Forward Together™

Quaker Houghton Investor Presentation

December 2019

Risks and Uncertainties Statement

Regulation G

The attached charts include Company information that does not conform to generally accepted accounting principles ("GAAP"). In addition, the Company has provided certain unaudited pro forma financial information in the attached charts. The unaudited pro forma financial information is based on the historical consolidated financial statements and results of both Quaker, as reported, and Houghton, and has been prepared to illustrate the effects of the Combination. The unaudited pro forma financial information has been presented for informational purposes only and is not necessarily indicative of Quaker Houghton's past results of operations, nor is it indicative of the future operating results of Quaker Houghton and should not be considered a substitute for the financial information presented in accordance with GAAP. Management believes that an analysis of this data is meaningful to investors because it provides insight with respect to ongoing operating results of the Company and allows investors to better evaluate the financial results of the Company. These measures should not be viewed as an alternative to GAAP measures of performance. Furthermore, these measures may not be consistent with similar measures provided by other companies. This data should be read in conjunction with the Company's most recent annual report filed on form 10-K, as amended by Form 10-K/A, as well as the third quarter earnings news release dated November 12, 2019, which has been furnished to the Securities and Exchange Commission ("SEC") on Form 8-K and the Company's Form 10-Q for the period ended September 30, 2019, which has been filed with the SEC.

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements can be identified by the fact that they do not relate strictly to historical or current facts. We have based these forward-looking statements on our current expectations about future events. These forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, intentions, financial condition, results of operations, future performance, and business, including but not limited to statements relating to the potential benefits of the Combination described above, our current and future results and plans, and statements that include the words "may," "could," "should," "would," "believe," "expect," "anticipate," "estimate," "intend," "plan" or similar expressions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected in such statements. A major risk is that demand for the Company's products and services is largely derived from the demand for its customers' products, which subjects the Company to uncertainties related to downturns in a customer's business and unanticipated customer production shutdowns. Other major risks and uncertainties include, but are not limited to, significant increases in raw material costs, customer financial stability, worldwide economic and political conditions, foreign currency fluctuations, significant changes in applicable tax rates and regulations, future terrorist attacks and other acts of violence. Furthermore, the Company is subject to the same business cycles as those experienced by steel, automobile, aircraft, appliance, and durable goods manufacturers. Our forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its operations that are subject to change based on various important factors, some of which are beyond our control. These risks, uncertainties, and possible inaccurate assumptions relevant to the Company's business could cause its results to differ materially from expected and historical results. Other factors beyond those discussed in this presentation could also adversely affect us, including, but not limited to the following related to the Combination:

- potential adverse effects on the Company's business, properties or operations caused by the implementation of the Combination;
- the Company's ability to promptly, efficiently and effectively integrate the operations of Houghton and Quaker Chemical;
- the ability to develop or modify financial reporting, information systems and other related financial tools to ensure overall financial integrity and adequacy of internal control procedures;
- the ability to identify and take advantage of potential synergies, including cost reduction opportunities, while maintaining legacy business and other related attributes, as well as the risk that the costs to achieve synergies may be more than anticipated;
- difficulties in managing a larger, combined company, addressing differences in business culture and retaining key personnel;
- risks related to each company's distraction from ongoing business operations due to the Combination; and,
- the outcome of any legal proceedings that may be instituted against the companies related to the Combination.

Therefore, we caution you not to place undue reliance on our forward-looking statements. For more information regarding these risks and uncertainties as well as certain additional risks that we face, you should refer to the Risk Factors detailed in Item 1A of our Form 10-K for the year ended December 31, 2018 as well as the proxy statement the company filed on July 31, 2017 and in our quarterly and other reports filed from time to time with the SEC. We do not intend to, and we disclaim any duty or obligation to, update or revise any forward-looking statements to reflect new information or future events or for any other reason. This discussion is provided as permitted by the Private Securities Litigation Reform Act of 1995.

Quaker Houghton™
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We are Quaker Houghton.

1. A global leader in industrial process fluids, we continually improve and innovate so our customers can stay ahead in a changing world.
2. If it’s made of metal, if it’s rolled, cut, drawn or cast, Quaker Houghton is there, optimizing processes, reducing costs, advancing safety and sustainability… and driving progress.

We take on our customers’ challenges as our own, bringing the right combination of science, engineering, and business savvy so they can meet the future fully confident that their operations will run even more efficiently, even more effectively... whatever comes next.

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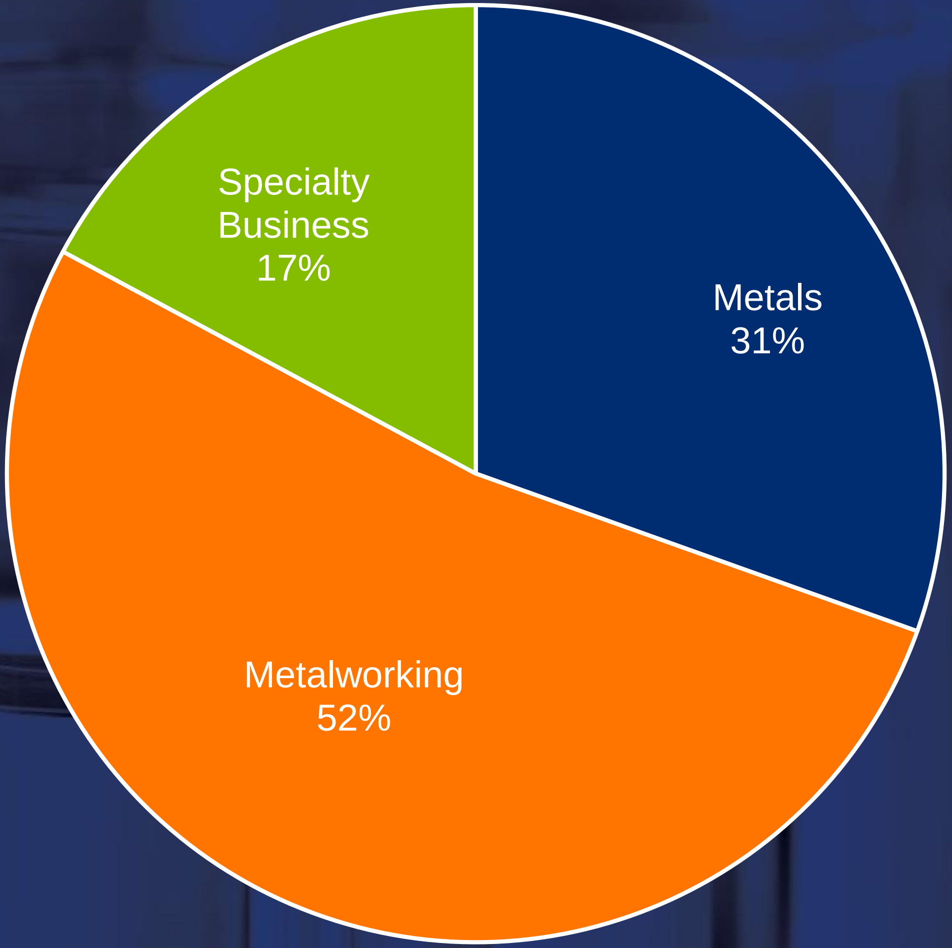
Quaker Houghton. Leading Global Supplier of Industrial Process Fluids.

