



Fourth Quarter & Full Year 2021 Earnings Review

February 22, 2022



Statements in this presentation that express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: impacts from the COVID-19 pandemic and governmental responses to limit the further spread of COVID-19, including impacts on the company's operations, and the operations and businesses of its customers and vendors, including whether the company's operations and those of its customers and vendors will continue to be treated as "essential" operations under government orders restricting business activities or, even if so treated, whether site-specific health and safety concerns might otherwise require certain operations to be halted for some period of time; uncertainty with respect to the duration and severity of these impacts from the COVID-19 pandemic, including impacts on the general economy and the markets served by the company's customers, as well as supply chain disruptions and materials cost increases that are not passed along to our customers; the extent to which the impacts from the COVID-19 pandemic could result in a reduction in demand for the company's products and services, which could also result in asset impairment charges, including for goodwill; other economic conditions in the markets served by Enpro's businesses and those of its customers, some of which are cyclical and experience periodic downturns and disruptions, such as disruptions in the pricing of oil and gas; the impact of geopolitical activity on those markets, including the outbreak (or threat of outbreak) of armed hostilities, prices and availability of its raw materials; uncertainties with respect to the company's ability to achieve anticipated growth within the semiconductor, life sciences, and other technology-enabled markets; the impact of fluctuations in relevant foreign currency exchange rates or unanticipated increases in applicable interest rates; unanticipated delays or problems in introducing new products; the impact of any labor disputes; announcements by competitors of new products, services or technological innovations; changes in pricing policies or the pricing policies of competitors; and the amount of any payments required to satisfy contingent liabilities, including those related to discontinued operations, other divested businesses and the discontinued operations of its predecessors, including liabilities for certain products, environmental matters, employee benefit and statutory severance obligations and other matters. Enpro's filings with the Securities and Exchange Commission, including its most recent Form 10-K and Form 10-Q, describe these and other risks and uncertainties in more detail. Enpro does not undertake to update any forward-looking statements made in this press release to reflect any change in management's expectations or any change in the assumptions or circumstances on which such statements are based.

Full-year guidance excludes changes in the number of shares outstanding, impacts from future and pending acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs subsequent to the end of the fourth quarter, the impact of foreign exchange rate changes subsequent to the end of the fourth quarter, increases in interest rates beyond those assumed in the preparation of the guidance, impacts from further spread of COVID-19 or from geopolitical activity, including the outbreak (or threat of outbreak) of armed hostilities, and environmental and litigation charges.

We own a number of direct and indirect subsidiaries and, from time to time, we may refer collectively to Enpro and one or more of our subsidiaries as "we" or to the businesses, assets, debts or affairs of Enpro or a subsidiary as "ours." These and similar references are for convenience only and should not be construed to change the fact that Enpro and each subsidiary is an independent entity with separate management, operations, obligations and affairs.

This presentation also contains certain non-GAAP financial measures (*) as defined by the Securities and Exchange Commission. A reconciliation of non-GAAP measures to the most directly comparable GAAP equivalents is included as an appendix to this presentation.



