓ Deep Process Technology Know-how
- ✓ Critical Scale
- ✓ Access to Higher-Value Opportunities
- ✓ Compelling Growth and Margin Profile

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[1] Results represent unaudited 2021 sales and adjusted EBITDA pro forma estimates.

Precision Clad Strip Project

Major Equipment

- 100% Delivery
- 100% Installation
- 100% Commissioning

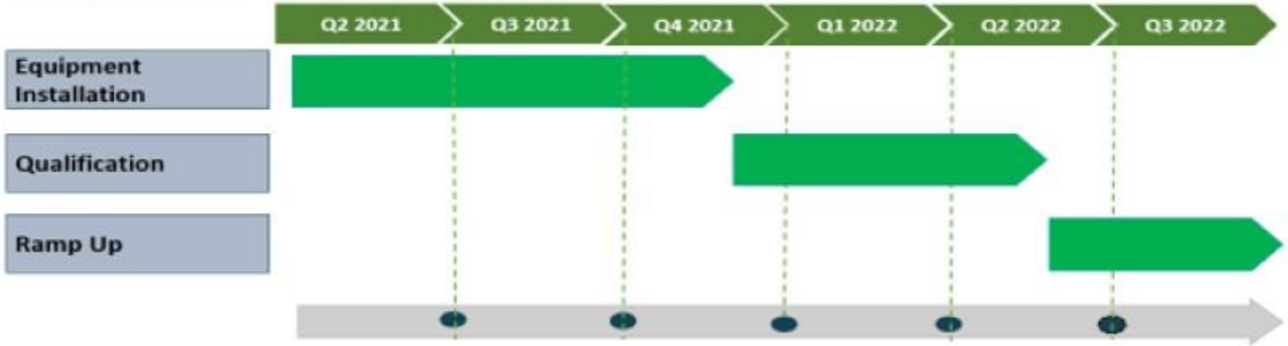
Facility Construction

- 100% Electrical
- 100% Piping
- 100% Foundations
- 100% Utilities

Qualification

- 40% Customer Qualified
- 100% Processes Qualified

Schedule



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Looking Ahead to 2022

Expect to deliver another year of record sales and earnings

- Value Added (VA) Sales to exceed $1B for the first time
- Record adjusted EBIT, EBITDA and EPS, with margin expansion
- Continued end-market strength with organic outgrowth
- Strongest order book entering a new year

Strategic initiatives will contribute meaningfully

- Deliver HCS-Electronic Materials growth and synergy plan
- Customer funded clad strip project starting to ramp in Q2

Successfully mitigate supply chain, inflationary pressures and labor constraints

- Price increases and pass through mechanisms in place to more than offset
- Supply chain continues to be well managed

Investing in our business to continue strong levels of outgrowth

- Several projects identified to support increasing levels of demand and deliver new capabilities

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2022 End-Market Growth Outlook

Low Single-Digits (1-3%)	Mid Single-Digits (4-6%)	High Single-Digits (7-8%)
Consumer Electronics	Industrial	Semiconductor
Telecom & Data Center	Automotive	Aerospace
	Defense	Energy

Expecting another year of strong end-market demand

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Key Takeaways

- Delivered record performance in 2021
- Made significant progress on key strategic initiatives
- Built strong pipeline of organic opportunities, set to deliver
- Completed transformational acquisition of HCS-Electronic Materials
- Positioned the company to deliver another year of record results in 2022

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Financial Review

Shelly Chadwick
Vice President and Chief Financial Officer

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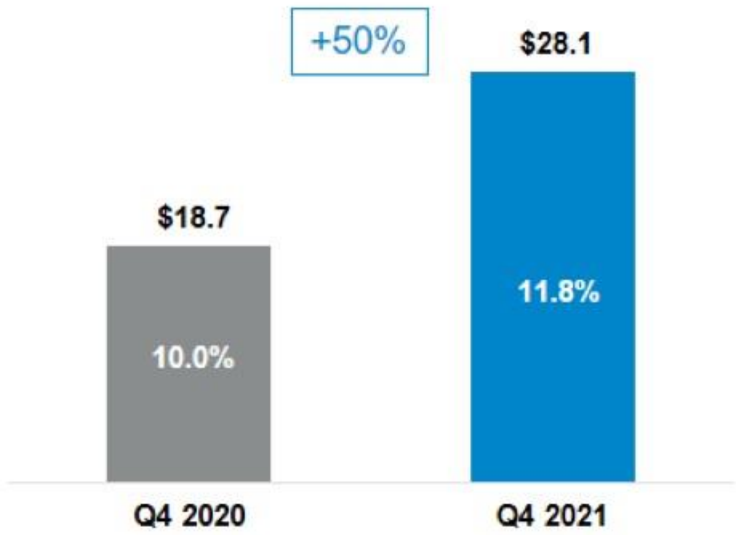
Q4 2021 Operating Performance