Supplier of process fluids to

Metals **Metalworking** **Specialty**

NYSE KWR



"Customer Intimacy"
Key Tenet of Quaker Houghton Business Model

Customized Solutions

Technically Advanced Products

Quaker Houghton Customers

Determine Customer Need
- Longstanding, strong relationships
- Process and application knowledge

Identify Solution
- Formulation expertise
- Existing set of solutions
- Product development

Implement Solution
- Process and application knowledge
- Technical support and service
- Implementation assistance

Ongoing Support
- Technical support and service
- Ensuring solution effectiveness
- Continuous improvement programs

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Quaker Houghton. Combination of Two Iconic Companies Specializing In Industrial Process Fluids.

Headquartered in Conshohocken PA; Quaker Chemical 1918 Houghton International 1865

15k
customers

4k
employees

$1.6
billion in sales

115
countries served around the world; >65% sales outside the U.S.

$42m
R&D expenditure

35
manufacturing and R&D locations

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Strategic Rationale: Quaker Houghton is a Clear Industry Leader

✓ Strong Talent and Cultural Fit	• Adds talent to our most precious asset - people • New Executive Leadership Team in place
✓ Increases Size and Scale	• Creates the global leader in industrial process fluids • Nearly doubles the revenue of Quaker today • Manufacturing and technical support on 5 continents
✓ Accelerates Growth Opportunities	• Revenue synergies expected from cross-selling • Expect continued above market growth of 2-4%
✓ Enhanced R&D Capabilities	• Ability to develop better products, faster • Ability to flex resources and bring deep expertise to solve customer problems
✓ Achieves Significant Cost Synergies	• Increased cost synergies estimate to $60mm from $45mm • Extensive integration plan developed with consultants; ready to execute
✓ Balanced Capital Structure Approach	• Disciplined leverage management • Improved balance sheet at closing vs. initial expectations due to strong cash flow
✓ Strong Free Cash Flow to De-lever Quickly	• Committed to ≤ 2.5x target net debt / adjusted EBITDA within 2 years of close

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Proven Executive Leadership Team

Mike Barry - Chairman, Chief Executive Officer, and President

Business Leaders

Jeewat Bijlani – SVP, Managing Director – Americas

Dieter Laininger – SVP, Managing Director – APAC

Adrian Steeples – SVP, Managing Director – EMEA

Joseph Berquist – SVP, Global Specialty Businesses & Chief Strategy Officer

Global Functional Leaders

Mary Dean Hall – SVP, CFO, & Treasurer

Kym Johnson – SVP, Global Human Resources, CHRO

Robert T. Traub – SVP, General Counsel & Corporate Secretary

Wilbert Platzer – SVP, Global Operations, EHS & Procurement

Dr. Dave Slinkman – SVP, Chief Technology Officer

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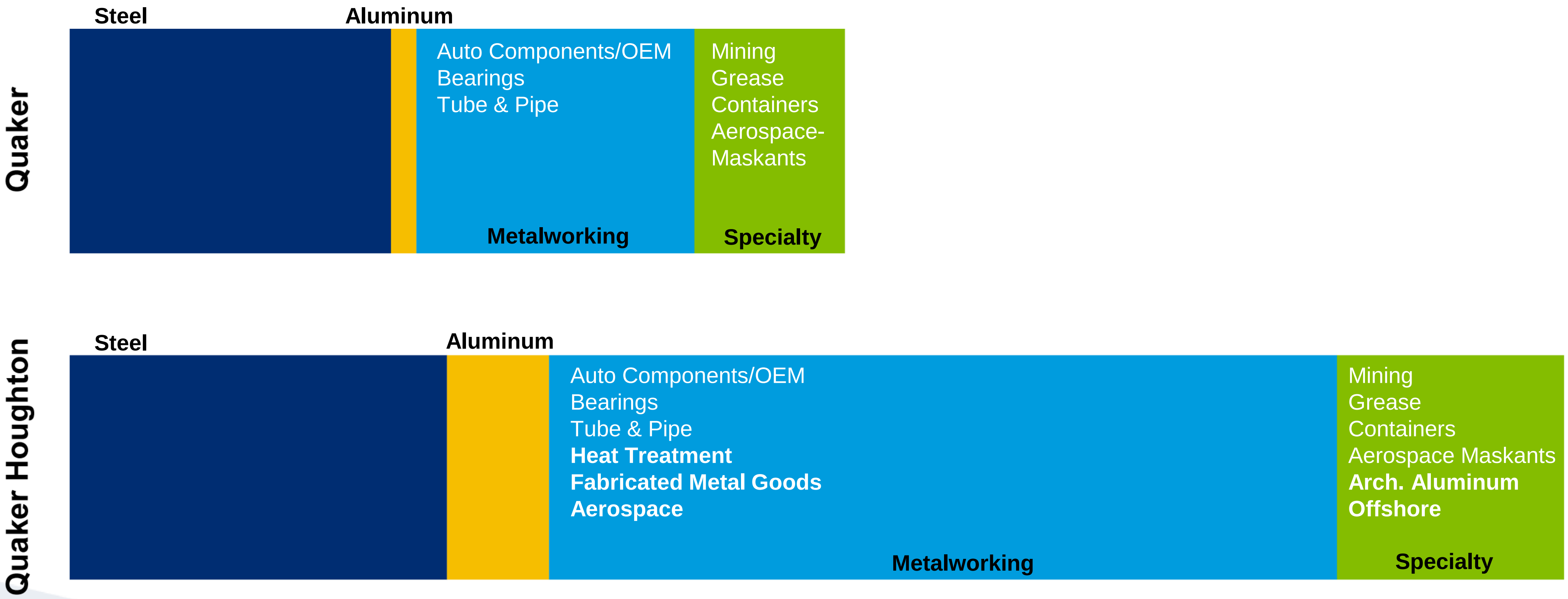
Nearly Doubles Our Size and Scale