Full Year 2021 Review

Eric Vaillancourt

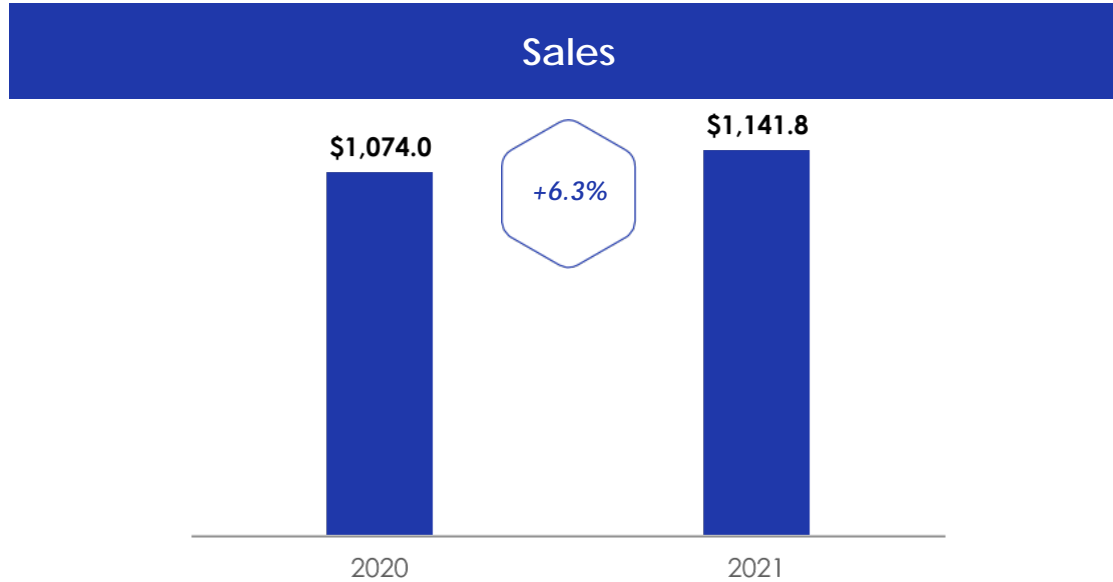
President & Chief Executive Officer



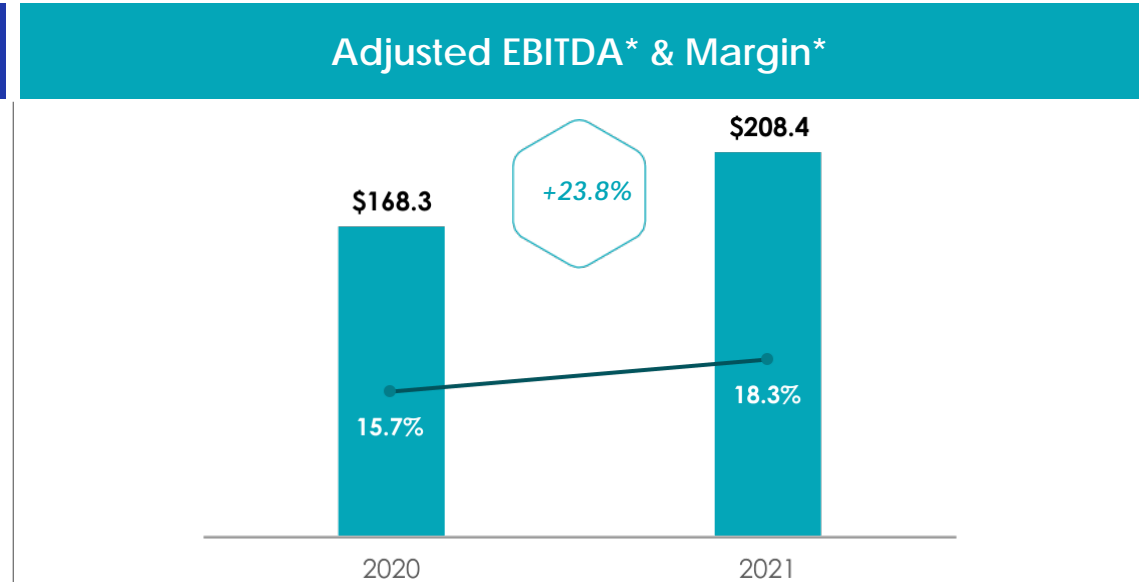
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2021 Full-Year Performance

\$ in millions



- Sales increased 6.3% compared to 2020. On an organic basis, sales grew 14.4%
- Strong recovery in most markets including general industrial, semiconductor, heavy-duty truck, petrochemical, food & pharma and aerospace



- Adjusted EBITDA increased 23.8% compared to 2020. Adjusted EBITDA margin of 18.3% increased 260 basis points compared to the prior year
- The significant margin expansion driven primarily by the net benefit of portfolio reshaping completed in 2020 and 2021, organic sales increases, strategic price actions, partially offset by raw material inflation, as well as supply chain, labor and logistics constraints

Strong Organic Sales Growth and Disciplined Cost Management



Fourth Quarter 2021 Financial Results

Milt Childress

Executive Vice President & Chief Financial Officer

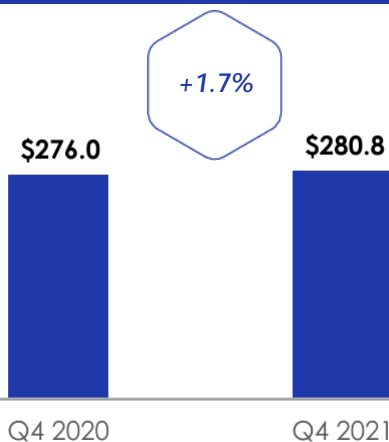


ENPRO

Q4 2021 Financial Performance

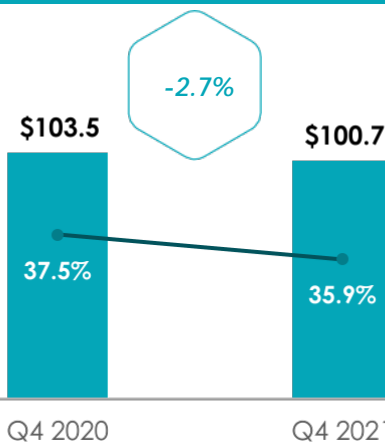
\$ in millions, except per share data

Sales



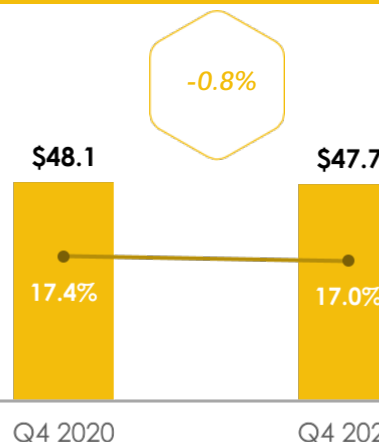
- Momentum in the semiconductor, heavy-duty truck, aerospace, general industrial and food & pharma markets, as well as the contributions from Alluxa and NxEdge, largely offset by the reduction in sales due to divestitures and weakness in the automotive market
- Organic sales increased 10.4% year over year