Value-added Sales ($M)

Value-added sales were $237.4 million, up 27% from prior year

- Strong demand across key end markets led by semiconductor, industrial, aerospace, defense and automotive
- Meaningful contribution from organic initiatives pipeline and HCS VA contribution of $26.7M for two months

Adj. EBIT ($M)



Adjusted EBIT margin of 11.8%, up 180 bps from prior year

- Higher volume, improved pricing, and favorable operating performance
- HCS accretive in first two months

Adj. EPS

Adjusted EPS of $1.03 versus $0.70 in the prior year period

- Finished the year strong despite Omicron-related staffing issues
- Lower effective tax rate in Q4 due to earnings mix

VA Sales and adjusted EBIT are record setting for any quarter, and adjusted EPS is a record for the fourth quarter.

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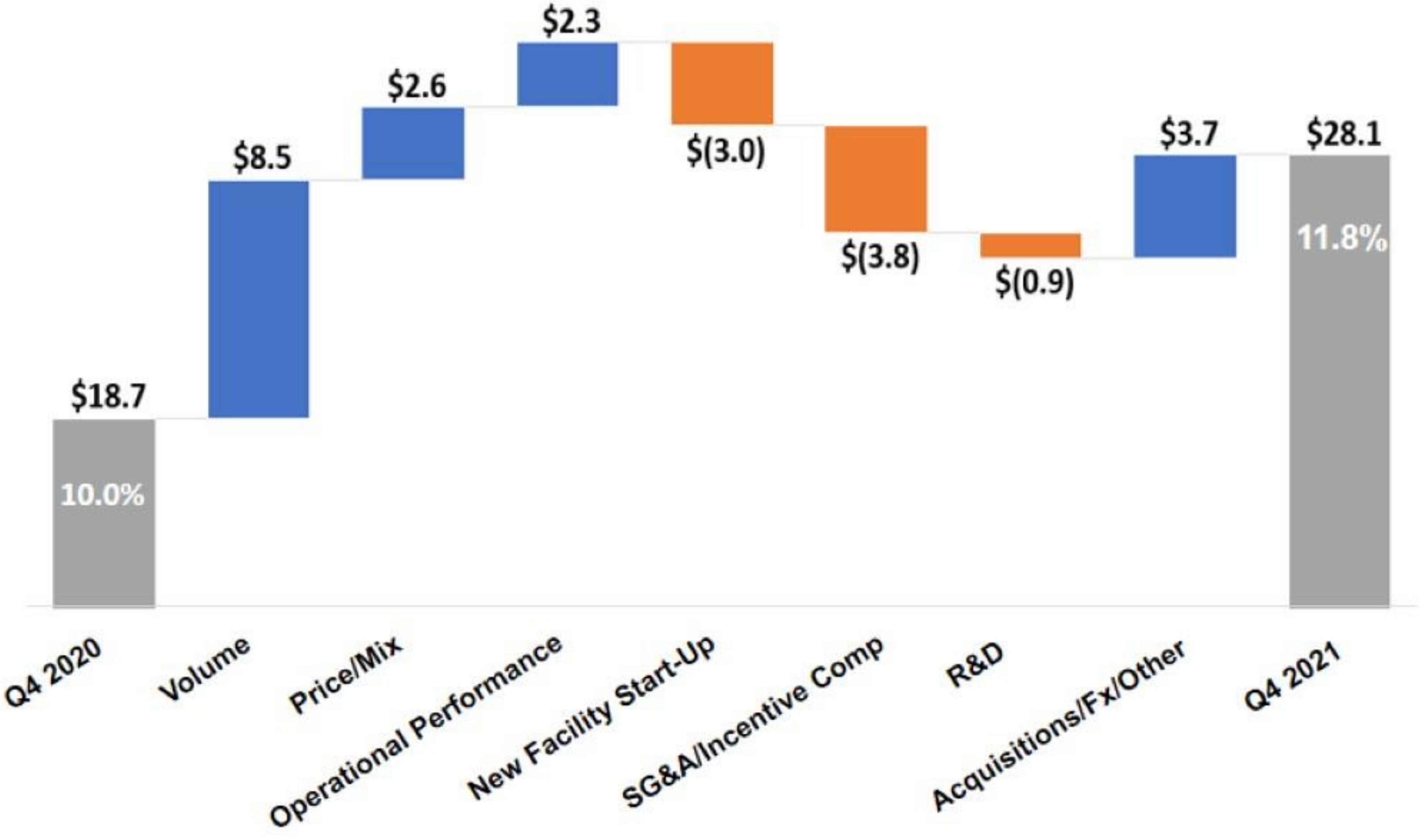
See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, adjusted EPS to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