BEFORE:
Focused on a limited set of markets with primarily large customers

NOW:
At nearly 2x our previous size, we have a leadership position in a more diverse set of markets



Significantly increases presence in $10B+ market

Increases Addressable Markets

Steel	Industrial	Tube & Pipe
Aluminum	Offshore	Can & Container
Aerospace & Defense	Architectural Aluminum	Mining
Transportation OEM	Fire-Resistant Hydraulics	Specialty Coatings
Transportation Components	Die Casting	Specialty Greases

Company with Stronger Market Presence

- Quaker
- Houghton
- Both Strong

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The Combination Makes Us Stronger. Together.

Strengthens Product Portfolio: Broader and Deeper

Metalworking

	Q	QH
Metal Removal Fluids - Synthetic	●	●●●
Metal Removal Fluids - Soluble	●●	●●●
Metal Removal - Neat Oils	●	●●●
Metal Cleaning	●●	●●●
Corrosion Protection	●●	●●●
Metal Drawing and Forming Fluids	●●	●●●
Die Cast - Mold Release	●●●	●●●
Heat Treatment/ Quenchants	○	●●●
Metal Forging Fluids	○	●●

Industrial

	Q	QH
Synthetic Fire-Resistant Hydraulic Fluids	●●	●●●
Water Glycol Fire-Resistant Hydraulic Fluids	●	●●●
Specialty Grease	●	●
Offshore Sub-Sea Control Fluids	○	●●●

Metals

	Q	QH
Steel Rolling	●●●	●●●
Tinplate Rolling	●●	●●●
Steel Surface Cleaners	●●	●●●
Corrosion Protection	●●	●●●
Ferrous Metal Surface Treatment	●●	●●
Aluminum Hot Rolling	●●	●●●
Rod & Wire Drawing	○	●●

Product Portfolio Strength and Breadth

●●● High ●● Medium ● Low ○ No Presence

Enhances Global Footprint

Mexico
Quaker had local manufacturing while Houghton did not; opportunity to better serve the customer and reduce cost

South America
Broadens footprint in Brazil and Argentina, as well as expands presence in other South American countries

Germany
Houghton had local manufacturing while Quaker did not, providing infrastructure in a leading automotive country and a closer export base to Eastern Europe

India
Quaker had local manufacturing while Houghton did not; opportunity to better serve the customer and reduce cost

Thailand
Houghton adds Thailand manufacturing capabilities to better serve existing customers

South Korea
Establishes a presence in a growing market where Quaker previously did not participate

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Growth Strategy Continues

Growth Story

Growing Base Markets

Base markets expected to grow 1-3%

Gaining Market Share

Continued share gain in existing product portfolio through differentiated customer service

Leveraging Past Acquisitions

Leverage acquired technologies to increase share of wallet

Future Acquisitions

Quaker Houghton will continue to consider strategic acquisition candidates

Organic

Expect 2-4% growth above base markets over time

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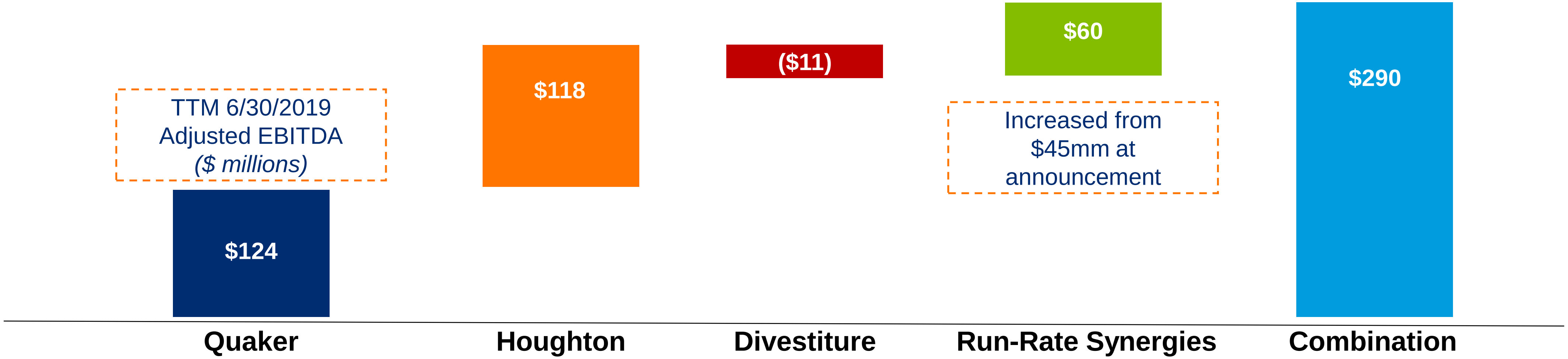
Enhanced Financial Profile, Better Together



($ in millions)	**Quaker**	**Houghton**	**Quaker Houghton**[a]	**Δ vs. Quaker standalone**
Net Sales	$851	$786	$1,584	~2x
Gross Profit	$307	$267	$589	~2x
Gross Margin	36.1%	34.0%	37.2%	~1% pts
Adjusted EBITDA	$124	$118	$290	+2.5x
Adjusted EBITDA Margin	14.5%	15.0%	18.3%	~4% pts

a) Column includes Quaker and Houghton's TTM 6/30/2019 financials as presented, adjusted for synergies and divestiture estimates.

