Fourth-Quarter and Full-Year 2018 Earnings & Investor Presentation

February 20, 2019

TIMKEN STEEL

Forward-looking statements and non-GAAP financial information

This presentation includes “forward-looking” statements within the meaning of the federal securities laws. You can generally identify the company’s forward-looking statements by words such as "will," “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “outlook,” “intend,” “may,” “possible,” “potential,” “predict,” “project,” “seek,” “target,” “could,” “may,” “should,” "target," "will," “would” or other similar words, phrases or expressions that convey the uncertainty of future events or outcomes. The company cautions readers that actual results may differ materially from those expressed or implied in forward-looking statements made by or on behalf of the company due to a variety of factors, such as: deterioration in world economic conditions, or in economic conditions in any of the geographic regions in which the company conducts business, including additional adverse effects from global economic slowdown, terrorism or hostilities, including political risks associated with the potential instability of governments and legal systems in countries in which the company or its customers conduct business, and changes in currency valuations; the effects of fluctuations in customer demand on sales, product mix and prices in the industries in which the company operates, including the ability of the company to respond to rapid changes in customer demand, the effects of customer bankruptcies or liquidations, the impact of changes in industrial business cycles, and whether conditions of fair trade exist in U.S. markets; competitive factors, including changes in market penetration, increasing price competition by existing or new foreign and domestic competitors, the introduction of new products by existing and new competitors, and new technology that may impact the way the company’s products are sold or distributed; changes in operating costs, including the effect of changes in the company’s manufacturing processes, changes in costs associated with varying levels of operations and manufacturing capacity, availability of raw materials and energy, the company’s ability to mitigate the impact of fluctuations in raw materials and energy costs and the effectiveness of its surcharge mechanism, changes in the expected costs associated with product warranty claims, changes resulting from inventory management, cost reduction initiatives and different levels of customer demands, the effects of unplanned work stoppages, and changes in the cost of labor and benefits; the success of the company’s operating plans, announced programs, initiatives and capital investments (including the jumbo bloom vertical caster and advanced quench-and-temper facility), the ability to integrate acquired companies, the ability of acquired companies to achieve satisfactory operating results, including results being accretive to earnings, and the company’s ability to maintain appropriate relations with unions that represent its associates in certain locations in order to avoid disruptions of business; unanticipated litigation, claims or assessments, including claims or problems related to intellectual property, product liability or warranty, and environmental issues and taxes, among other matters; the availability of financing and interest rates, which affect the company’s cost of funds and/or ability to raise capital, the company’s pension obligations and investment performance, and/or customer demand and the ability of customers to obtain financing to purchase the company’s products or equipment that contain its products; the amount of any dividend declared by the company’s Board of Directors on the company’s common shares; and the overall impact of mark-to-market accounting. Additional risks relating to the company’s business, the industries in which the company operates or the company’s common shares may be described from time to time in the company’s filings with the SEC. All of these risk factors are difficult to predict, are subject to material uncertainties that may affect actual results and may be beyond the company’s control. Readers are cautioned that it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results and that the above list should not be considered to be a complete list. 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.

The unaudited pro forma consolidated financial data in this presentation is subject to assumptions and adjustments described in the company’s registration statement on Form 10. TimkenSteel Corporation’s (“TimkenSteel”) management believes these assumptions and adjustments are reasonable under the circumstances. The unaudited pro forma consolidated financial data does not purport to represent what TimkenSteel’s financial position and results of operations actually would have been had the spinoff occurred on the dates indicated, or to project TimkenSteel’s financial performance for any future period following the spinoff.

This presentation also includes certain non-GAAP financial measures as defined by SEC rules. A reconciliation of those measures to the most directly comparable GAAP equivalent is contained in the Appendix. Please see discussion of non-GAAP financial measures in the Appendix.

Fourth-quarter and full-year 2018 highlights

- Net sales:
  - Fourth-quarter net sales of $406 million, an increase of 19 percent year over year, benefited from improved product mix, higher prices and increased volume.
  - Full-year net sales were $1.6 billion, an increase of 21 percent from 2017.
- Adjusted EBITDA[(1)]:
  - Fourth-quarter adjusted EBITDA[(1)] of $26.7 million exceeded guidance and increased $19 million year over year.
  - Full-year adjusted EBITDA[(1)] was $105 million, an increase of $36 million from 2017.
- Fourth-quarter ship tons of 294,500 tons exceeded guidance and increased 3 percent year over year due to strong operational execution and increased energy shipments.
- 2018 was TimkenSteel's safest year on record.