Q4 2021 Financial Comparison

Adjusted EBIT of $28.1 million or 11.8% of VA sales compared with $18.7M or 10.0% of VA sales in the prior year period

- Significant increase in adjusted EBIT driven by strong volumes, meaningful price improvements and operational performance
- New facility start up costs ramping to support precision clad strip project
- SG&A reflects commercial investments, variable compensation



See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, and adjusted EPS to their most comparable GAAP financial measures.
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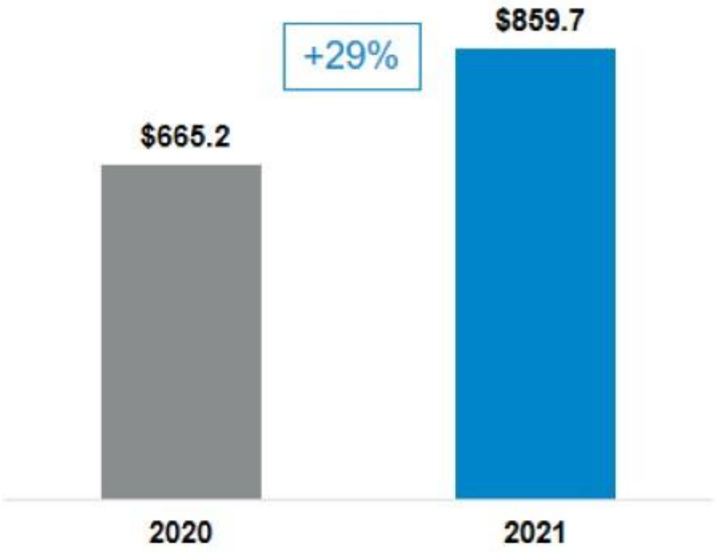
Full Year Operating Performance

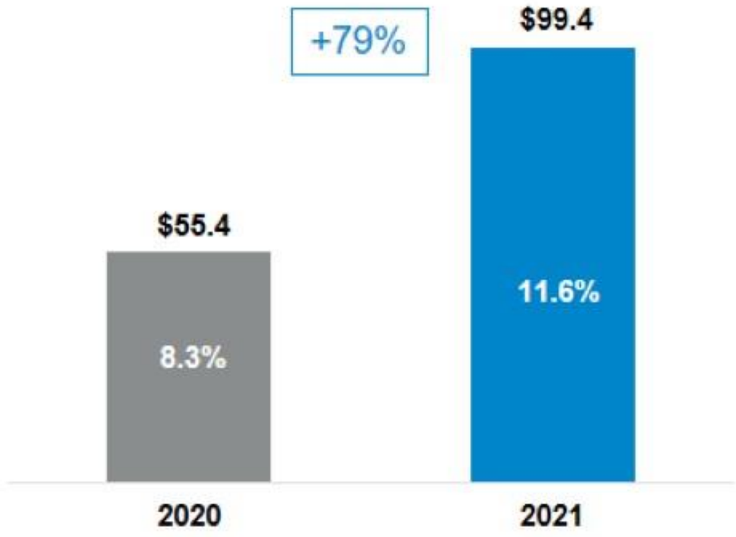
Value-added Sales ($M)



Value-added sales were $859.7 million, up 29% from prior year

- Strong demand across key end markets led by semiconductor, industrial, aerospace and defense and automotive
- Meaningful contribution from organic initiatives pipeline and HCS