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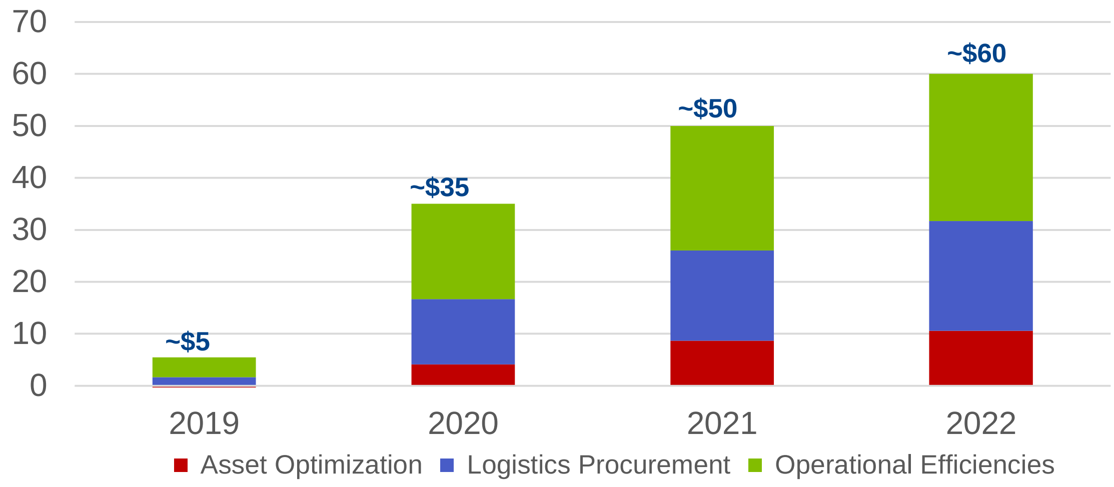
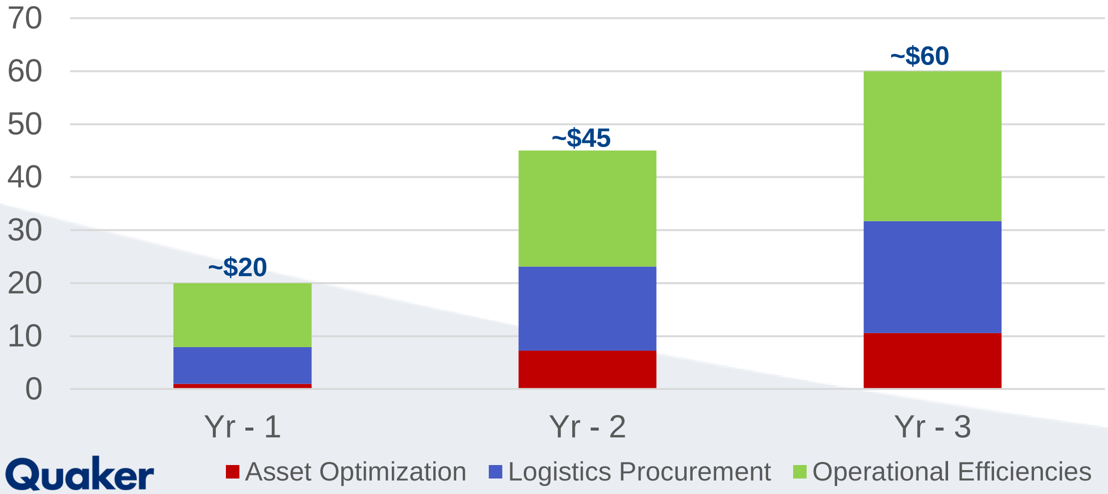
Significant Cost Synergies

Estimated Synergy Realization Timing





Sources of Synergy

Asset Optimization (17%)

- Manufacturing footprint optimization
- Optimize IT platforms

Logistics & Procurement (35%)

- Raw material purchasing
- Freight / warehousing
- Ester production

Operational Efficiencies (48%)

- Headcount reductions
- Non-labor SG&A

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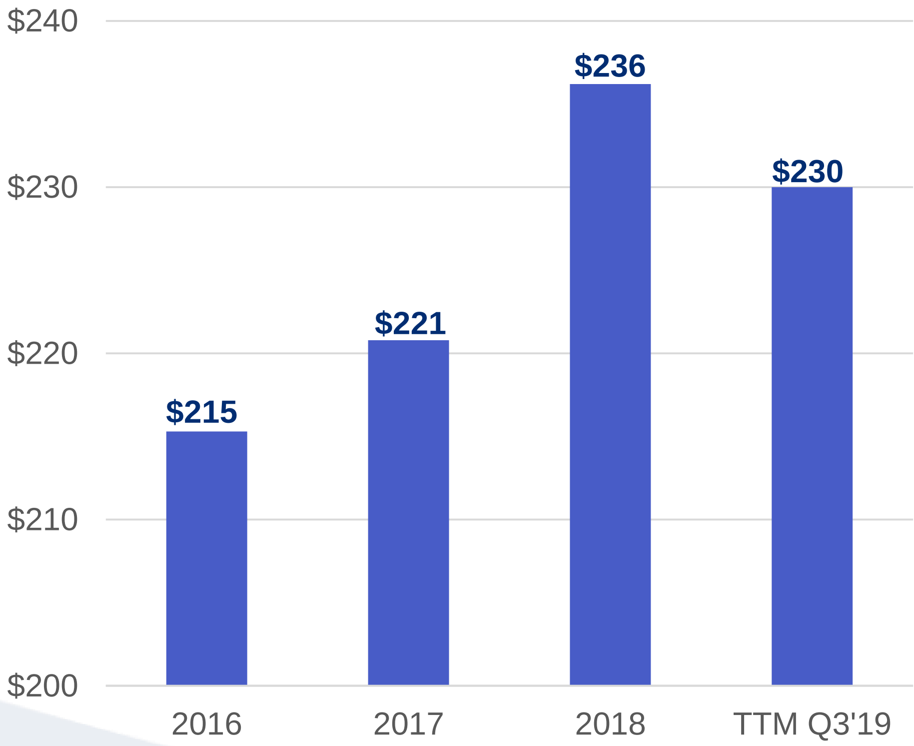
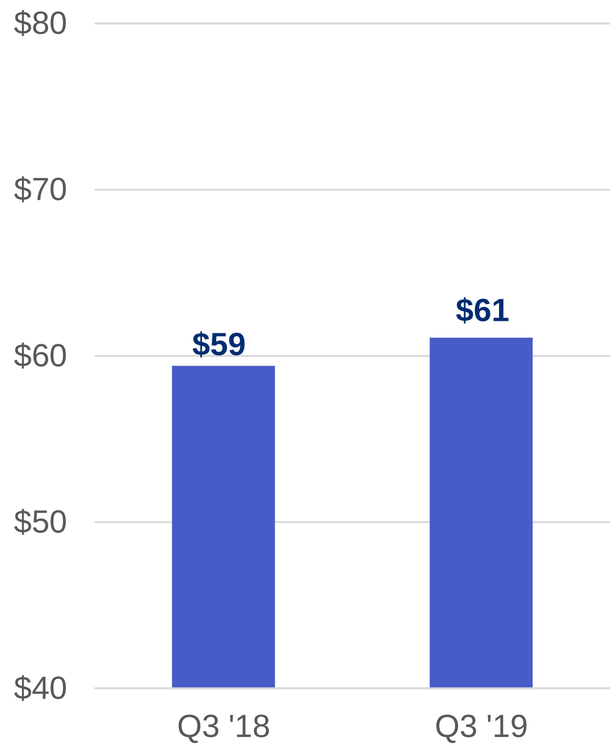
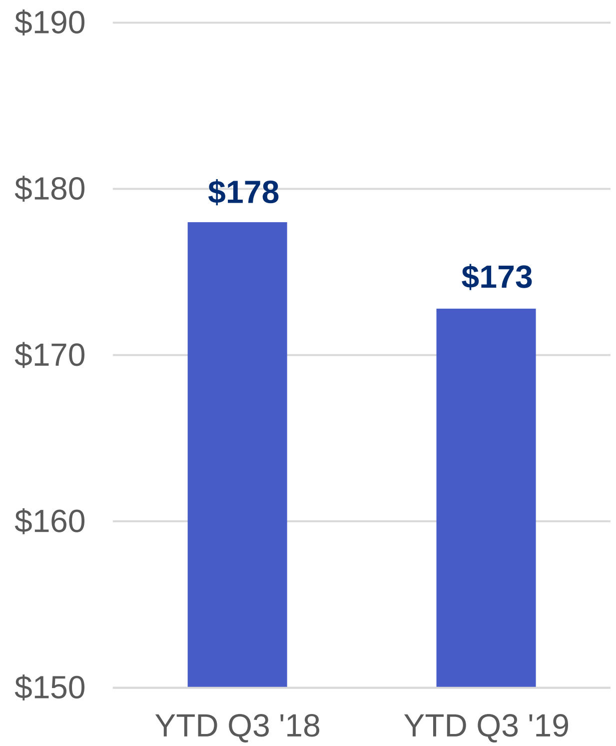
Quaker Houghton's Pro-Forma Adjusted EBITDA

