

Albemarle Corporation Investor Presentation

February 2015

 ALBEMARLE®

Forward Looking Statements

Some of the information presented in this presentation and the conference call and discussions that follow, including, without limitation, statements with respect to the transaction with Rockwood and the anticipated consequences and benefits of the transaction, product development, changes in productivity, market trends, price, expected growth and earnings, input costs, surcharges, tax rates, stock repurchases, dividends, cash flow generation, costs and cost synergies, portfolio diversification, economic trends, outlook and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially include, without limitation: changes in economic and business conditions; changes in financial and operating performance of our major customers and industries and markets served by us; the timing of orders received from customers; the gain or loss of significant customers; competition from other manufacturers; changes in the demand for our products; limitations or prohibitions on the manufacture and sale of our products; availability of raw materials; changes in the cost of raw materials and energy; changes in our markets in general; fluctuations in foreign currencies; changes in laws and government regulation impacting our operations or our products; the occurrence of claims or litigation; the occurrence of natural disasters; the inability to maintain current levels of product or premises liability insurance or the denial of such coverage; political unrest affecting the global economy; political instability affecting our manufacturing operations or joint ventures; changes in accounting standards; the inability to achieve results from our global manufacturing cost reduction initiatives as well as our ongoing continuous improvement and rationalization programs; changes in the jurisdictional mix of our earnings and changes in tax laws and rates; changes in monetary policies, inflation or interest rates; volatility and substantial uncertainties in the debt and equity markets; technology or intellectual property infringement; decisions we may make in the future; the ability to successfully operate and integrate Rockwood's operations and realize estimated synergies; and the other factors detailed from time to time in the reports we file with the SEC, including those described under "Risk Factors" in the joint proxy statement / prospectus we filed in connection with the transaction with Rockwood, and in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this presentation. We assume no obligation to provide any revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

Albemarle Acquisition of Rockwood: A Compelling Transaction

- Creates a **premier specialty chemicals company** with leading positions in attractive end markets around the world
- Accelerates Albemarle's strategy of bringing lithium and bromine together
- Strengthens growth potential across four, high-margin businesses – **lithium, catalysts, bromine and surface treatment**
- Differentiated, performance-based, technologies driving **innovative solutions**
- Capacity in place to serve future growth to drive **improved profitability**
- Outstanding **cash generation capacity** supports rapid deleveraging, ongoing dividend and investments to drive future growth

Enhanced growth, expanded margins and improved cash flow drive shareholder value

Transaction Summary

<p>Strategic Rationale</p>	<ul style="list-style-type: none"> • <u>Combined company will be a leading specialty chemical company with industry-leading growth and EBITDA margins</u> <ul style="list-style-type: none"> • Accelerates Albemarle's growth and enhances its margin profile • Creates the potential for more consistent and predictable earnings growth for ALB shareholders • Creates a leader in four attractive growth markets • <u>ROC acquisition enables ALB to accelerate its strategy of bringing lithium and bromine businesses together and leverage technology to exploit its brine resources</u> <ul style="list-style-type: none"> • Lithium and Bromine are a natural fit <ul style="list-style-type: none"> • Both leverage chemistry to derivatize key molecules • Similarity in extraction processes • Presence in Fine Chemistry (Agriculture / Pharmaceuticals) and Polymers (Plastics / Synthetic Rubbers) • Common end markets and cross-selling opportunities • ALB has long been aware of the complementary fit and has been pursuing an expansion into lithium <ul style="list-style-type: none"> • In 2011, announced plans to extract lithium from its Arkansas brine – key challenge was to extract at competitive costs • Evaluated acquisition opportunities even before discussions with ROC had begun
<p>Anticipated Financial Benefits</p>	<ul style="list-style-type: none"> • Accretive to cash EPS in year one, adjusted EPS in year two and substantially accretive to EPS thereafter • \$100 million in cost synergies across both companies to be realized in first 2 years • Capital cost avoidance and improved market access for Albemarle's lithium development • Exceptional cash flow generation that enables rapid deleveraging • Continued investment grade rating to ensure low funding costs
<p>Update</p>	<ul style="list-style-type: none"> • Closed the acquisition on January 12, 2015 • New organizational structure announced, effective 1Q 2015. Three GBU structure – Refining Solutions, Chemetall Surface Treatment, and Performance Chemicals (combining lithium, bromine, aluminum alkyls and derivative catalysts, and remaining legacy Performance Chemicals businesses) • Bridge loans fully paid off mid February 2015

Leadership Across Four Highly Attractive Growth Segments

	Lithium ⁽²⁾	Performance Chemicals	Catalyst Solutions	Surface Treatment ⁽²⁾				
Global Ranking	#1	#1/2	#1/2	#2				
2014A								
Sales	\$474	\$1,352	\$1,094	\$940				
Adj. EBITDA ⁽¹⁾	\$199	\$337	\$300	\$220				
% Margin ⁽¹⁾	42%	25%	27%	23%				
Growth	2.0x – 3.0x GDP	1.0x – 1.5x GDP	1.0x – 2.0x GDP	1.0x – 2.0x GDP				
Characteristics	<ul style="list-style-type: none"> • Mineral extraction and processing businesses • Low cost position on global cost curve • Vertically integrated • High demand growth 		<ul style="list-style-type: none"> • Technology driven • Critical customer service • Ability to differentiate offering • Strong free cash flow 					
Key Competitors								

Source: Company information.

Note: USD in M.

(1) Non-GAAP measure - Adjusted EBITDA & EBITDA margin calculated before corporate overhead expenses. See our non-GAAP reconciliations for more detail.

(2) Non-GAAP measure -- ROC's Lithium and Surface Treatment 2014 data is based on unaudited, preliminary indicative data. ROC Adjusted EBITDA is defined as per ROC's historical filings. See Non-GAAP reconciliations for more detail.

Lithium and Bromine Fit Accelerates Synergy Capture

Low Cost Sourcing and Processing

- Best sourcing and most diverse locations in the world due to long term reserves and highest concentration levels
- Chile, Australia, Nevada and Arkansas for lithium
- Arkansas and the Dead Sea for Bromine
- Chile, Nevada, Arkansas and the Dead Sea all extracted from brine

Value-Added Derivatization

- Lithium converted into products used in electronic chemicals, pharma, energy storage, plastics, rubber, etc.
- Bromine converted into products used in electronics, automotive, oilfield, mercury control, agriculture, pharma, etc.
- Process and product technology leadership with in-house R&D