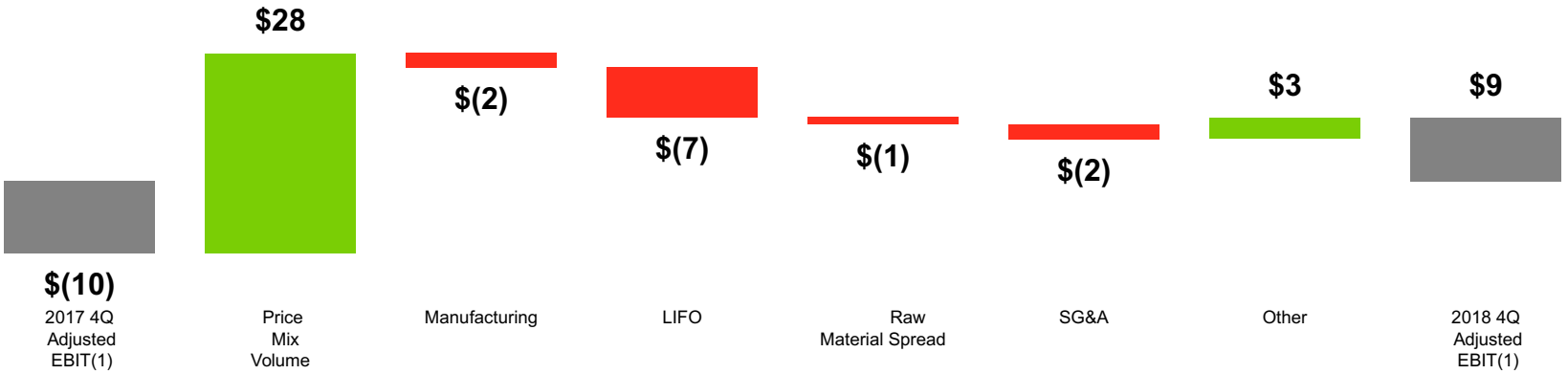
A team of employees from TimkenSteel Material Services in Houston received the annual Golden Glove Award after they successfully implemented their idea for reducing the risk of hand injuries. Over the past four years, approximately 80 employee-generated initiatives have been implemented, resulting in a decline of hand-related injuries across TimkenSteel's operations.

[(1)] *Please see the discussion of Non-GAAP Financial Measures in the Appendix*

Operating performance

(Dollars per million)

ADJUSTED EBIT 2017 4Q vs. 2018 4Q



- Higher demand from energy markets along with lower OCTG billet volume and several price increases resulted in improved year-over-year product mix, price and volume.
- Manufacturing included the benefit of fixed-cost leverage and lower maintenance costs compared with fourth-quarter 2017. These benefits were offset by inflation and the anticipated carryover cost from third-quarter 2018 production.

(1) Please see the discussion of Non-GAAP Financial Measures and reconciliations in the Appendix.

Market outlook

Direct End Markets

	Market Sentiment	TimkenSteel Sentiment	
North American Light Vehicles	●	↔	Production remains stable at good levels.
Mining	●	↑	Mining market is anticipating high single-digit growth through 2019.
Machinery	●	↔	Industrial equipment outlook has softened, modest growth expected.
Rail	●	↗	Rail equipment sales outlook expects modest growth.
Agriculture	●	↗	Agriculture market is anticipating steady growth for the year.
Oil and Gas	●	↔	Drilling activity expected to be stable.
Oil Country Tubular Goods (OCTG)	●	↔	OCTG demand has softened but is expected to recover during the year.

Channels

Distribution	●	↗	Demand is still good but replenishment rates are lagging.