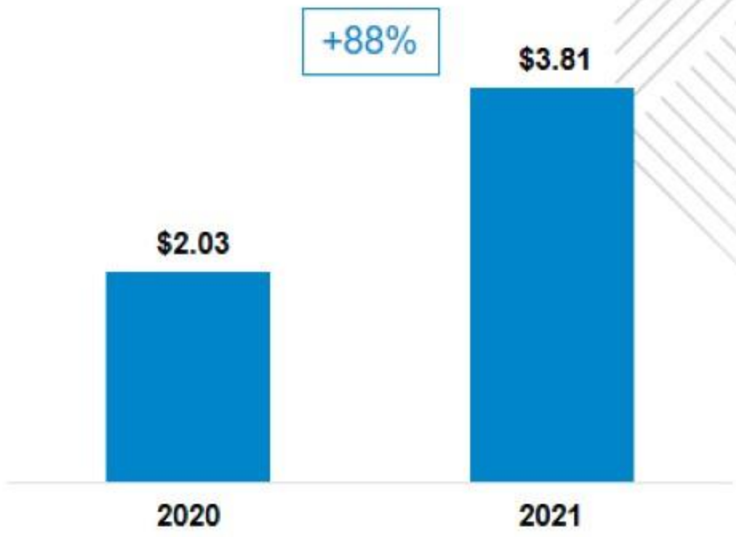
Adj. EBIT ($M)



Adjusted EBIT margin of 11.6%, up 330 bps from prior year

- Higher volume, positive mix, improved pricing, and strong operating performance

Adj. EPS



Adjusted EPS of $3.81 versus $2.03 in the prior year period, an 88% increase

- Strong performance led to record EPS
- Favorable adjusted tax rate for the year ~17%

VA Sales, adjusted EBIT and adjusted EPS are record setting for any year.

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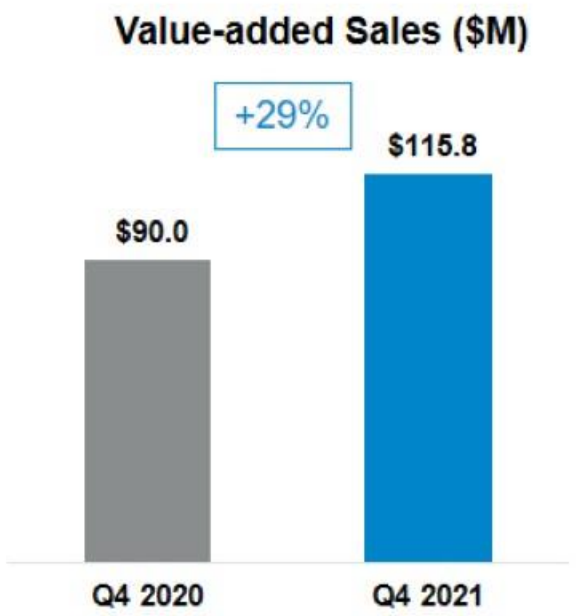
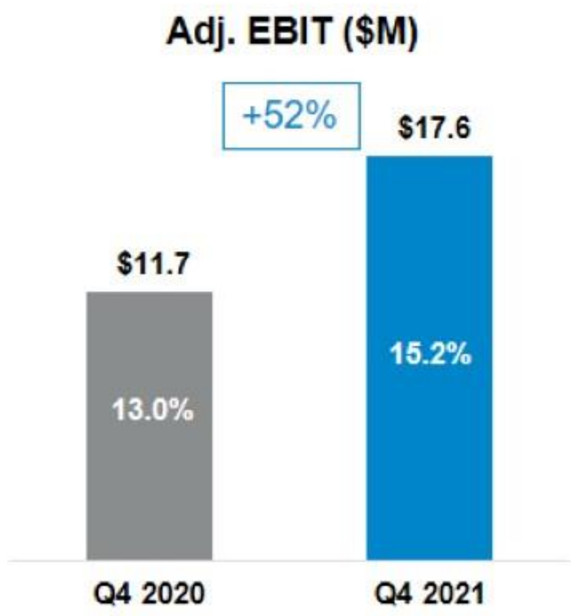
See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, adjusted EPS to their most comparable GAAP financial measures. Certain data presented above has been rounded for presentation purposes.

Performance Alloys and Composites Segment





Q4 Performance by End Market

- Industrial
- Aerospace & Defense
- Automotive
- Energy
- Telecom & Data Center
- Consumer Electronics

Value-added sales of $115.8 million, up 29% from prior year

- Strong performance in the automotive, industrial, energy and aerospace end markets
- Precision clad strip opportunity contributed approximately $8M in the quarter

Adjusted EBIT of $17.6 million, or 15.2% of VA sales, up 220 bps from prior year

- Increased volume, price and favorable operating performance
- Absorbing plant start up costs of $3M while expanding margins

2022 Outlook:

- Strong order book; expect another year of above market organic growth
- Precision Clad Strip project to contribute meaningfully in 2H; start up costs persist through 1H

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See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, and adjusted EPS to their most comparable GAAP financial measures.
Certain data presented above has been rounded for presentation purposes.