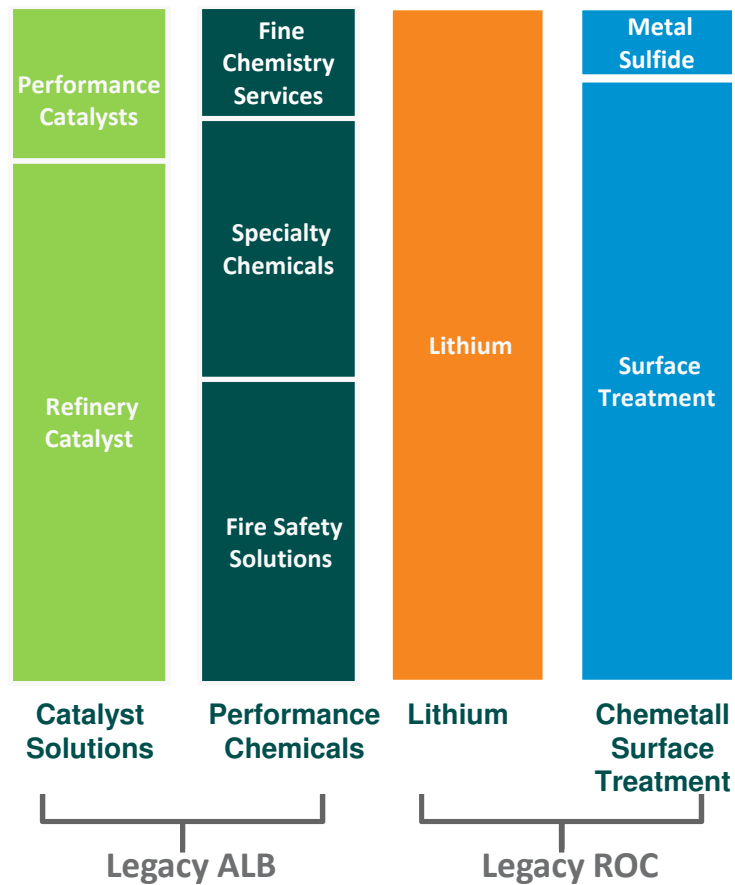
Global End Market Overlap

		Albemarle		Rockwood	
End Market Overlap	Consumer Electronics	<ul style="list-style-type: none"> • Flame Retardants • Custom Organic Chemicals* 	<ul style="list-style-type: none"> • High Purity Metal Organics for LED applications 	<ul style="list-style-type: none"> • Batteries • High Purity Metal Organics 	<ul style="list-style-type: none"> • Organometallics
	Automotive	<ul style="list-style-type: none"> • Flame Retardants 		<ul style="list-style-type: none"> • Batteries • Lubricants • Greases 	<ul style="list-style-type: none"> • Metal Treatment
	Polymers	<ul style="list-style-type: none"> • Polyolefins and Synthetic Elastomers 	<ul style="list-style-type: none"> • Bromobutyl rubber for use in tires and Engineered Plastics 	<ul style="list-style-type: none"> • Synthetic Elastomers • Polyolefins 	
	Agriculture, Pharma	<ul style="list-style-type: none"> • Custom and Generic Active* and intermediate Pharmaceutical and Ag Ingredients 	<ul style="list-style-type: none"> • Custom manufacturing* 	<ul style="list-style-type: none"> • Lithium Active Ingredient in Pharma 	<ul style="list-style-type: none"> • Organo lithium in pharma and Ag

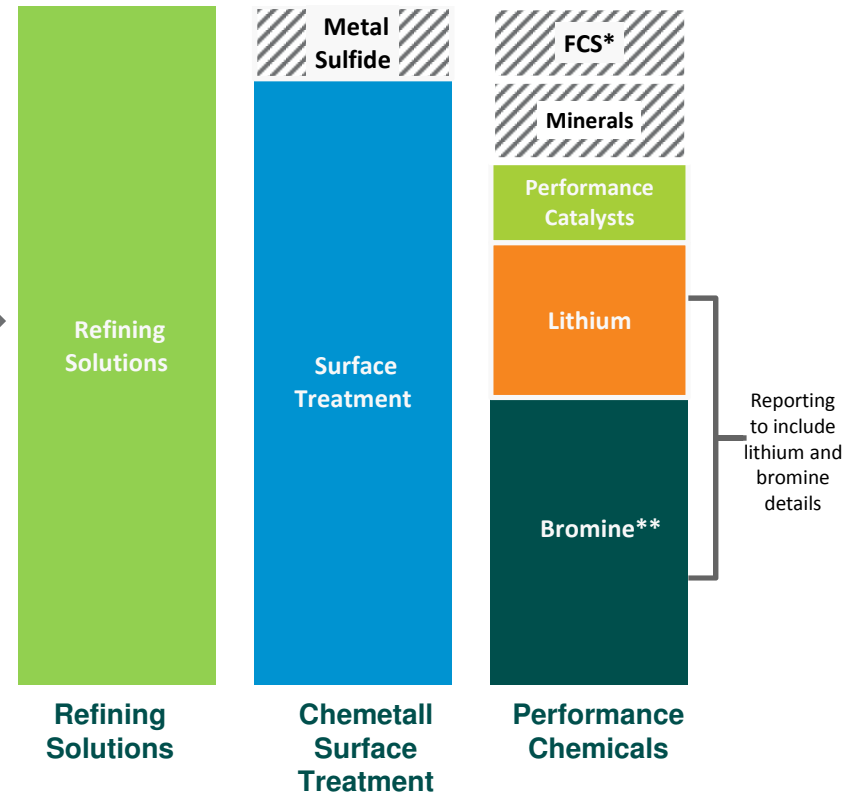
*Businesses to be impacted by the announced proposed divestures

New Organizational Structure

Legacy ALB and ROC Structure



New Structure Effective 1Q2015



* FCS – Fine Chemistry Services

** Bromine – includes Brominated FR, non-FR brominated derivatives, and curatives

New structure allows for focus on strong EBITDA growth and cash generation as well as capturing synergies

 Represents businesses to be divested

Divest Non-core Assets to Focus on Core Growth

Minerals	<ul style="list-style-type: none">• Robust & differentiated portfolio of mineral flame retardants – products used in wire and cable, electronic and electrical components and non-FRs product used in building materials, mass transportation, paints & varnishes, & paper with organic binder<ul style="list-style-type: none">» Revenue: ~\$250 million» EBITDA Margins: ~10%
Fine Chemistry Services	<ul style="list-style-type: none">• Custom synthesis manufacturing of pharma products, agricultural actives and intermediates, agrichemicals, oil base lubricants & specialty chemicals industries.<ul style="list-style-type: none">» Revenue: ~\$200 million» EBITDA Margins: upper 20%
Metal Sulfide	<ul style="list-style-type: none">• Full service supplier of both natural and synthetic metal sulfide. Metal sulfides find application in the friction, abrasive, lubricant and other industries.<ul style="list-style-type: none">» Revenue: ~\$100 million» EBITDA Margins: high teens








- **The three businesses in aggregate, generated revenue in the range of \$550 million and adjusted EBITDA in the range of \$100 million for 2014**
- **All are solid businesses, but do not factor into long-term growth plans**
- **Goal is to complete the divestitures by end of 2015**
- **Proceeds from the sale to be used for debt reduction**




Allows for focus and resources on our core businesses to accelerate growth

Integration Update

- Achieved \$30 million of annualized synergies on Day 1 and on track to achieve \$50 million by the end of year 1 with the remaining \$50 million by the end of year 2
- Announced new organizational structure that will drive efficiency and effectiveness under a three GBU structure – Refining Solutions, Performance Chemicals, and Chemetall Surface Treatment
- Joint integration teams with members from both companies driving synergies and joint operations
 - » **Functional** – real estate, logistics, supply chain, finance, shared services, tax, IT, legal
 - » **Cross-functional** – Day 1 readiness, communications, organizational design
- Building on best practices from both companies
- Team is focused/dedicated full time to deliver synergies in the following areas:
 - » **Reduce Costs** – corporate costs (\$35M), asset consolidations and manufacturing best practices (\$20M), non-raw material sourcing (\$35M), and shared services centers and organizational structure efficiencies (\$10M)
 - » **Accelerate Growth** – leverage R&D capabilities, new product development, cross-selling opportunities