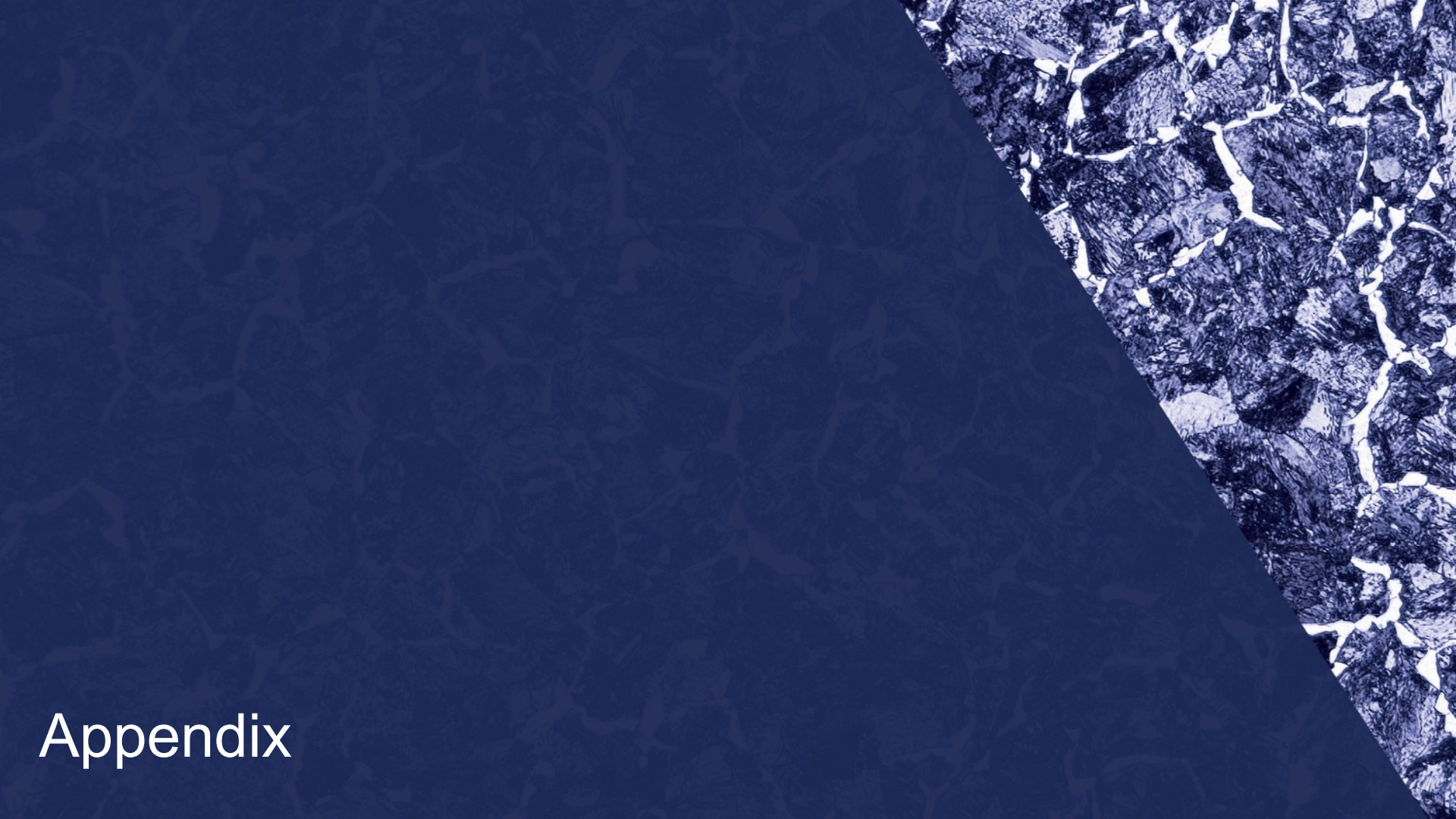
Source: TimkenSteel as of February 20, 2019

Outlook

Guidance

First-quarter 2019 volume	• Shipments are expected to be approximately 30,000 tons less than fourth-quarter 2018, primarily influenced by a reduction in OCTG billet demand.
First-quarter 2019 income	• Product mix and price will be improved over fourth-quarter 2018. • Raw material spread is expected to be a headwind due to a decline in the No. 1 Busheling Index compared to fourth-quarter 2018. • Planned production downtime to balance inventory with short-term demand will result in lower fixed-cost leverage, along with maintenance and consumables headwinds. • Net income (loss) is projected to be between $(4) million and $6 million. • EBITDA[(1)] is projected to be between $20 million and $30 million.
Full-year 2019	• Significant benefit from improved price and product mix is expected throughout 2019. • Increased pension and post-retirement benefit expense of $13 million (recorded in “other expense, net” on the consolidated income statement) due to lower 2018 pension asset returns and updated actuarial assumptions. • Capital spending is projected to be approximately $50 million.

(1) Please see the discussion of Non-GAAP Financial Measures in the Appendix.