(dollars in millions)







TTM Q3'19 and YTD Q3'19 adjusted EBITDA decreases due to lower volumes and FX, but Q3'19 up on improved gross margin and benefits from higher other income and equity income

Note: Estimated pro-forma adjusted EBITDA represents full year performance for both Quaker and Houghton and adjusts for divestiture and other accounting adjustments during each respective period. See appendix for reconciliations.

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Strong Free Cash Flow Supports Key Capital Allocation Priorities

- De-lever to ≤ 2.5x net debt to adjusted EBITDA within two years
- Combined company has asset-lite profile with expected capex of ~1.5% of sales after two years; expect ~2% in first two years
- Pay dividends consistent with Quaker's practice over past 47 years
- Continue strategic acquisitions considering leverage and liquidity

Quaker Houghton: A Market Leader Positioned for Growth

By August 2021, we expect:

- To have achieved our cost synergies and be a $300+ million EBITDA company on a going forward basis
- Be positioned for organic growth 2 to 4% above the market
- Be at our target leverage range and positioned for greater acquisition opportunities

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Save the Date:
December 11, 2019
New York Stock Exchange

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Appendix

Combination Details

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Transaction Overview

Purchase Price and Structure	• Houghton shareholders received ~$170.8 million in cash and 24.5% (~4.3 million shares) of Quaker Houghton; Quaker Houghton refinanced Houghton's net debt of ~$660 million (versus $690 million at announcement) • Represents a transaction multiple at announcement of 11.9x Houghton's 2016 adjusted EBITDA and 7.9x with updated run-rate synergies
Leadership, Governance and Ownership	• Michael Barry is the Chairman, CEO and President of the combined company • Executive leadership selected and in place on Day 1 • Quaker Board increased from 8 directors to 11 by adding 3 independent former Houghton directors
Financial Updates	• Cost synergy estimate of $60 million, approximately 7% of Houghton's 2018 revenue, exceeds initial $45 million estimate • Divested revenue of approximately $50 million in line with original expectations • Combined 2018 adjusted EBITDA of $236 million, net of divestiture and other adjustments, up 7% compared to 2017 and 10% from 2016
Financing and Leverage	• Quaker secured $1.15 billion in committed financing from a syndicated group of banks • Leverage of ~3.4x net debt to 2018 adjusted EBITDA at close; ~2.7x with run-rate synergies • Attractive pricing and terms; cost of debt ~3.3% at today's rates

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Attractive Financing and Ample Liquidity

- **$1.15 billion syndicated bank facility**
  - $400 million revolver (~$110 million outstanding as of September 30, 2019)
  - $600 million Term Loan A
  - $150 million (euro-equivalent) Term Loan A
- **$930 million in new debt to finance transaction at close**
  - ~$170.8 million for cash portion of purchase price, ~$700 million for refinancing of Houghton's gross debt, and ~$60 million for refinancing of existing Quaker debt, and fees and expenses
- **$878 million total indebtedness as of September 30, 2019**
- **Cash and cash equivalents on hand of $128 million and undrawn revolver of $290 million as of September 30, 2019 provide ample liquidity**
- **Attractive cost of debt and terms**
  - ~3.3% at today's rates

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Update to Certain Accounting Adjustments and Other Financial Items

- Previously disclosed net sales decrease due to conforming of accounting policies including revenue recognition now estimated to be ~$15–$30 million; minimal impact to consolidated EBITDA
- Total depreciation and amortization expense estimate of ~$80 million per year, including ~$5 million due to estimated purchase accounting adjustments
- One-time expenses related to integration and achieving planned cost synergies estimated to be ~1x planned cost synergies (~$60 million); timing of one-time expenses will be front loaded in 2019 and 2020
- Interest expense of ~3.3% reduces combined interest cost by $20–25 million per year
- Tax rate estimates, excluding acquisition-related costs and other non-core items:
  Q4 2019: 23–25%; Full year 2019 and 2020: 22–24%
- Share count increased ~4.3 million shares to ~17.7 million shares