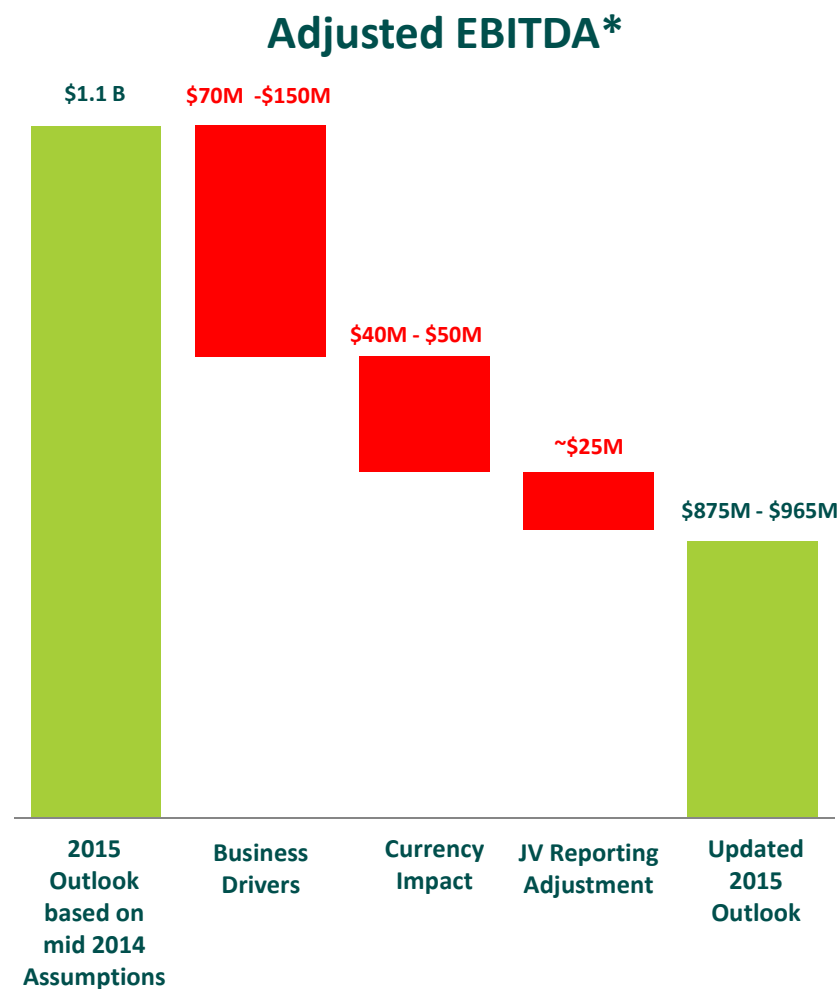
Full Year 2015 Outlook

	Division	Initial Outlook	Performance Drivers
Refining Solutions	Heavy Oil Upgrading		<ul style="list-style-type: none"> Volume growth on increased transportation fuel demand
	Clean Fuel Technologies		<ul style="list-style-type: none"> Flat to down on timing and product mix with a potential for costs of crudes and/or extension of change-outs impacting results
Performance Chemicals	Bromine		<ul style="list-style-type: none"> Down overall as drop in crude prices are driving down drilling completion fluids volumes and increased absorption costs Flame Retardants continue to see pricing pressure with modest volume growth in servers and automotive electronics offsetting TV and PC softness – a mix shift to lower margin products
	Lithium		<ul style="list-style-type: none"> Meaningful yoy growth driven by combination of full year Talison earnings and strong demand for battery grade lithium Outlook for lithium-ion batteries within consumer devices remains the primary driver
	Organometallics		<ul style="list-style-type: none"> Solid growth and increased demand expected to offset soft pricing from industry overcapacity
Surface Treatment	Surface Treatment		<ul style="list-style-type: none"> Solid underlying market growth in most segments, product mix improvement, and positive price improvement
Total Company			<ul style="list-style-type: none"> Year over year F/X impact ~\$200M on Revenue; \$40M to \$50M on EBITDA Revenue \$3.7b to \$4.0b – up 2-7% - ex F/X Adjusted EBITDA \$875M to \$965M – up 1-10% ex F/X Free Cash Flow \$100M to \$200M Adjusted EPS \$3.15 to \$3.70

 Better than 2014
  Worse than 2014
  Similar to 2014

2015 Adjusted EBITDA Outlook

- The original 2015 forecast was completed in July 2014 and pre-oil price decline
- Short-term impact of oil and foreign exchange negatively impacting free cash flow for 2015
 - » Currency impact accounting for \$40 - \$50 million
 - » Business outlook driving \$70 – \$150 million of EBITDA decline
 - ~\$70M related to bromine notably Flame Retardants and drilling fluids
 - ~\$20M related to Refining Catalyst mix and delayed CFT change outs
 - ~\$20M related to FCS
 - ~\$10M impact related to butyllithium decline and weak pricing on potash
 - » ~\$25M from a JV Reporting Adjustment. ALB to account for JV income using net income as opposed to EBITDA, as was ROC's method
- Core growth in next 3-5 years driven by:
 - » Refining Solutions - 1x - 2x GDP
 - » Performance Chemicals – 1x – 2x GDP
 - » Surface Treatment - 1x - 2x GDP



* Adjusted EBITDA 2015 Outlook does not account for any divestitures

2015 FCF Outlook

- 2015 FCF Key Assumptions and Impacts:

- » Tax rate of ~25%
- » Interest Expense ~\$145 million
- » CAPEX less than 6% of revenue
- » One time costs ~\$200 million associated with acquisition and integration costs
- » One time tax payment ~\$150 million for repatriation of foreign cash

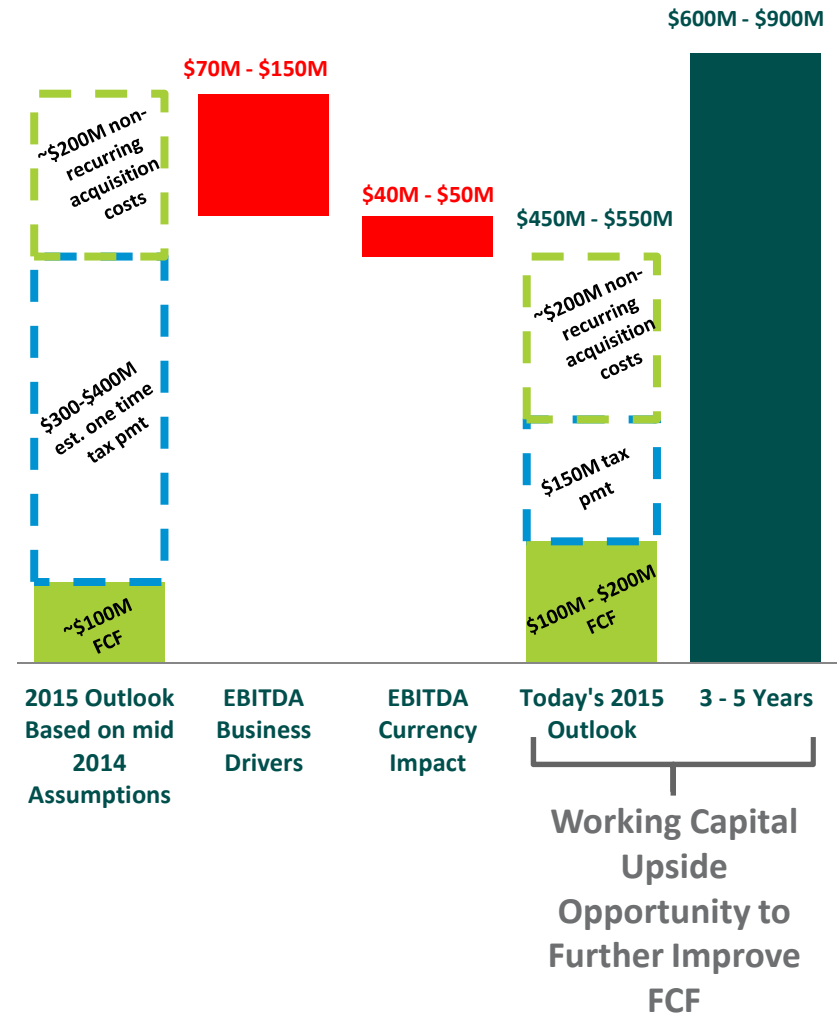
- Expect to achieve Net-Debt-to-Adjusted EBITDA leverage of 2x – 2.5x by 2017

- » Q1 2015 leverage ratio ~4x
- » By year-end 2015 leverage ratio ~3.7x

- FCF is expected to rebound in 2016 as one time costs in 2015 will not be repeated**

- » Confident in the \$600 - \$900 million in annual FCF in the next 3 -5 years

Free Cash Flow*



* FCF does not account for any divestitures. FCF defined as net cash from operations add back pension and post-retirement contributions and subtract capital expenditures

Strong Leadership with Substantial Industry Experience



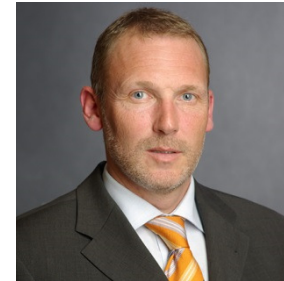
Luther C. "Luke" Kissam
President
& Chief Executive Officer