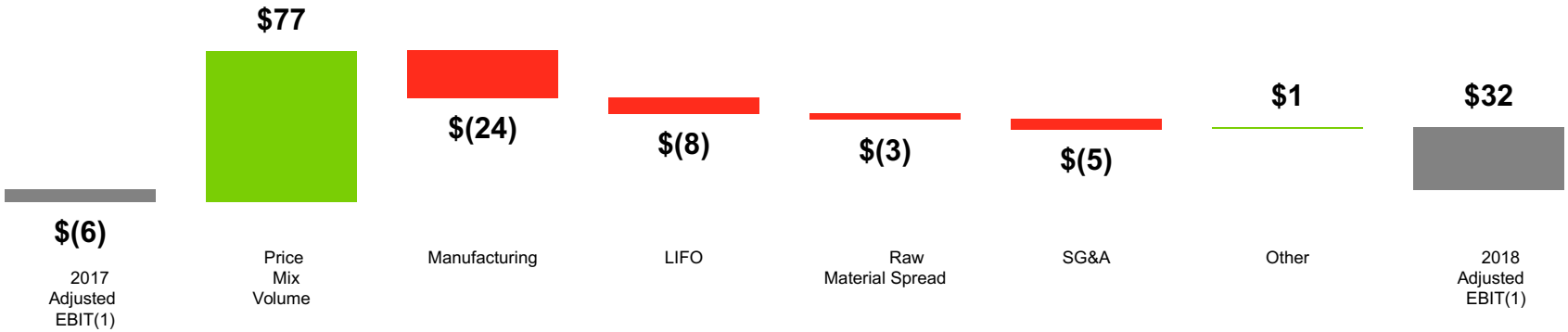


Appendix

ADJUSTED EBIT 2018 3Q vs. 2018 4Q



ADJUSTED EBIT 2017 vs. 2018

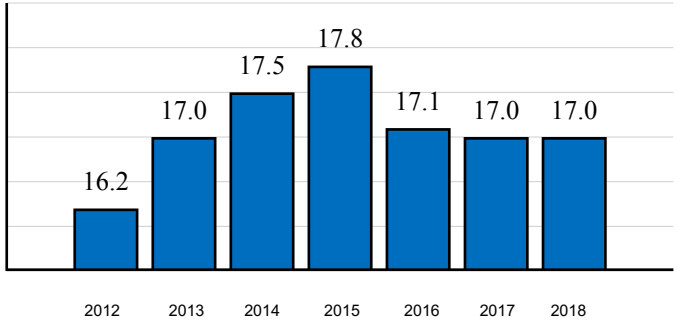


(1) Please see the discussion of Non-GAAP Financial Measures and reconciliations in the Appendix.

Economic indicators

Mobile

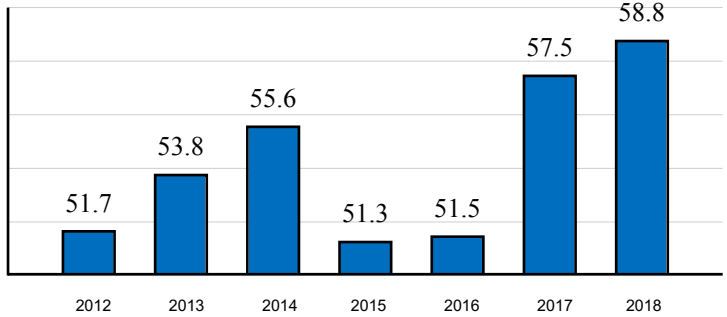
North American light vehicle production *(millions)*



Source: IHS Automotive (January 2019)

Industrial

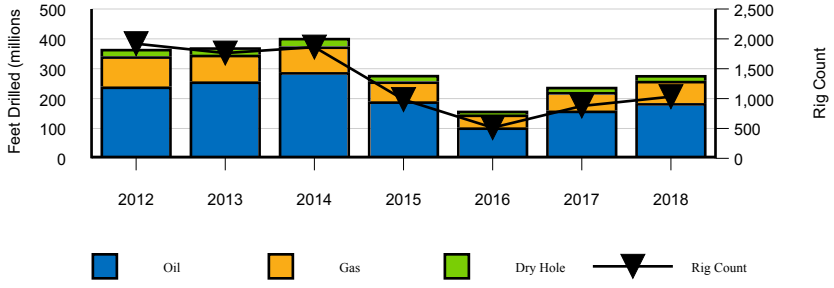
U.S. manufacturing PMI index, seasonally adjusted



Source: Institute For Supply Management (January 2019)

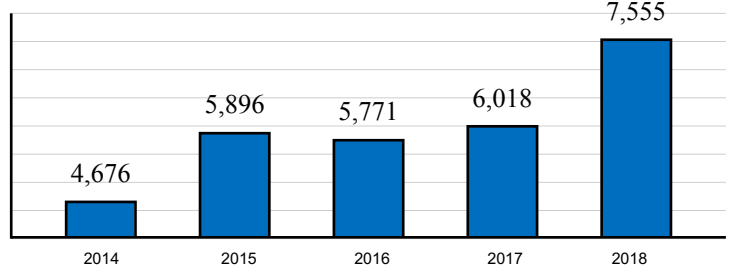
Energy

U.S. drilling activity



Source: Spears Drilling and Production Outlook (December 2018 publication)
*Prior-year drilling data may be restated due to the availability of more comprehensive data.