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Divestiture Update

- The U.S. Federal Trade Commission and European Commission required divestiture of certain steel and aluminum product lines in North America and Europe concurrent with close
- Revenue of ~$50 million represents ~3% of combined Quaker Houghton revenue as expected; EBITDA of ~$11 million excludes certain manufacturing costs and SG&A which will be part of cost synergies
- Buyer is TOTAL S.A.; sale proceeds of ~$37 million

Quaker Houghton Remains a Global Leader in Steel and Aluminum

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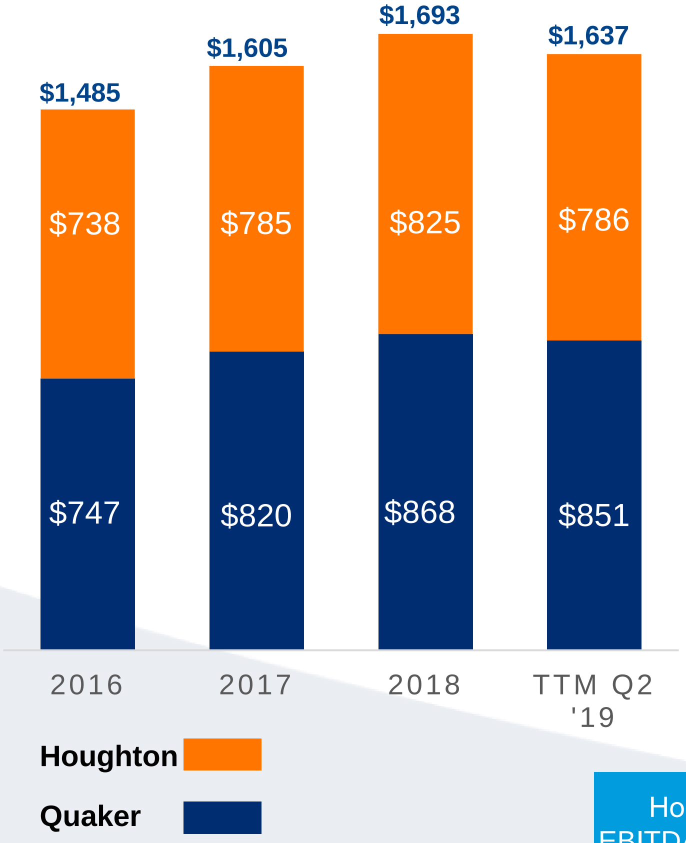
Historical Financial Performance Review

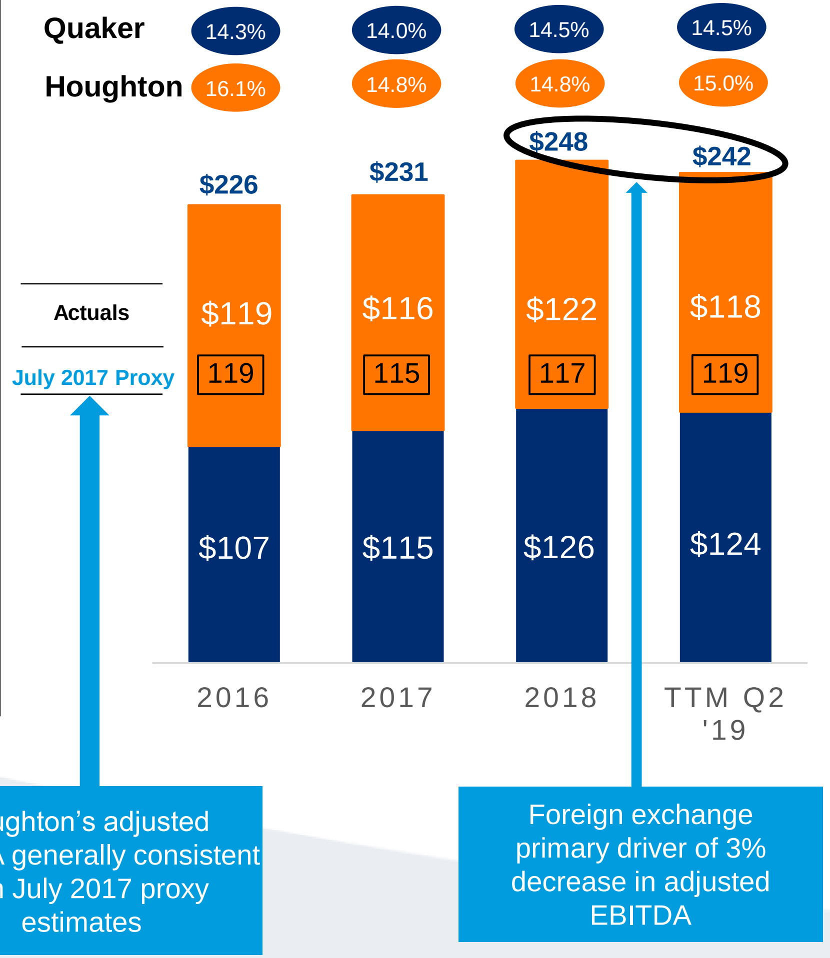
Net Sales

($ in millions)



Adjusted EBITDA & Margin

($ in millions)



Key Drivers of Changes to Houghton's Adjusted EBITDA

(Changes from 2016 to TTM Q2 '19)

- **Korea equity affiliate*** - ~$5 million decline in adjusted EBITDA largely due to slowdown in its markets
- **Offshore hydraulics*** - ~$3 million decline due to reduced offshore drilling resulting from lower oil prices
- **Foreign exchange** - ~$1 million decline in adjusted EBITDA due to strengthening of US dollar
- **Organic growth** - ~$8 million increase helps offset negatives above

*Note: Korea and Offshore are not expected to decline further

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Appendix

Pro Forma Results

Q3 2019 Pro Forma Reconciliations

(dollars in millions)

	QTD September 2019				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net sales	$ 325	$ 72	$ (9)	$ (2)	$ 386
Net (Loss) Income Attributable to Quaker Houghton	$ (13)	$ (7)	$ (1)	$ 2	$ (20)
Depreciation and Amortization	14	4	-	0	19
Interest Expense, Net	6	5	-	(2)	9
Taxes on (Loss) Income (b)	(6)	4	(0)	0	(2)
EBITDA*	2	6	(1)	0	7
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Fair Value Step Up of Houghton Inventory Sold	10	-	-	-	10
Combination and Other Acquisition-Related Expenses	15	40	-	-	55
Restructuring Expenses	24	-	-	-	24
Gain on Sale of Divested Assets	-	(35)	-	-	(35)
Pension and Postretirement Benefit Costs, Non-Service Components	1	(0)	-	-	0
Other Addbacks (c)	1	0	-	-	1
Adjusted EBITDA*	$ 51	$ 11	$ (1)	$ 0	$ 61
Adjusted EBITDA Margin* (%)	16%	15%	13%	-5%	16%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increased to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on income related to the Divestiture and Other reflect each tax effected at the U.S. tax rate of 21%.