D. Michael Wilson
Senior Vice President &
President of Performance Chemicals



Joris Merckx
President,
Chemetall Surface Treatment



Silvio Ghyoot
President,
Refining Solutions



Karen G. Narwold
Senior Vice President,
General Counsel, Corporate &
Government Affairs, Corporate
Secretary



Scott A. Tozier
Senior Vice President &
Chief Financial Officer



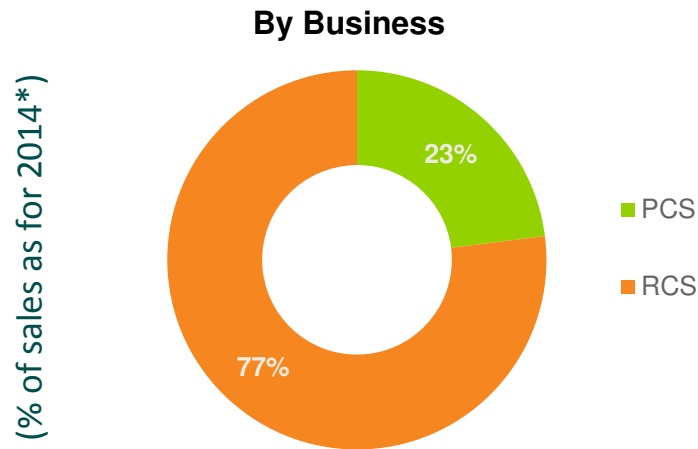
Matthew K. Juneau
Senior Vice President, Corporate
Strategy & Investor Relations



Susan Kelliher
Senior Vice President,
Human Resources &
Chief People Officer

Appendix

Catalyst Solutions Overview



2014 Financial Summary*

Sales: \$1.1B

Adjusted EBITDA: \$300M

Adjusted EBITDA Margin : 27%

Growth Drivers

- Rising fuel consumption
- More stringent air quality mandates
- Investments in conversion capacity
- Infrastructure spending
- Growing middle class wealth
- Prospective PE/PP capacity additions in North America

Customers

- FCC: Global oil refiners (e.g. Exxon Mobil, Shell)
- HPC: Global oil refiners
- Polymer Catalysts: Global PE / PP mfrs (e.g. Dow Chemicals)
- Electronic Materials: LG, Samsung, among others

Principal Competitors




- FCC: W.R. Grace, BASF
- HPC: Criterion Catalysts, Haldor Topsoe, Advanced Refining Technologies
- Polymer Catalysts: AkzoNobel, Chemtura
- Electronic Materials: AkzoNobel, Dow Chemicals, SAFC Hitech

* Adjusted EBITDA and Adjusted EBITDA Margins are Non-GAAP measures. See Non-GAAP reconciliations for more detail

Market Position

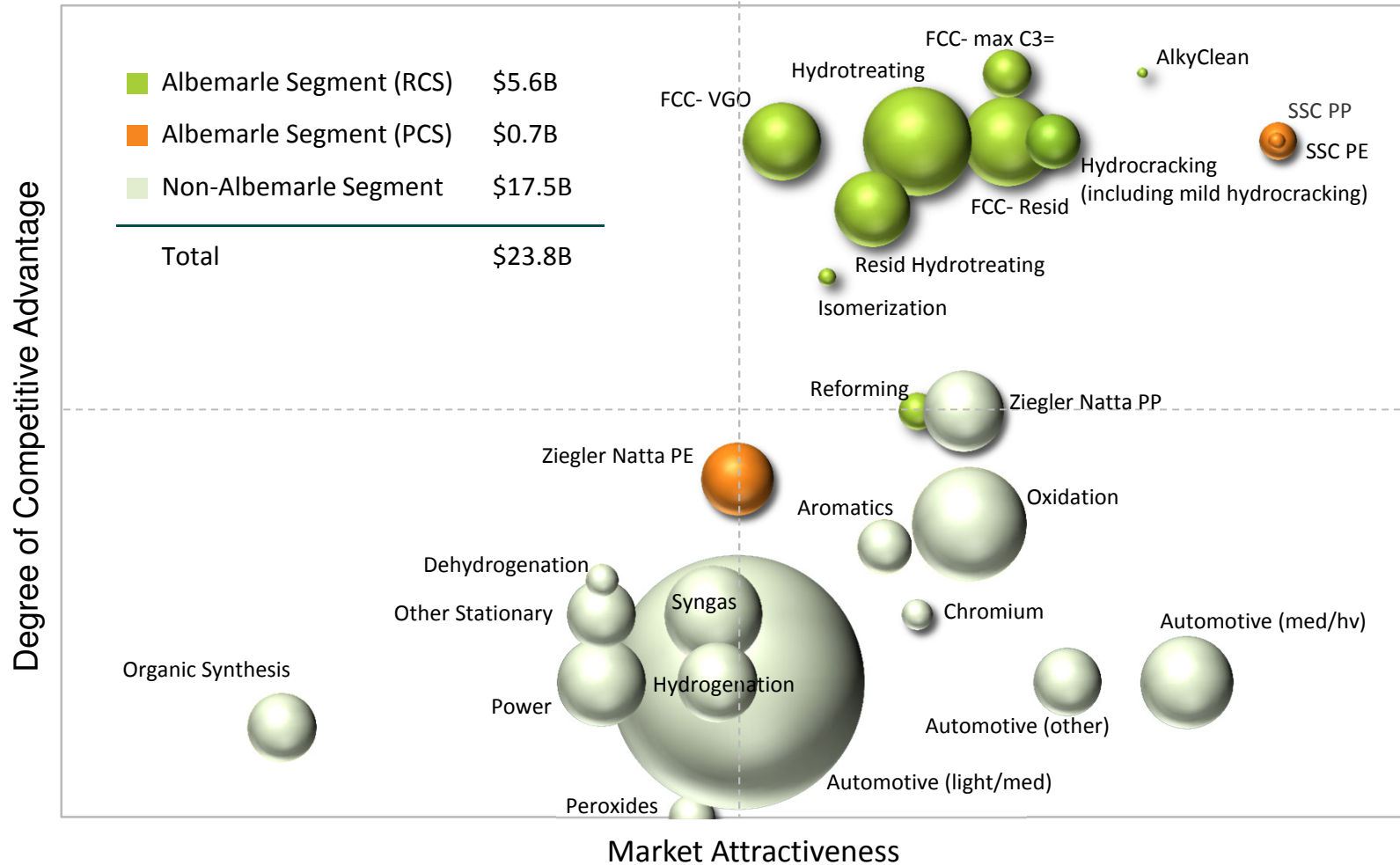
Core Strengths

- Deep customer understanding
- Heavy investment in R&D
- Global footprint
- Unparalleled network of partnerships and alliances
- Breath and depth of talent

Segment		Market Position	
	Heavy Oil Upgrading	FCC Catalysts	2
		Max Propylene	1
		Resid	2
	Clean Fuels Technologies	Distillates	1
		Vacuum Gas Oil	2
		Reactivation Technology	1
	Performance Catalyst Solutions	Organometallics	1
		MAO	1
		Custom Single Site Catalysts /Metallocenes	1