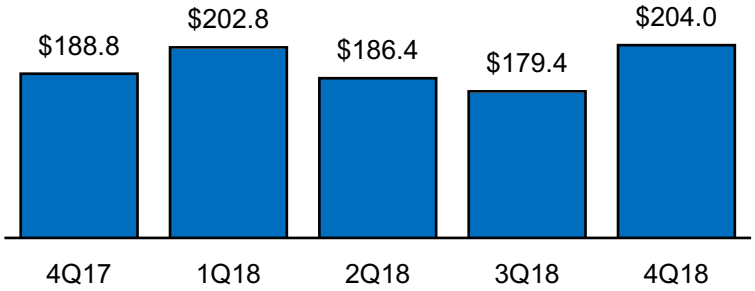
Avg. drilled but uncompleted wells (DUCs)



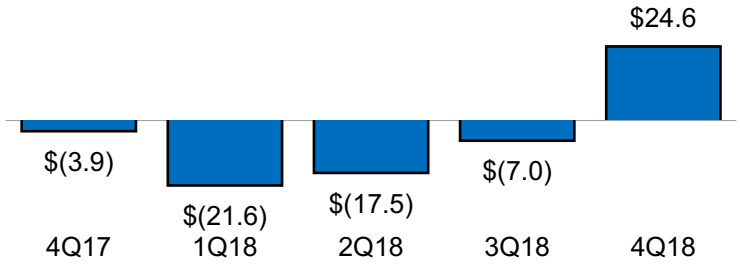
Source: U.S. Energy Information Administration (EIA) (January 2019)
*EIA regularly modifies its calculations due to changes in correlation methodology, which modification may result in changes to prior-year figures.

Financial performance - rolling five quarters

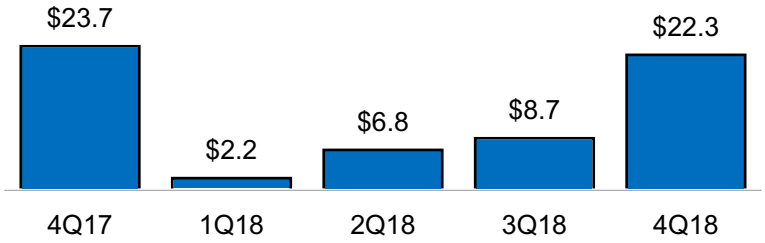
Total Liquidity[3] ($m)



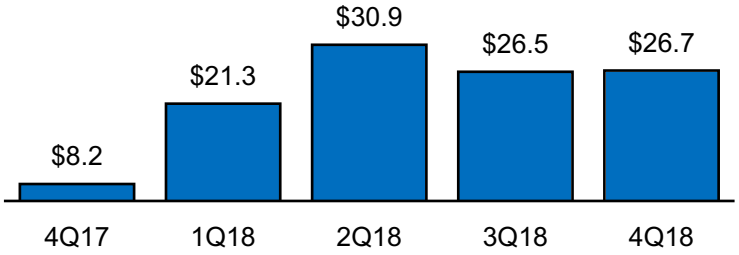
Free Cash Flow ($m)[2]



Capex ($m)



Adjusted EBITDA ($m)[1]



Source: TimkenSteel

(1) *Adjusted EBITDA is defined as EBITDA excluding (a) for the third quarter of 2017 and the fourth quarter of 2018 and 2017, the loss from remeasurement of benefit plans and (b) for the third quarter 2018, executive severance.*

(2) *Free Cash Flow is defined as net cash provided (used) by operating activities less capital expenditures.*

(3) *Total Liquidity is defined as available debt plus cash and cash equivalents*

(1) Non-GAAP financial measures

TimkenSteel reports its financial results in accordance with accounting principles generally accepted in the United States (“GAAP”) and corresponding metrics as non-GAAP financial measures. This presentation includes references to the following non-GAAP financial measures: Base Sales, EBIT, EBITDA, Adjusted EBIT, Adjusted EBITDA and Free Cash Flow. These 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 Base Sales is important to investors as it provides additional insight into key drivers of net sales such as base price and product mix. Management believes that reporting EBIT, EBITDA, Adjusted EBIT and Adjusted EBITDA is useful to investors as these measures are representative of the Company’s performance and provide improved comparability of results. Management believes that reporting Free Cash Flow is useful to investors because it is a meaningful indicator of cash generated from operating activities available for the execution of its business strategy.

See the attached schedules for definitions of the non-GAAP financial measures referred to above and corresponding reconciliations of these non-GAAP financial measures to the most comparable GAAP financial measures. Non-GAAP financial measures should be viewed as additions to, and not as alternatives for, TimkenSteel's results prepared in accordance with GAAP. In addition, the non-GAAP measures TimkenSteel uses may differ from non-GAAP measures used by other companies, and other companies may not define the non-GAAP measures TimkenSteel uses in the same way.

Quarterly reconciliation of base sales[(1)] to GAAP net sales

The tables below present net sales by end-market sector, adjusted to exclude raw material surcharges, which represents a financial measure that has not been determined in accordance with U.S. GAAP. We believe presenting net sales by end-market sector, adjusted to exclude raw material surcharges, provides additional insight into key drivers of net sales such as base price and product mix.