Advanced Materials Segment

Value-added Sales ($M)

Adj. EBIT ($M)

Q4 Performance by End Market

- ↑ Semiconductor
- ↓ Energy
- ↑ Industrial

Value-added sales of $89.5 million, up 52% from prior year

- All-time record for quarterly VA sales, exceeding previous record set in Q3 2021
- Accelerating initiatives and strong end market demand delivered 15.9% organic growth in the quarter
- HCS-Electronic Materials added strong results of $21.4M for first two months

Adjusted EBIT of $12.5 million, or 14.0% of VA sales, up 180 bps from prior year

- Increased demand, positive pricing, and strong mix drove margin expansion

2022 Outlook:

- Strong demand expected to continue in semiconductor
- Organic initiatives set to contribute in '22
- HCS full year contribution delivers step change in sales and earnings

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See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, and adjusted EPS to their most comparable GAAP financial measures.
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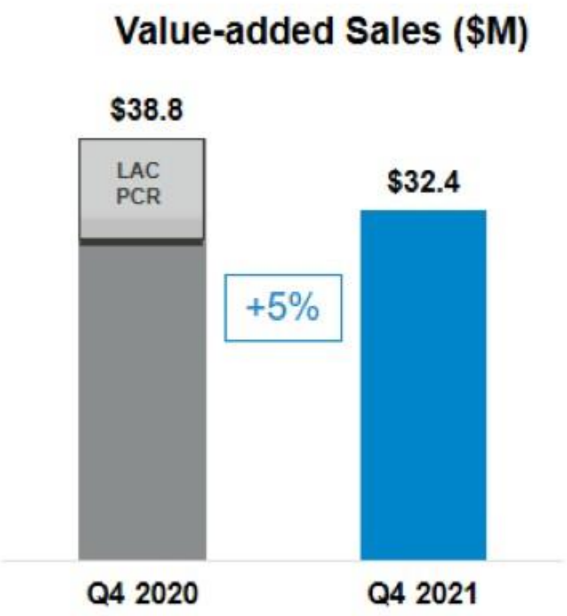
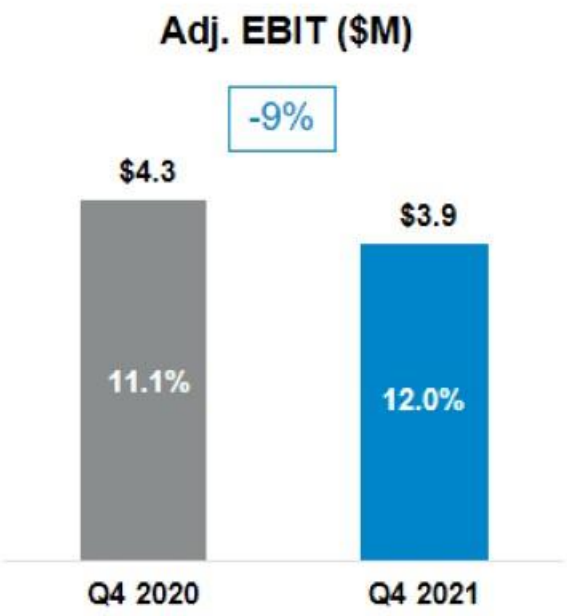
Precision Optics Segment





Q4 Performance by End Market

- ↑ Consumer Electronics
- ↑ Industrial
- ↑ Aerospace & Defense
- ↓ Automotive
- ↓ Medical

Value-added sales of $32.4 million

- Exited LAC business contributed $4M in Q4 ‘20
- COVID-19 PCR testing orders peaked at $4M in Q4 ‘20
- Excluding LAC and PCR, VA sales up 5% with increased demand in consumer electronics and industrial

Adjusted EBIT of $3.9 million, or 12.0% of VA sales

- Improved margin 90 bps from Q4 2020 offsetting headwinds from LAC and PCR

Q4 and Full Year adjusted EBITDA margins of 20%, up 240 basis points from 2020

2022 Outlook:

- Full year growth outlook strong with new business opportunities coming online
- Near term headwinds with fall off of COVID PCR testing program and discontinuation of a consumer electronics application

See appendix for reconciliations of value-added sales, adjusted EBIT, adjusted EBIT margin, and adjusted EPS to their most comparable GAAP financial measures.
Certain data presented above has been rounded for presentation purposes.