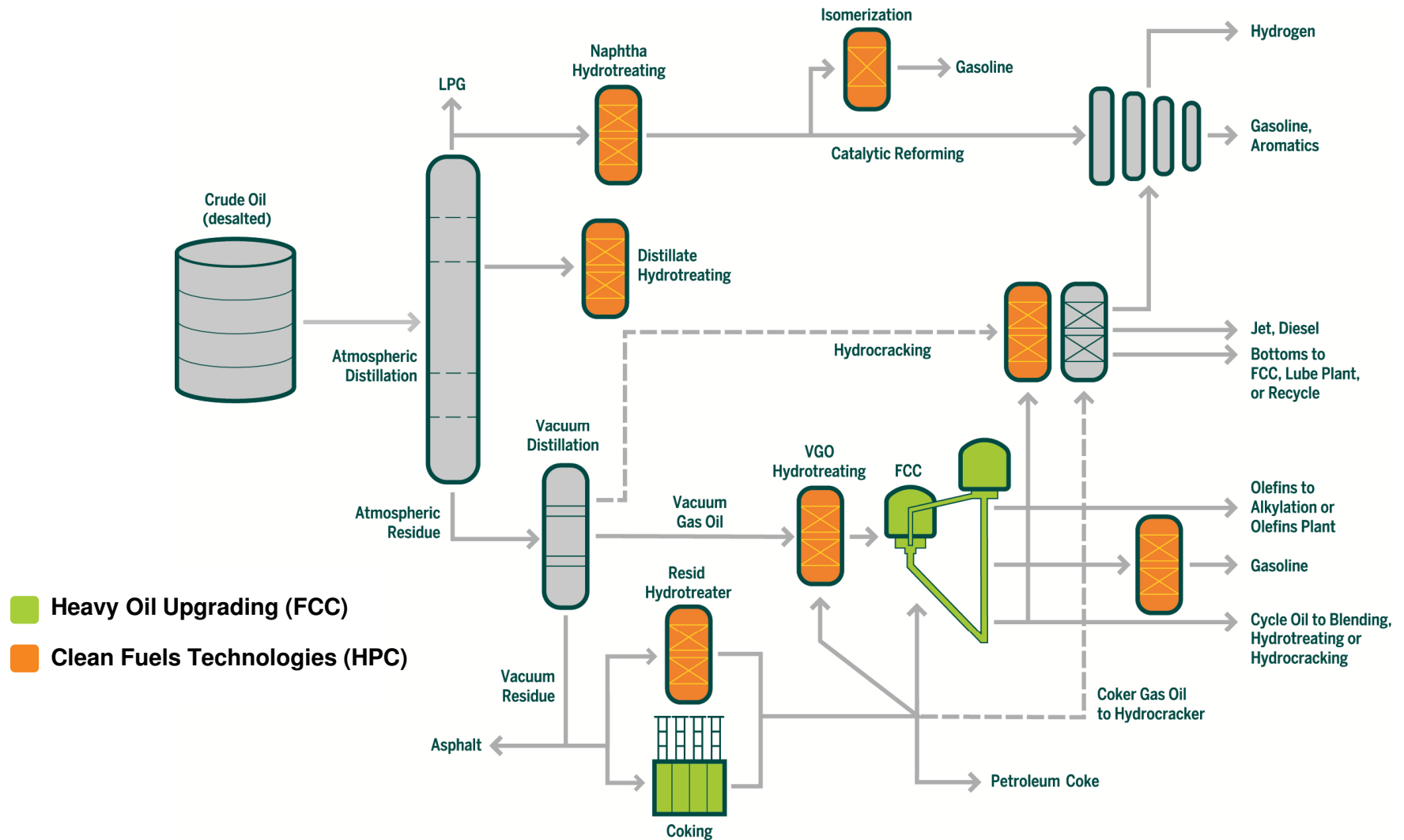
We are leaders in our core segments

Global Catalyst Market – Our View



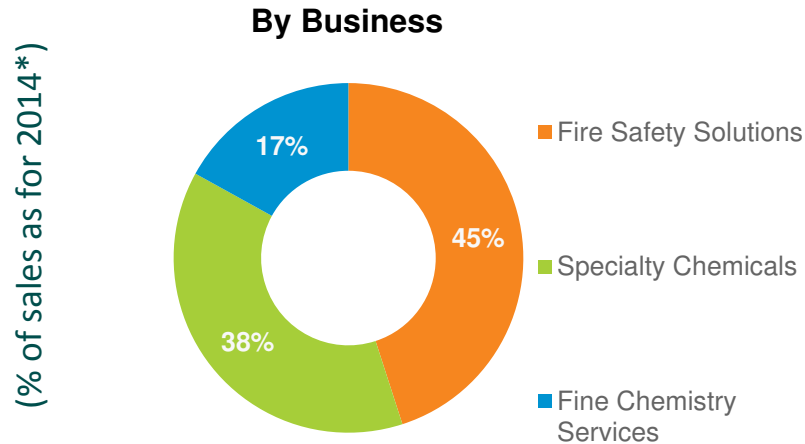
We provide refinery and polymer catalyst solutions where we are competitively advantaged based on our technology or cost position

Catalyst Solutions Throughout the Refinery



Albemarle provides the global refining industry with a wide range of catalyst solutions to convert crude oil into high value finished products

Performance Chemicals Overview



2014 Financial Summary*

Sales: \$1.4B

Adjusted EBITDA: \$337M

Adjusted EBITDA Margin : 25%

Growth Drivers

- Energy demand & increased deep water drilling driving completion fluids
- Clean air regulations bolstering mercury control
- Demand for process R&D and rapid commercialization services
- Surging data traffic requiring high-end servers
- Automotive electronics driving growth
- Prospect of fire safety standards in Brazil, Russia, India and China

Customers

- Drilling and oil service, agriculture, pharmaceutical and water treatment companies
- Engineering plastics and resin manufacturers; plastic compounders; suppliers and distributors

Principal Competitors

- FRs & Br Derivatives: Israel Chemicals Ltd & Chemtura
- Mineral FRs: Nabaltec, J.M. Huber, Kyowa Chemical
- Fine Chemistry Services: Sigma Aldrich, Lonza, BASF, Clariant
- Curatives: Lonza and Johnson Fine Chemicals

* Adjusted EBITDA and Adjusted EBITDA Margins are Non-GAAP measures. See Non-GAAP reconciliations for more detail

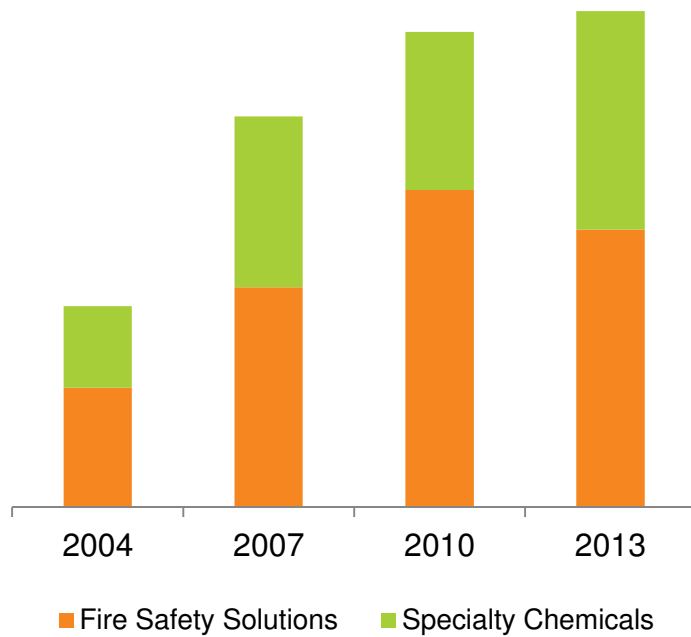
Strong Core of Bromine & Derivatives with High Value