Mobile

$m	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Net Sales	$ 128.9	$ 142.5	$ 141.6	$ 136.4	$ 133.4
Less: Surcharges	26.9	31.3	34.9	34.2	34.0
Base sales[(1)]	$ 102.0	$ 111.2	$ 106.7	$ 102.2	$ 99.4
Ship tons (k)	103.7	110.4	111.9	103.6	102.4
Avg. base sales per ton	$ 983.6	$ 1,007.2	$ 953.5	$ 986.5	$ 970.7
Avg. net sales per ton	$ 1,243.0	$ 1,290.8	$ 1,265.4	$ 1,316.6	$ 1,302.7

Industrial

$m	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Net Sales	$ 129.3	$ 147.7	$ 166.9	$ 169.7	$ 153.2
Less: Surcharges	29.7	35.2	42.9	45.1	38.3
Base sales[(1)]	$ 99.6	$ 112.5	$ 124.0	$ 124.6	$ 114.9
Ship tons (k)	105.0	113.7	123.0	119.9	106.1
Avg. base sales per ton	$ 948.6	$ 989.4	$ 1,008.1	$ 1,039.2	$ 1,082.9
Avg. net sales per ton	$ 1,231.4	$ 1,299.0	$ 1,356.9	$ 1,415.3	$ 1,443.9

Energy

$m	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Net Sales	$ 42.7	$ 49.1	$ 68.8	$ 70.1	$ 77.6
Less: Surcharges	8.2	11.0	15.1	17.7	17.4
Base sales[(1)]	$ 34.5	$ 38.1	$ 53.7	$ 52.4	$ 60.2
Ship tons (k)	27.7	29.0	40.5	40.4	42.9
Avg. base sales per ton	$ 1,245.5	$ 1,313.8	$ 1,325.9	$ 1,297.0	$ 1,403.3
Avg. net sales per ton	$ 1,541.5	$ 1,693.1	$ 1,698.8	$ 1,735.1	$ 1,808.9

Other

$m	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Net Sales	$ 40.5	$ 41.5	$ 36.2	$ 33.7	$ 42.2
Less: Surcharges	12.7	13.2	10.9	10.1	14.1
Base sales[(1)]	$ 27.8	$ 28.3	$ 25.3	$ 23.6	$ 28.1
Ship tons (k)	49.4	46.6	34.3	31.6	43.1
Avg. base sales per ton	$ 562.8	$ 607.3	$ 737.6	$ 746.8	$ 652.0
Avg. net sales per ton	$ 819.8	$ 890.6	$ 1,055.4	$ 1,066.5	$ 979.1

Source: TimkenSteel

[(1)] *Base Sales is defined as net sales adjusted to exclude raw material surcharges.*

Figures in the table may not recalculate exactly as presented in the earnings release due to rounding.

Yearly reconciliation of base sales[(1)] to GAAP net sales

The tables below present net sales by end-market sector, adjusted to exclude raw material surcharges, which represents a financial measure that has not been determined in accordance with U.S. GAAP. We believe presenting net sales by end-market sector, adjusted to exclude raw material surcharges, provides additional insight into key drivers of net sales such as base price and product mix.

Mobile

$m	2014	2015	2016	2017	2018
Net Sales	$ 535.0	$ 504.4	$ 475.4	$ 528.6	$ 553.9
Less: Surcharges	122.3	67.0	50.3	105.1	134.4
Base sales[(1)]	$ 412.7	$ 437.4	$ 425.1	$ 423.5	$ 419.5
Ship tons (k)	391.9	417.2	413.0	428.1	428.3
Avg. base sales per ton	$ 1,053.1	$ 1,048.4	$ 1,029.3	$ 989.3	$ 979.5
Avg. net sales per ton	$ 1,365.1	$ 1,209.0	$ 1,151.1	$ 1,234.8	$ 1,293.3

Industrial

$m	2014	2015	2016	2017	2018
Net Sales	$ 649.2	$ 437.8	$ 323.7	$ 486.4	$ 637.5
Less: Surcharges	162.2	72.3	35.9	106.6	161.5
Base sales[(1)]	$ 487.0	$ 365.5	$ 287.8	$ 379.8	$ 476.0
Ship tons (k)	443.4	328.9	284.3	413.4	462.7
Avg. base sales per ton	$ 1,098.3	$ 1,111.3	$ 1,012.3	$ 918.7	$ 1,028.7
Avg. net sales per ton	$ 1,464.1	$ 1,331.1	$ 1,138.6	$ 1,176.6	$ 1,377.8

Energy

$m	2014	2015	2016	2017	2018
Net Sales	$ 458.1	$ 144.6	$ 35.7	$ 141.7	$ 265.6
Less: Surcharges	105.5	24.4	3.2	23.5	61.2
Base sales[(1)]	$ 352.6	$ 120.2	$ 32.5	$ 118.2	$ 204.4
Ship tons (k)	258.4	91.0	23.5	97.0	152.8
Avg. base sales per ton	$ 1,364.6	$ 1,320.9	$ 1,383.0	$ 1,218.6	$ 1,337.7
Avg. net sales per ton	$ 1,772.8	$ 1,589.0	$ 1,519.1	$ 1,460.8	$ 1,738.2