Cash, Debt and Liquidity

($M)	2020	2021
Short-term Debt	$1.9	$15.4
Long-term Debt	36.5	434.4
Total Debt	**$38.5**	**$449.8**
Cash & Cash Equivalents	25.9	14.5
Net Debt (Cash)	**$12.6**	**$435.3**
TTM Adjusted EBITDA	$97.8	$143.6
Net Debt (Cash) / TTM Adj. EBITDA	0.1x	3.0x
Net Debt (Cash) / TTM Adj. EBITDA – Pro Forma[1]	**n/a**	**2.6x**

Proforma leverage remains well within target range of 1.5x – 3x

- Repaid $35M of debt in Q4 with strong cash flow and cash repatriation

Approximately $176 million available on existing credit facility

- Meaningful available liquidity remains to support growth initiatives

No share buyback activity in the quarter

- Board authorization in place for up to $50M worth of shares with $8.3M remaining

Strong Free Cash Flow expected in 2022; will support organic growth investment and debt paydown

1.) Q4 2021 Pro Forma TTM Adjusted EBITDA amount of $168.4 assuming a full year of HCS.

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Disclosure Update: Non-GAAP Reporting

- As our company evolves, we are improving our reporting and disclosure practices
- Starting in 2022, we are adding non-GAAP metrics to reflect operational performance without the impact of non-cash charges
    - Disclosure for EBITDA and adjusted EBITDA as measure of company and segment performance
    - Disclosure for adjusted EPS excluding amortization of acquired intangible assets
- Amortization expense has become more material as a result of recent acquisitions
- These changes provide greater clarity of core business activity and align better with peer performance
- Aims to provide better transparency of operational performance for investors

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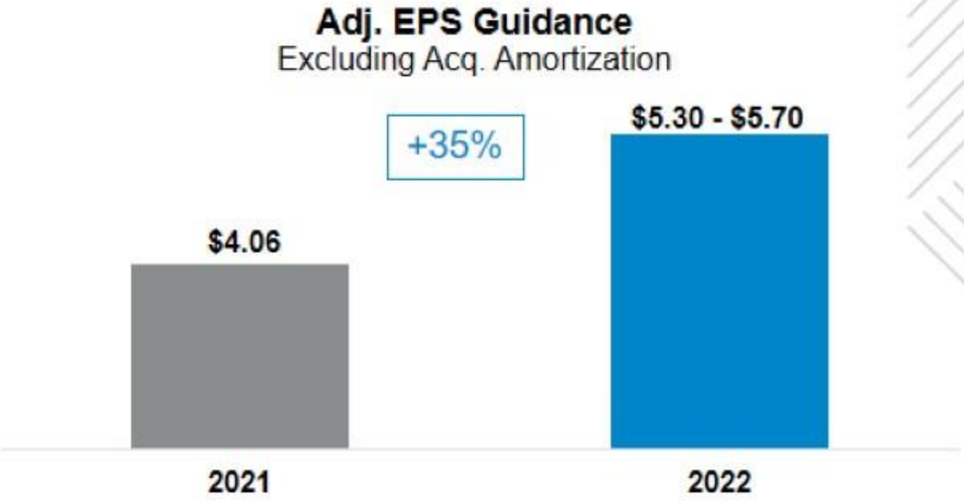
Full Year 2022 Guidance

2022 Guidance

- Adjusted EPS excluding acquisition amortization of $5.30 to $5.70, an increase of 35% at the midpoint
  - Includes $3-4M/quarter of plant start-up costs in the first half
- Equivalent to Adjusted EPS of $4.80 to $5.20



2022 Modeling Assumptions

Capital Expenditures	$75M	Interest Expense – assumes 4 rate hikes	$16M
HCS-Electronic Materials	$20M	Effective Tax Rate	17% to 19%
Complete Tailings Pond	$10M	Mine Development Costs	$1M
Precision Clad Strip Plant	$5M	Depreciation and Amortization	$60M
Normal Segment Capex	$40M	Acquisition Amortization	$12.5M

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Note: This guidance was provided on February 17th, 2022 and has not been confirmed or updated. The Company disclaims any obligation to do so based on any subsequent event or any other reason. In addition, as discussed on slide 3, it is not possible for the Company to forecast future adjustments to GAAP earnings.