Diverse Bromine and Bromine Derivatives Offering

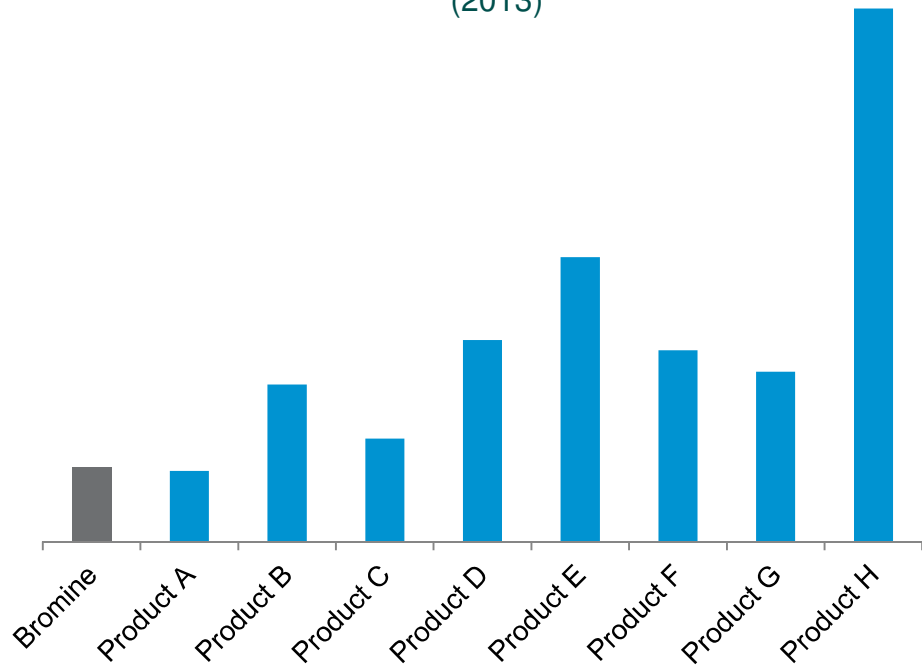


Delivering Attractive High Value Margins

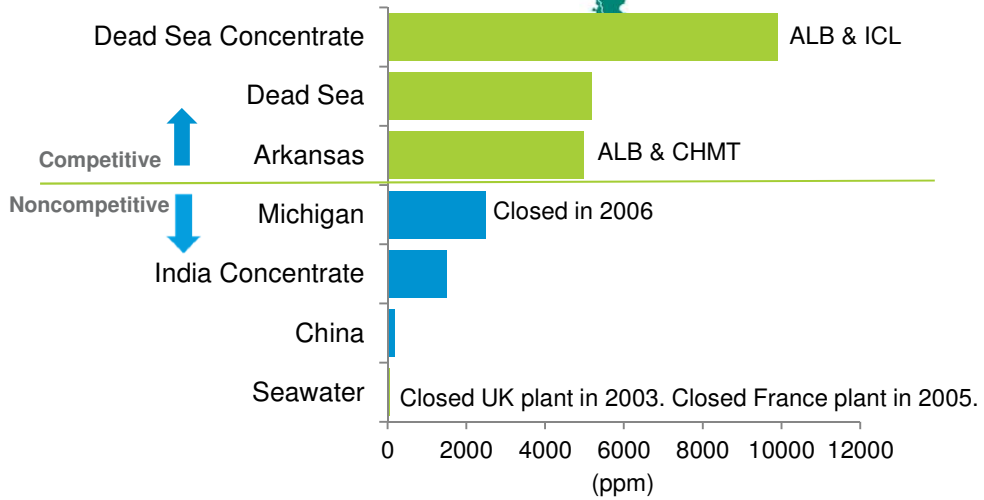
Gross Profit from Bromine-based Products



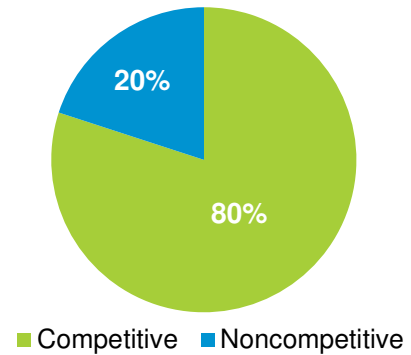
Relative Contribution/Kg Bromine Utilized (2013)



Leading Bromine Sourcing Position



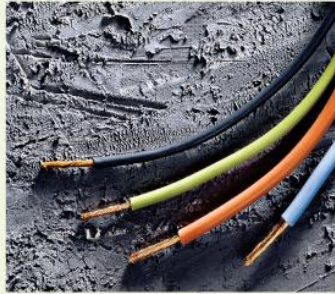
2014 Global Capacity



Only producer with access to the two best sources of bromine

Well-positioned to Capitalize on New Demand for FRs

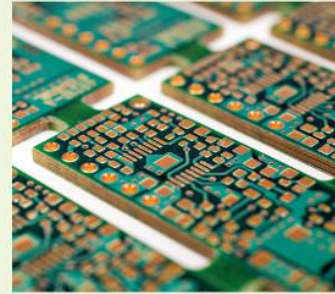
WIRE & CABLE



CONNECTORS & PLASTIC PARTS



PRINTED WIRE BOARDS



ENCLOSURES



ALBEMARLE PORTFOLIO

Supports wide range of end uses from cost sensitive to high performance. Enables high efficiency processing and recyclability in wide range of equipment. Offers high fire safety, exceptional strength and electrical, temperature and color performance.

ALBEMARLE PRODUCTS

SAYTEX® 8010, BT-93, GreenArmor®, MARTINAL®, MAGNIFIN®

SAYTEX® 7010, 3010, 621, 8010, BT-93, GreenArmor®, MAGNIFIN®, ALTEXIA™

SAYTEX® CP2000, 8010, BT-93, MARTINAL®, ALTEXIA™

SAYTEX® 8010, BT-93, CP2000, GreenArmor®

ALBEMARLE ADVANTAGE

High service temperature capabilities, superior electrical performance and LSOH options.

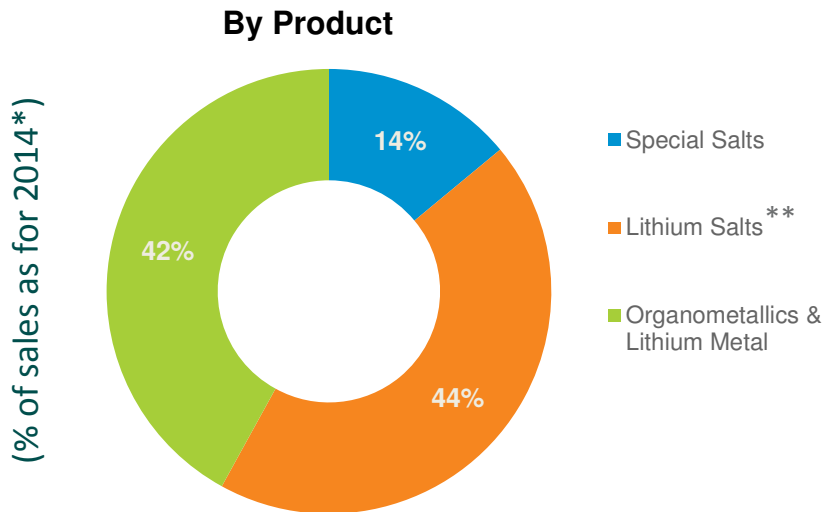
Best thermal stability available, versatile and highly efficient.

Products to cover all types of applications from standard (FR4) to very specialized (low Df/Dk).

Highly efficient, non-migrating and UV stable options.

Best product portfolio for widest range of electrical and electronic applications across all markets

Lithium Is Positioned to Benefit From Growth



2014 Financial Summary*

Sales: \$474M

Adjusted EBITDA: \$199M

Adjusted EBITDA Margin : 42%

Growth Drivers

- Energy storage market
- Adoption of non-conventional transportation vehicles
- Growth for conventional end markets including pharmaceutical, agrochemicals, rubber, greases, building products, and other applications

Customers

- Syngenta
- Umicore
- Samsung
- Panasonic
- Royal DSM

Principal Competitors







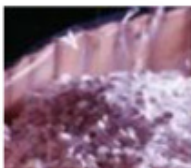






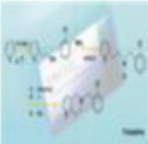

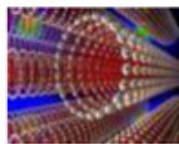

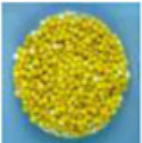
- Highly concentrated industry; top three participants comprise majority of the market
- High barriers to entry for startup projects
- Principal Participants:
 - Sociedad Quimica y Minera de Chile S.A. (SQM)
 - FMC Corporation
 - Tianqi

*FY14 financial results based on unaudited, preliminary indicative data. The Adjusted EBITDA is defined as per Rockwood's historical filings. See Non-GAAP reconciliations for more detail