Other

$m	2014	2015	2016	2017	2018
Net Sales	$ 31.9	$ 19.4	$ 34.7	$ 172.5	$ 153.6
Less: Surcharges	—	—	4.3	56.1	48.3
Base sales[(1)]	$ 31.9	$ 19.4	$ 30.4	$ 116.4	$ 105.3
Ship tons (k)	—	—	25.9	211.7	155.6
Avg. base sales per ton	—	—	$ 1,173.7	$ 549.8	$ 676.7
Avg. net sales per ton	—	—	$ 1,339.8	$ 814.8	$ 987.1

Source: TimkenSteel, The Timken Company

[(1)] *Base Sales is defined as net sales adjusted to exclude raw material surcharges.*

Figures in the table may not recalculate exactly as presented in the earnings release due to rounding.

Reconciliation of Earnings (Loss) Before Interest and Taxes (EBIT)[1], Adjusted EBIT[3], Earnings (Loss) Before Interest, Taxes, Depreciation and Amortization (EBITDA)[2] and Adjusted EBITDA[4] to GAAP Net Income (Loss):

This reconciliation is provided as additional relevant information about the Company's performance. EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA 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 EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA is useful to investors as these measures are representative of the Company's performance, and provide improved comparability of results. Management also believes that it is appropriate to compare GAAP net income (loss) to EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA.

$m (Unaudited)	4Q 2017	1Q 2018	2Q 2018	3Q 2018	4Q 2018
Net income (loss)	**($33.9)**	**($1.9)**	**$8.4**	**$1.4**	**($39.6)**
Provision for income taxes	**0.3**	**0.1**	**0.2**	**0.9**	**0.6**
Interest expense	**3.8**	**4.6**	**3.9**	**4.4**	**4.2**
Earnings (Loss) Before Interest and Taxes (EBIT) [1]	**($29.8)**	**$2.8**	**$12.5**	**$6.7**	**($34.8)**
EBIT Margin [1]	**(8.7)%**	**0.7%**	**3.0%**	**1.6%**	**(8.6)%**
Depreciation and amortization	**18.5**	**18.5**	**18.4**	**18.1**	**18.0**
Earnings (Loss) Before Interest, Taxes, Depreciation and Amortization (EBITDA) [2]	**($11.3)**	**$21.3**	**$30.9**	**$24.8**	**($16.8)**
EBITDA Margin[2]	**(3.3)%**	**5.6%**	**7.5%**	**6.1%**	**(4.1)%**
Executive severance	**—**	**—**	**—**	**(1.7)**	**—**
Loss from remeasurement of benefit plans	**(19.5)**	**—**	**—**	**—**	**(43.5)**
Adjusted EBIT [3]	**($10.3)**	**$2.8**	**$12.5**	**$8.4**	**$8.7**
Adjusted EBIT Margin[3]	**(3.0)%**	**0.7%**	**3.0%**	**2.0%**	**2.1 %**
Adjusted EBITDA [4]	**$8.2**	**$21.3**	**$30.9**	**$26.5**	**$26.7**
Adjusted EBITDA Margin[4]	**2.4 %**	**5.6%**	**7.5%**	**6.5%**	**6.6 %**

Source: TimkenSteel

[1] *EBIT is defined as net income (loss) before interest expense and income taxes. EBIT Margin is EBIT as a percentage of net sales.*

[2] *EBITDA is defined as net income (loss) before interest expense, income taxes, depreciation and amortization. EBITDA Margin is EBITDA as a percentage of net sales.*

[3] *Adjusted EBIT is defined as EBIT excluding (a) for the third quarter of 2017 and fourth quarter of 2018 and 2017, the loss from remeasurement of benefit plans and (b) for the third quarter 2018, executive severance. Adjusted EBIT Margin is Adjusted EBIT as a percentage of net sales.*

[4] *Adjusted EBITDA is defined as EBITDA excluding (a) for the third quarter of 2017 and fourth quarter of 2018 and 2017, the loss from remeasurement of benefit plans and (b) for the third quarter 2018, executive severance. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of net sales.*

Figures in the table may not recalculate exactly as presented in the earnings release due to rounding.

Yearly Reconciliation of Earnings (Loss) Before Interest and Taxes (EBIT)[1], Adjusted EBIT[3], Earnings (Loss) Before Interest, Taxes, Depreciation and Amortization (EBITDA)[2] and Adjusted EBITDA[4] to GAAP Net Income (Loss):

This reconciliation is provided as additional relevant information about the Company's performance. EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA 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 EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA is useful to investors as these measures are representative of the Company's performance, and provide improved comparability of results. Management also believes that it is appropriate to compare GAAP net income (loss) to EBIT, Adjusted EBIT, EBITDA and Adjusted EBITDA.