Invest in Materion as we Advance our Strategy

Becoming a global leader in high-performing advanced materials serving diverse and attractive markets well aligned with megatrends

Building robust pipeline with investments in R&D as we focus on developing innovative solutions for our customers

Leveraging strong cash flow and deploying a disciplined, strategic approach toward profitable growth opportunities, both organic and inorganic

Energized management team laser focused on execution and increasing value for all stakeholders

Appendix

Reconciliation for Value-added Sales

($ in millions)	Q4 2021	Q4 2020	2021	2020
Net Sales				
Performance Alloys and Composites	$ 136.4	$ 102.3	$ 511.9	$ 394.2
Advanced Materials	228.3	195.0	866.8	670.9
Precision Optics	32.5	42.4	131.9	111.2
Other	—	—	—	—
Total	$ 397.2	$ 339.7	$ 1,510.6	$ 1,176.3
Less: Pass-through Metal Costs				
Performance Alloys and Composites	$ 20.6	$ 12.3	$ 71.5	$ 48.9
Advanced Materials	138.8	136.1	577.7	450.3
Precision Optics	0.1	3.6	0.1	9.3
Other	0.3	0.5	1.6	2.6
Total	$ 159.8	$ 152.5	$ 650.9	$ 511.1
Value-added Sales				
Performance Alloys and Composites	$ 115.8	$ 90.0	$ 440.4	$ 345.3
Advanced Materials	89.5	58.9	289.1	220.6
Precision Optics	32.4	38.8	131.8	101.9
Other	(0.3)	(0.4)	(1.6)	(2.6)
Total	$ 237.4	$ 187.2	$ 859.7	$ 665.2

The cost of gold, silver, platinum, palladium, copper, ruthenium, iridium, rhodium, rhenium, and osmium is passed through to customers and, therefore, the trends and comparisons of net sales are affected by movements in the market price of these metals. The use of value-added sales allows management to assess the impact of differences in net sales and analyze the resulting profitability without the distortion of metal pricing movements, which the Company believes would be useful information for investors.

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Reconciliation for Non-GAAP Measures

($ in millions)	Q4 2021	Q4 2020	2021	2020
Operating Profit (Loss)				
Performance Alloys and Composites	$ 16.2	$ 3.7	$ 67.9	$ 13.6
Advanced Materials	8.8	6.7	35.3	22.1
Precision Optics	3.7	1.7	14.2	(4.4)
Other	(13.2)	(5.3)	(40.3)	(23.1)
Total	$ 15.5	$ 6.8	$ 77.1	$ 8.2
Special Items				
Performance Alloys and Composites	$ 1.6	$ 8.1	$ 1.6	$ 25.8
Advanced Materials	3.7	0.5	3.7	1.3
Precision Optics	—	2.5	0.4	15.5
Other	6.0	(0.3)	11.5	0.7
Total	$ 11.3	$ 10.8	$ 17.2	$ 43.3
Non-Operating (Income) Expense				
Performance Alloys and Composites	$ 0.2	$ 0.1	$ 0.6	$ 0.6
Advanced Materials	—	—	0.1	0.1
Precision Optics	(0.2)	(0.1)	(0.8)	(0.3)
Other	(1.3)	(1.1)	(5.0)	(4.3)
Total	$ (1.3)	$ (1.1)	$ (5.1)	$ (3.9)
EBIT Excluding Special Items				
Performance Alloys and Composites	$ 17.6	$ 11.7	$ 68.9	$ 38.8
Advanced Materials	12.5	7.2	38.9	23.3
Precision Optics	3.9	4.3	15.4	11.4
Other	(5.9)	(4.5)	(23.8)	(18.1)
Total	$ 28.1	$ 18.7	$ 99.4	$ 55.4

We have adjusted the results for certain special items such as non-cash impairment charges, non-cash inventory adjustments, cost reduction initiatives (i.e., severance), COVID-19 related costs, mine development costs, merger and acquisition costs, and certain discrete income tax items from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.

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Reconciliation for Non-GAAP Measures (Cont.)