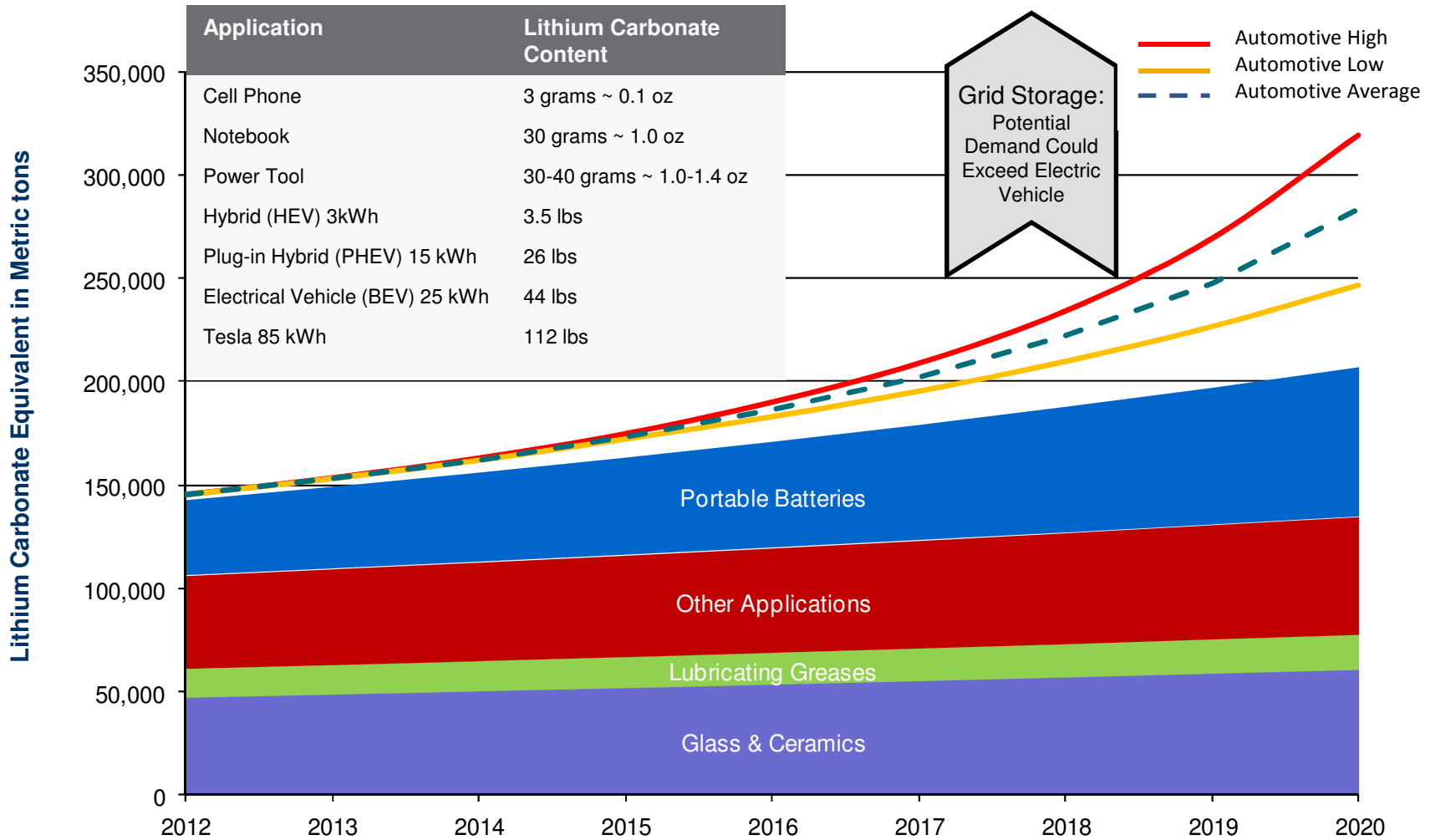
**Lithium Salts (Lithium Carbonate, Lithium Hydroxide, and Potash)

Source: Rockwood Lithium estimates and market surveys from BCG, Bloomberg, Avicenne, Roland Berger, Pike Research, Fraunhofer IST, Deutsche Bank Research, McKinsey, CTI, Anderman, JD Powers

Key Upstream & Downstream Products & Applications

Key Products	Key Applications				
Lithium Carbonate 	 <p>Electronics</p>	 <p>Li-Ion Batteries</p>	 <p>Glass Ceramics</p>	 <p>Cement</p>	 <p>Aluminum</p>
Lithium Hydroxide 	 <p>Li-Ion Batteries</p>	 <p>Grease</p>	 <p>CO₂ Absorption</p>	 <p>Mining</p>	
Lithium Metal 	 <p>Li Primary Batteries</p>	 <p>Pharmaceuticals</p>	 <p>Al-Alloys</p>		
Organo-metallics 	 <p>Elastomers</p>	 <p>Pharmaceuticals</p>	 <p>Agrochemicals</p>	 <p>Electronic Materials</p>	
Special Salts 	 <p>Scintillation</p>	 <p>Industrial Catalysis</p>	 <p>Airbag Ignition</p>		

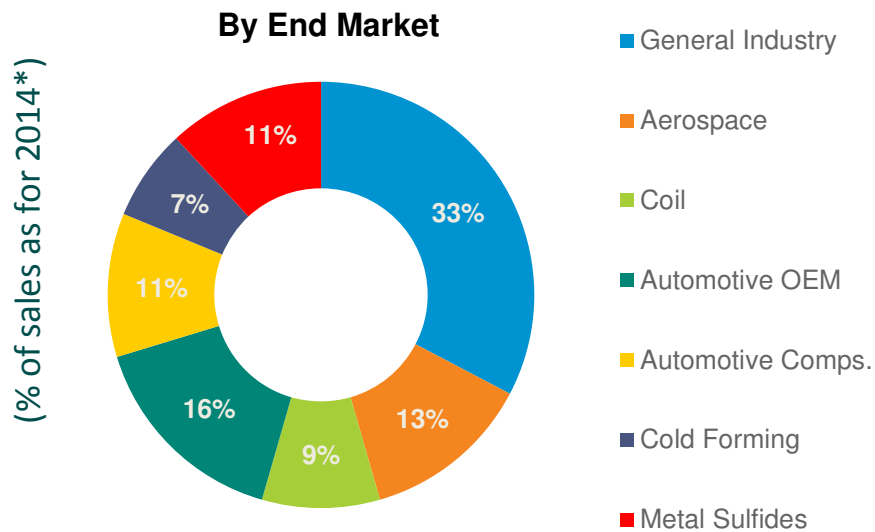
Potential Lithium Demand Delivers Significant Upside



Albemarle expects to capture 50% of Lithium growth

Source: Rockwood Lithium estimates and market surveys from BCG, Bloomberg, Avicenne, Roland Berger, Pike Research, Fraunhofer IST, Deutsche Bank Research, McKinsey, CTI, Anderman, JD Powers

Chemetall Surface Treatment Grows With Innovation, Service and Global Reach



2014 Financial Summary*

Sales: \$940M

Adjusted EBITDA: \$220M

Adjusted EBITDA Margin : 23%

Growth Drivers

- Growth in aerospace, automotive, and general industries
- Differentiated service and innovation
- Expanded value chain at existing customers and continued market share acquisition for new customers
- Global expansion organically and through bolt-on acquisitions

Principal Customers

- Daimler AG
- ArcelorMittal
- Volkswagen AG
- European Aeronautic Defense & Space Company (EADS) NV
- Ford
- Renault-Nissan

Competitive Landscape

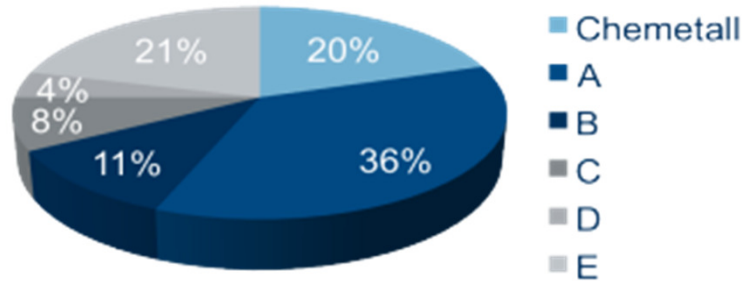
- Highly concentrated industry; top four participants comprise majority of the market
- Principal Players:
 - Henkel AG & Co.
 - PPG Industries, Inc.
 - Nippon Paint Co., Ltd
 - Nihon Parkerizing Co., Ltd.