$m

	December 31,	
(Unaudited)	**2018**	**2017**
Net income (loss)	**($31.7)**	**($43.8)**
Provision for income taxes	**1.8**	**1.5**
Interest expense	**17.1**	**14.8**
Earnings (Loss) Before Interest and Taxes (EBIT) [1]	**($12.8)**	**($27.5)**
EBIT Margin [1]	**(0.8)%**	**(2.1)%**
Depreciation and amortization	**73.0**	**74.9**
Earnings (Loss) Before Interest, Taxes, Depreciation and Amortization (EBITDA) [2]	**$60.2**	**$47.4**
EBITDA Margin[2]	**3.7 %**	**3.6 %**
Executive severance	**(1.7)**	**—**
Loss from remeasurement of benefit plans	**(43.5)**	**(21.8)**
Adjusted EBIT [3]	**$32.4**	**($5.7)**
Adjusted EBIT Margin[3]	**2.0 %**	**(0.4)%**
Adjusted EBITDA [4]	**$105.4**	**$69.2**
Adjusted EBITDA Margin[4]	**6.5 %**	**5.2 %**

Source: TimkenSteel

[1] EBIT is defined as net income (loss) before interest expense and income taxes. EBIT Margin is EBIT as a percentage of net sales.

[2] EBITDA is defined as net income (loss) before interest expense, income taxes, depreciation and amortization. EBITDA Margin is EBITDA as a percentage of net sales.

[3] Adjusted EBIT is defined as EBIT excluding (a) for 2018 and 2017, the loss from remeasurement of benefit plans and (b) for 2018, executive severance. Adjusted EBIT Margin is Adjusted EBIT as a percentage of net sales.

[4] Adjusted EBITDA is defined as EBITDA excluding (a) for 2018 and 2017, the loss from remeasurement of benefit plans and (b) for 2018, executive severance. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of net sales.

Figures in the table may not recalculate exactly as presented in the earnings release due to rounding.

Reconciliation of Free Cash Flow[(1)] to GAAP Net Cash Provided (Used) by Operating Activities:

This reconciliation is provided as additional relevant information about the Company's financial position. Free cash flow is an important financial measure used in the management of the business. Management believes that free cash flow is useful to investors because it is a meaningful indicator of cash generated from operating activities available for the execution of its business strategy.

$m	4Q	1Q	2Q	3Q	4Q
(Unaudited)	2017	2018	2018	2018	2018
Net Cash Provided (Used) by Operating Activities	$19.8	($19.4)	($10.7)	$1.7	$46.9
Less: Capital expenditures	(23.7)	(2.2)	(6.8)	(8.7)	(22.3)
Free Cash Flow	($3.9)	($21.6)	($17.5)	($7.0)	$24.6

(1) Free Cash Flow is defined as net cash provided (used) by operating activities less capital expenditures.

Reconciliation of Total Debt to Net Debt and the Ratio of Total Debt and Net Debt to Capital:

This reconciliation is provided as additional relevant information about the Company's financial position. Capital, used for the ratio of total debt to capital and net debt to capital, is defined as total debt plus total equity. Management believes net debt is useful to investors as it is an important measure of the Company's financial position due to the amount of cash and cash equivalents.

$m (Unaudited)	December 31, 2018	December 31, 2017
Convertible notes, net	$74.1	$70.1
Other long-term debt	115.0	95.2
Total long-term financing	189.1	165.3
Less: Cash and cash equivalents	21.6	24.5
Net Debt	$167.5	$140.8
Total Equity	$535.2	$560.7
Ratio of Total Debt to Capital	26.1%	22.8%
Ratio of Net Debt to Capital	23.1%	19.4%

Reconciliation of Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) [1] to GAAP Net Income:

This reconciliation is provided as additional relevant information about the Company's first-quarter guidance. EBITDA is an important financial measure used in the management of the business, including decisions concerning the allocation of resources and assessment of performance. Management believes that reporting EBITDA is useful to investors as this measure is representative of the Company's performance. Management also believes that it is appropriate to compare GAAP net income (loss) to EBITDA.

$m

	Three Months Ended March 31,	
(Dollars in millions) (Unaudited)	**2019 Low**	**2019 High**
Net Income (Loss)	**(4.0)**	**6.0**
Provision for income taxes	**1.0**	**1.0**
Interest expense	**4.0**	**4.0**
Depreciation and amortization	**19.0**	**19.0**
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) (1)	**$20.0**	**$30.0**

[1] EBITDA is defined as net income (loss) before interest expense, income taxes, depreciation and amortization.


TIMKENSTEEL