(c) Other addbacks include currency conversion impacts on hyper-inflationary economies.

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Q3 2018 Pro Forma Reconciliations

(dollars in millions)

	QTD September 2018									
	As Reported		Houghton		Divestitures		Other (a)		Pro Forma*	
Net sales	$	222	$	213	$	(13)	$	(5)	$	417
Net Income Attributable to Quaker Houghton	$	20	$	1	$	(3)	$	4	$	23
Depreciation and Amortization		5		13		-		1		19
Interest Expense, Net		1		14		-		(6)		9
Taxes on Income (b)		4		(3)		(1)		1		2
EBITDA*		30		26		(3)		0		53
Equity Income in a Captive Insurance Company		(0)		-		-		-		(0)
Combination and Other Acquisition-Related Expenses		3		3		-		-		5
Restructuring Expenses		-		0		-		-		0
Pension and Postretirement Benefit Costs, Non-Service Components		1		(1)		-		-		0
Affiliate Management Fees		-		1		-		-		1
Other Addbacks (c)		0		1		-		-		1
Adjusted EBITDA*	$	33	$	29	$	(3)	$	0	$	59
Adjusted EBITDA Margin* (%)		15%		14%		25%		-4%		14%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increased to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on income related to the Divestiture and Other reflect each tax effected at the U.S. tax rate of 21%.

(c) Other addbacks include currency conversion impacts on hyper-inflationary economies, a gain on the liquidation of an inactive legal entity and charges related to non-recurring non-income tax and VAT charges.

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YTD September 2019 Pro Forma Reconciliations

(dollars in millions)

	YTD September 2019				
	As Reported	**Houghton**	**Divestitures**	**Other (a)**	**Pro Forma***
Net sales	$ 742	$ 475	$ (34)	$ (13)	$ 1,171
Net Income Attributable to Quaker Houghton	$ 16	$ (3)	$ (6)	$ 9	$ 16
Depreciation and Amortization	24	31	-	3	58
Interest Expense, Net	8	33	-	(14)	26
Taxes on Income (b)	4	(1)	(2)	3	4
EBITDA*	52	60	(8)	1	104
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Fair Value Step Up of Houghton Inventory Sold	10	-	-	-	10
Combination and Other Acquisition-Related Expenses	24	44	-	-	68
Restructuring Expenses	24	(0)	-	-	24
Gain on Sale of Divested Assets	-	(35)	-	-	(35)
Pension and Postretirement Benefit Costs, Non-Service Components	2	(0)	-	-	2
Other Addbacks (c)	1	0	-	-	1
Adjusted EBITDA*	$ 112	$ 68	$ (8)	$ 1	$ 173
Adjusted EBITDA Margin* (%)	15%	14%	24%	-4%	15%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increased to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on income related to the Divestiture and Other reflect each tax effected at the U.S. tax rate of 21%.

(c) Other addbacks include currency conversion impacts on hyper-inflationary economies and charges related to the settlement of a non-core equipment sale.

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YTD September 2018 Pro Forma Reconciliations

(dollars in millions)

	YTD September 2018				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net sales	$ 656	$ 654	$ (40)	$ (15)	$ 1,255
Net Income Attributable to Quaker Houghton	$ 52	$ 5	$ (8)	$ 12	$ 60
Depreciation and Amortization	15	41	-	4	60
Interest Expense, Net	3	42	-	(19)	26
Taxes on Income (b)	14	(2)	(2)	3	13
EBITDA*	83	85	(10)	1	159
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Combination and Other Acquisition-Related Expenses	12	5	-	-	17
Restructuring Expenses	-	0	-	-	0
Pension and Postretirement Benefit Costs, Non-Service Components	2	(1)	-	-	0
Affiliate Management Fees	-	2	-	-	2
Other Addbacks (c)	0	1	-	-	1
Adjusted EBITDA*	$ 96	$ 91	$ (10)	$ 1	$ 178
Adjusted EBITDA Margin* (%)	15%	14%	25%	-4%	14%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increased to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on income related to the Divestiture and Other reflect each tax effected at the U.S. tax rate of 21%.

(c) Other addbacks include currency conversion impacts on hyper-inflationary economies, a gain on the liquidation of an inactive legal entity and charges related to non-recurring non-income tax and VAT charges.

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Full Year 2016 Pro Forma Reconciliation

(dollars in millions)

	2016				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net Income Attributable to Quaker Houghton	$ 61	$ (37)	$ (8)	$ 7	$ 23
Depreciation and Amortization	20	55	-	5	80
Interest Expense, Net	1	51	-	(14)	37
Taxes on Income (b)	23	(5)	(2)	2	18
EBITDA*	105	64	(10)	0	158
Equity Income in a Captive Insurance Company	(2)	-	-	-	(2)
Combination and Other Acquisition-Related Expenses	2	3	-	-	5
Pension and Postretirement Benefit Costs, Non-Service Components	2	(1)	-	-	1
Cost Reduction Activities	-	4	-	-	4
Impairment of Goodwill and Intangible Assets	-	41	-	-	41
Affiliate Management Fees	-	2	-	-	2
Non-Income Tax Settlement Expense	-	2	-	-	2
Full-Year Impact of Wallover Acquisition	-	3	-	-	3
Other Addbacks (c)	(0)	1	-	-	1
Adjusted EBITDA*	$ 107	$ 119	$ (10)	$ 0	$ 215
Adjusted EBITDA Margin* (%)	14%	16%	22%	0%	15%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increases to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on Income related to the Divestitures and Other, as described above, each tax effected at the U.S. tax rate of 21%.