($ in millions)	Q4 2021	Q4 2020	2021	2020
GAAP as Reported				
Operating profit	$ 15.5	$ 6.8	$ 77.1	$ 8.2
Non-operating (income)	$ (1.3)	$ (1.1)	$ (5.1)	$ (3.9)
Net Income	$ 19.7	$ 8.1	$ 72.5	$ 15.5
Shares outstanding-Diluted	20,732	20,606	20,689	20,603
EPS - Diluted	$ 0.95	$ 0.39	$ 3.50	$ 0.75
Operating Profit Special Items				
Impairment Charges	$ —	$ (0.3)	$ —	$ 10.5
Mine development costs	—	5.6	—	12.9
Forfeiture of non-cash stock-based compensation	—	(0.6)	—	(2.1)
Non-cash inventory adjustment	—	—	—	1.3
Cost reduction initiatives	—	4.5	0.4	11.7
COVID-19 related costs	—	0.4	—	4.1
Merger and acquisition costs	11.3	1.0	16.8	8.0
Foreign currency hedge gain	—	—	—	(3.3)
Legacy legal & environmental costs	—	0.2	—	0.2
Total Operating Profit Special Items	$ 11.3	$ 10.8	$ 17.2	$ 43.3
Operating Profit Special Items - net of tax	$ 8.7	$ 8.3	$ 13.2	$ 33.4
Tax Special Items	$ (7.0)	$ (2.0)	$ (6.9)	$ (7.1)
Special items per diluted share	$ 0.08	$ 0.31	$ 0.31	$ 1.28
Non-GAAP Measures - Adjusted Profitability				
Operating profit	$ 26.8	$ 17.6	$ 94.3	$ 51.5
EBIT	$ 28.1	$ 18.7	$ 99.4	$ 55.4
Net income	$ 21.4	$ 14.4	$ 78.8	$ 41.8
EPS - Diluted	$ 1.03	$ 0.70	$ 3.81	$ 2.03
Acquisition Amortization	0.10	0.05	0.25	0.10
EPS without Acquisition Amortization - Diluted	$ 1.13	$ 0.75	$ 4.06	$ 2.13

We have adjusted the results for certain special items such as certain foreign currency hedge gains, cost reduction initiatives (i.e., severance), COVID-19 related costs, merger and acquisition costs, mine development costs, and certain discrete income tax items from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.

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Reconciliation for Non-GAAP Measures (Cont.)

($ in millions)	Q4 2021		Q4 2021 TTM		Q4 2020 TTM	
GAAP as Reported						
Net income	$	19.7	$	72.5	$	15.5
Income tax expense (benefit)		(5.3)		4.9		(7.2)
Interest expense		2.4		4.9		3.8
Depreciation, depletion, and amortization		11.7		44.1		42.4
Consolidated EBITDA		**28.5**	**$**	**126.4**	**$**	**54.5**
Total Special Items		11.3		17.2		43.3
Adjusted EBITDA		**39.8**	**$**	**143.6**	**$**	**97.8**
HCS-Electronic Materials Proforma EBITDA[1]				24.8		
Q4 2021 Proforma Adjusted TTM EBITDA			**$**	**168.4**		

We have adjusted the results for certain special items such as non-cash impairment charges, non-cash inventory adjustments, cost reduction initiatives (i.e., severance), COVID-19 related costs, merger and acquisition costs, mine development costs, and certain discrete income tax items from the applicable GAAP financial measure. Management reviews the results of operations without the impact of these items to assess profitability from ongoing activities and believes this will assist investors in analyzing our financial results.

1 Results represent unaudited forward-looking estimates and are subject to the forward-looking statements considerations discussed on slide 3

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EPS Excluding Acquisition Amortization

	Mar-19	Jun-19	Sep-19	Dec-19	2019	Mar-20	Jun-20	Sep-20	Dec-20	2020	Mar-21	Jun-21	Sep-21	Dec-21	2021
EPS (GAAP)	$ 0.83	$ 0.84	$ 0.22	$ 0.69	$ 2.59	$ (0.19)	$ 0.28	$ 0.27	$ 0.39	$ 0.75	$ 0.81	$ 0.87	$ 0.88	$ 0.95	$ 3.50
EPS (Adjusted)	$ 0.83	$ 0.97	$ 0.86	$ 0.66	$ 3.33	$ 0.39	$ 0.44	$ 0.50	$ 0.70	$ 2.03	$ 0.82	$ 0.86	$ 1.10	$ 1.03	$ 3.81
EPS Excl Acq Amort (Adjusted)	$ 0.85	$ 0.98	$ 0.88	$ 0.68	$ 3.39	$ 0.39	$ 0.45	$ 0.54	$ 0.75	$ 2.13	$ 0.87	$ 0.91	$ 1.15	$ 1.13	$ 4.06
Acq Amort Net of Tax/Shares	$ 0.02	$ 0.02	$ 0.02	$ 0.01	$ 0.06	$ 0.01	$ 0.00	$ 0.04	$ 0.05	$ 0.10	$ 0.05	$ 0.05	$ 0.05	$ 0.10	$ 0.25

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