*FY14 financial results based on unaudited, preliminary indicative data. The Adjusted EBITDA is defined as per Rockwood's historical filings. See Non-GAAP reconciliations for more detail
Source: Company information

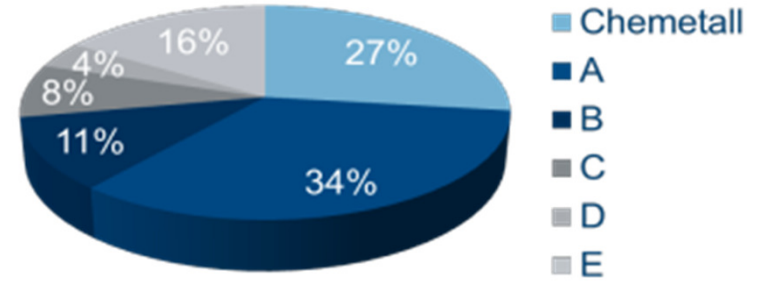
Focused Approach Enabled Chemetall Surface Treatment to Grow

Estimated Market Share

2007



2013



Market Share by Segment

<u>Sales</u>	<u>Estimated Total Market</u>	<u>Chemetall Net</u>
• Automotive	\$ 800 million	\$ 136 million
• Auto Components	\$ 250 million	\$ 69 million
• Wheels	\$ 85 million	\$ 20 million
• Can	\$ 85 million	\$ 2 million
• Metal Working	\$ 650 million	\$ 58 million
• Aluminum Finishing	\$ 250 million	\$ 17 million

- #2 provider globally of surface treatment products and services
- The only global supplier of surface treatment solutions with 100% focus
- Favorable industry structure
- Market leading positions in niche markets
- Diversified portfolio for a variety of markets

Source: Company 2013 estimates

Surface Treatment Markets



Automotive OEM

Globally harmonized technologies available for NDT products, inhibitors, conversion coatings, cleaners, coolants, activating and passivating agents and maintenance chemicals.



Aerospace

Sealants and sealant removers, NDT products and equipment, corrosion protection, cleaners, pretreatment and paint strippers for airframe, aircraft operation and aero-engine applications.



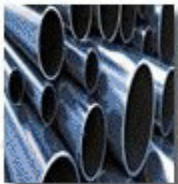
Automotive Components

Broad portfolio of technologies from cleaners to conversion coatings for all kinds of components and substrates, such as steel or aluminium wheels, bumpers or diesel injection systems.



Coil

A variety of technologies for coil coating and galvanizing processes. Prepainted and passivated metal sheets are used in automotive, building, electrical and packaging industries.



Metal (Cold) Forming

Tube industry (from the blank tube to the precision tube), wire industry (from cold heading to spring steel wire) and cold extrusion (complex geometries extruded net shape).



General Industry

Broad portfolio of metal pretreatment technologies for all kinds of applications such as furniture, garden fences, trains, electrical cabins and many more.



Heavy Equipment

Eco-friendly and efficient technologies ensure an excellent and long-term surface quality for off-road vehicles, construction equipment, industrial machines and agricultural vehicles.



Appliances, HVAC

Broad portfolio eco-friendly, nickel-free and chrome-free processes—from cleaners, conversion coatings, paint detackification to maintenance chemicals.



Metal Packaging

High efficient cleaners, conversion treatments and mobility enhancers for the aluminium beverage can manufacturing.



Aluminium Finishing

Pretreatment technologies, anodizing processes and service products ensure an excellent surface in the architectural and construction industry.

Non-GAAP Reconciliations Appendix

EBITDA supplemental - Legacy ALB

(\$ in thousands)

	Performance Chemicals	Catalyst Solutions	Corporate & Other	Consolidated
Year ended December 31, 2014:				
Operating profit	\$ 306,616	\$ 224,407	\$ (259,725)	\$ 271,298
Depreciation and amortization	48,233	49,622	2,552	100,407
Other expenses, net	—	—	(16,761)	(16,761)
Special items (excluding special items associated with interest expense)	—	—	73,597	73,597
Non-operating pension and OPEB items	—	—	125,462	125,462
Equity in net income of unconsolidated investments	10,068	25,674	—	35,742
Net income attributable to noncontrolling interests	(27,590)	—	—	(27,590)
Adjusted EBITDA by operating segment	\$ 337,327	\$ 299,703	\$ (74,875)	\$ 562,155
Year ended December 31, 2013:				
Operating profit	\$ 334,275	\$ 194,322	\$ 48,078	\$ 576,675
Depreciation and amortization	43,472	49,656	2,188	95,316
Other expenses, net	—	—	(6,674)	(6,674)
Special items (excluding special items associated with interest expense)	—	—	33,361	33,361
Non-operating pension and OPEB items	—	—	(146,193)	(146,193)
Equity in net income of unconsolidated investments	8,875	22,854	—	31,729
Net income attributable to noncontrolling interests	(26,663)	—	—	(26,663)
Adjusted EBITDA by operating segment	\$ 359,959	\$ 266,832	\$ (69,240)	\$ 557,551

See above for a reconciliation of adjusted EBITDA by operating segment, the non-GAAP financial measure, to Operating (loss) profit, the most directly comparable financial measure calculated and reporting in accordance with GAAP. Adjusted EBITDA by operating segment is defined as Operating (loss) profit, excluding depreciation and amortization, and adjusted for special and non-operating pension and OPEB items as listed above, plus Equity in net income (loss) of unconsolidated investments, less Net income attributable to noncontrolling interests. Adjusted EBITDA for the Corporate & other segment also includes Other expenses, net

EBITDA – Legacy Rockwood

<i>(\$ in millions)</i>	Lithium	Surface Treatment
<u>Twelve months ended December 31, 2014</u>		
Income (loss) from continuing operations before taxes	\$ 130.7	\$ 154.4
Interest (income) expense, net	(1.9)	11.8
Depreciation and amortization	46.6	35.1
Restructuring and other severance costs	3.9	7.4
Equity investment adjustments	21.9	4.3
Systems/organization establishment expenses	2.8	2.5
Acquisition and disposal costs	0.1	1.6
Asset write-downs and other	2.3	0.2
Foreign exchange (gain) loss on financing activities, net	(7.5)	1.6
Other	0.1	0.6
Adjusted EBITDA from continuing operations	<u>199.0</u>	<u>219.5</u>
Discontinued operations	-	-
Total Adjusted EBITDA	<u>\$ 199.0</u>	<u>\$ 219.5</u>
<i>(\$ in millions)</i>	Lithium	Surface Treatment
<u>Twelve months ended December 31, 2013</u>		
Income (loss) from continuing operations before taxes	\$ 114.5	\$ 150.9
Interest expense, net	1.6	12.2
Depreciation and amortization	46.0	35.2
Restructuring and other severance costs	8.2	6.0
Systems/organization establishment expenses	1.1	1.0
Acquisition and disposal costs	0.1	2.8
Loss on early extinguishment/modification of debt	2.2	3.2
Asset write-downs and other	4.0	0.1
Gain on previously held equity investment	-	(16.0)
Foreign exchange loss on financing activities, net	4.1	1.2
Other	-	1.3
Adjusted EBITDA from continuing operations	<u>181.8</u>	<u>197.9</u>
Discontinued operations	-	-
Total Adjusted EBITDA	<u>\$ 181.8</u>	<u>\$ 197.9</u>

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