(c) Other Addbacks includes a charge related to a legal settlement, a charge related to inventory fair value adjustments in the Wallover acquisition, offset by a gain on the sale of an asset, currency conversion impacts of hyper-inflationary economies and a restructuring credit.

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Full Year 2017 Pro Forma Reconciliation

(dollars in millions)

	2017				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net Income Attributable to Quaker Houghton	$ 20	$ (47)	$ (9)	$ 9	$ (26)
Depreciation and Amortization	20	55	-	5	80
Interest Expense, Net	1	51	-	(16)	37
Taxes on Income (b)	42	42	(2)	2	84
EBITDA*	83	102	(11)	0	175
Equity Income in a Captive Insurance Company	(3)	-	-	-	(3)
Combination and Other Acquisition-Related Expenses	30	10	-	-	40
Pension and Postretirement Benefit Costs, Non-Service Components	4	(1)	-	-	4
Cost Reduction Activities	0	2	-	-	2
Loss on Disposal of Held-for-Sale Asset	0	-	-	-	0
Insurance Insolvency Recovery	(1)	-	-	-	(1)
Affiliate Management Fees	-	2	-	-	2
Non-Income Tax Settlement Expense	-	1	-	-	1
Other Addbacks (c)	0	0	-	-	1
Adjusted EBITDA*	$ 115	$ 116	$ (11)	$ 0	$ 221
Adjusted EBITDA Margin* (%)	14%	15%	20%	0%	14%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increases to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on Income related to the Divestitures and Other, as described above, each tax effected at the U.S. tax rate of 21%.

(c) Other Addbacks includes charges related to inventory fair value adjustments in the Wallover acquisition, currency conversion impacts of hyper-inflationary economies and other non-recurring charges.

Quaker Houghton
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Full Year 2018 Pro Forma Reconciliation

(dollars in millions)

	2018				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net Income Attributable to Quaker Houghton	$ 59	$ 0	$ (9)	$ 15	$ 66
Depreciation and Amortization	20	54	-	5	80
Interest Expense, Net	4	56	-	(25)	35
Taxes on Income (b)	25	3	(2)	4	30
EBITDA*	108	114	(12)	0	210
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Combination and Other Acquisition-Related Expenses	16	7	-	-	23
Pension and Postretirement Benefit Costs, Non-Service Components	2	(2)	-	-	1
Cost Reduction Activities	-	0	-	-	0
Currency Conversion Impacts of Hyper-Inflationary Economies	1	0	-	-	1
Affiliate Management Fees	-	2	-	-	2
Other Addbacks (c)	(1)	0	-	-	(0)
Adjusted EBITDA*	$ 126	$ 122	$ (12)	$ 0	$ 236
Adjusted EBITDA Margin* (%)	14%	15%	23%	0%	14%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increases to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on Income related to the Divestitures and Other, as described above, each tax effected at the U.S. tax rate of 21%.

(c) Other Addbacks includes charges related to non-recurring non-income tax and VAT charges, an insurance insolvency recovery and a gain on the liquidation of an inactive legal entity.

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TTM Q2 '19 Pro Forma Reconciliation

(dollars in millions)

	TTM Q2 2019				
	Quaker	Houghton	Divestitures	Other [(b)]	NewCo
Net Income Attributable to Quaker Houghton	57	1	(9)	12	61
Depreciation and Amortization	19	53	-	10	83
Interest Expense, Net	3	57	-	(26)	35
Taxes on Income [(c)]	26	(2)	(2)	3	24
EBITDA	105	109	(11)	(0)	203
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Combination and Other Acquisition-Related Expenses	16	8	-	-	24
Pension and Postretirement Benefit Costs, Non-Service Components	3	(1)	-	-	2
Currency Conversion Impacts of Hyper-Inflationary Economies	1	1	-	-	1
Affiliate Management Fees	-	1	-	-	1
Other Addbacks (a)	-	0	-	-	0
Adjusted EBITDA	124	118	(11)	(0)	230
Adjusted EBITDA margin (%)	14.6%	15.0%	22.0%	0.0%	14.6%

(a) Other Addbacks includes an insurance insolvency recovery, a gain on the liquidation of an inactive legal entity, charges related to the settlement of a non-core equipment sale and cost reduction activities.

(b) Other includes estimated increases to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(c) Taxes on Income related to the Divestitures and Other, as described above, each tax effected at the U.S. tax rate of 21%.

*EBITDA and Adjusted EBITDA may not calculate due to rounding.

Quaker Houghton
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TTM Q3 ’19 Pro Forma Reconciliation

(dollars in millions)

	TTM Q3 2019				
	As Reported	Houghton	Divestitures	Other (a)	Pro Forma*
Net Income Attributable to Quaker Houghton	$ 24	$ (7)	$ (9)	$ 13	$ 21
Depreciation and Amortization	29	44	-	5	78
Interest Expense, Net	8	48	-	(21)	35
Taxes on Income (b)	16	4	(2)	4	21
EBITDA*	77	89	(11)	0	154
Equity Income in a Captive Insurance Company	(1)	-	-	-	(1)
Fair Value Step Up of Houghton Inventory Sold	10	-	-	-	10
Combination and Other Acquisition-Related Expenses	28	46	-	-	74
Restructuring Expenses	24	(0)	-	-	24
Gain on Sale of Divested Assets	-	(35)	-	-	(35)
Pension and Postretirement Benefit Costs, Non-Service Components	3	(0)	-	-	2
Affiliate Management Fees	-	1	-	-	1
Other Addbacks (c)	1	(0)	-	-	1
Adjusted EBITDA*	$ 142	$ 99	$ (11)	$ 0	$ 230
Adjusted EBITDA Margin* (%)	15%	15%	25%	0%	15%

* Certain amounts may not calculate due to round, including EBITDA, Adjusted EBITDA, Adjusted EBITDA margin (%) as well as the total pro forma financial results presented for combined Quaker Houghton.

(a) Other includes estimated increased to depreciation and amortization due to purchase accounting fair value adjustments and a reduction of interest expense based on the average borrowings of the period plus the purchase consideration under the Quaker Houghton facility estimated interest rates.

(b) Taxes on income related to the Divestiture and Other reflect each tax effected at the U.S. tax rate of 21%.

(c) Other addbacks include insurance insolvencies, currency conversion impacts on hyper-inflationary economies, and a gain on the liquidation of an inactive legal entity.

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