Gross Profit & Margin



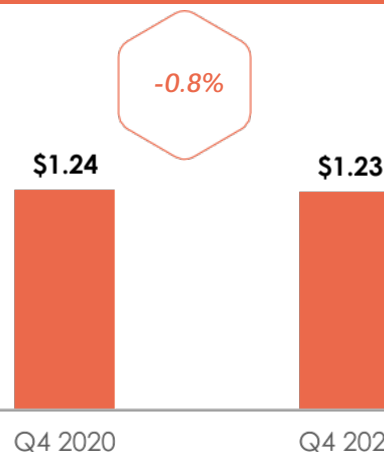
- Gross margin contraction driven primarily by inflationary pressures including raw materials, freight and labor costs, largely concentrated in our heavy-duty truck and automotive markets, largely offset by price increases, organic growth and benefits from portfolio reshaping activities
- To a lesser extent, amortization of fair value adjustments to acquisition date inventory from the acquisitions of NxEdge and Alluxa also created headwinds compared to the prior-year period

Adjusted EBITDA* & Margin*



- Adjusted EBITDA declined 0.8% driven by inflationary raw material, freight and labor costs as well as higher SG&A, largely offset by the benefits of portfolio reshaping actions completed in 2020 and 2021 and pricing initiatives

Adjusted Diluted EPS*

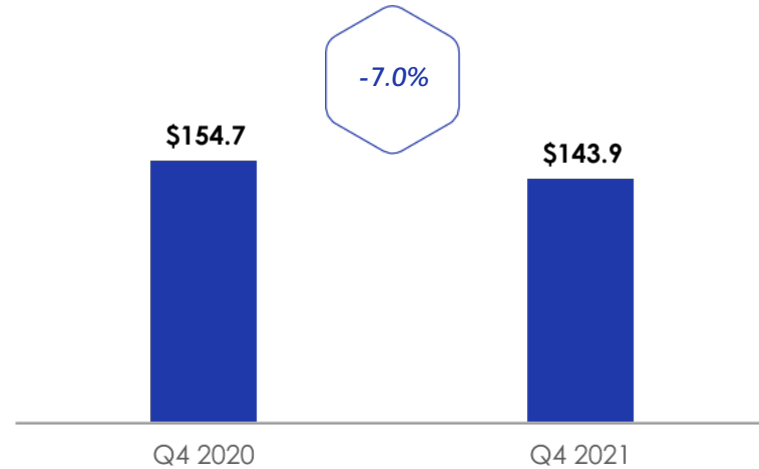


- Adjusted diluted earnings per share of \$1.23 essentially flat compared to the prior-year period
- As of Q4 2020, Adjusted diluted EPS* excludes after-tax acquisition-related intangible amortization to better reflect operating results and offer a more meaningful measure for comparison against prior periods

Sealing Technologies – Q4 2021 Performance

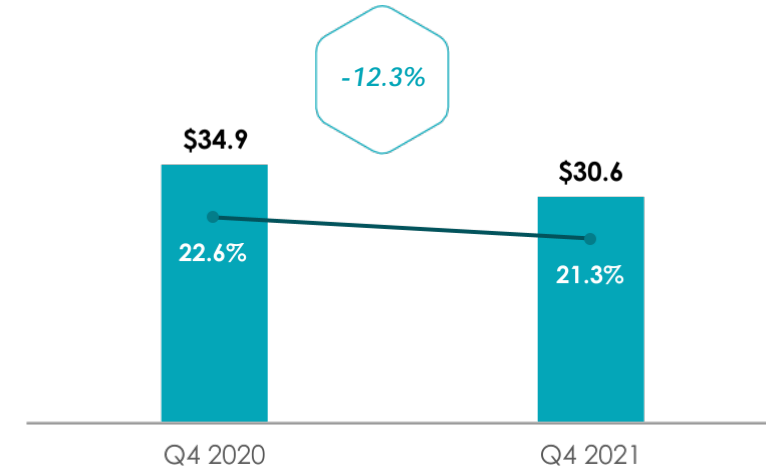
\$ in millions

Sales



- Sales decrease driven by divestitures completed in 2020 and 2021
- Organic sales increased 12.0% driven primarily by strong demand in heavy-duty truck, aerospace, nuclear and food & pharma markets

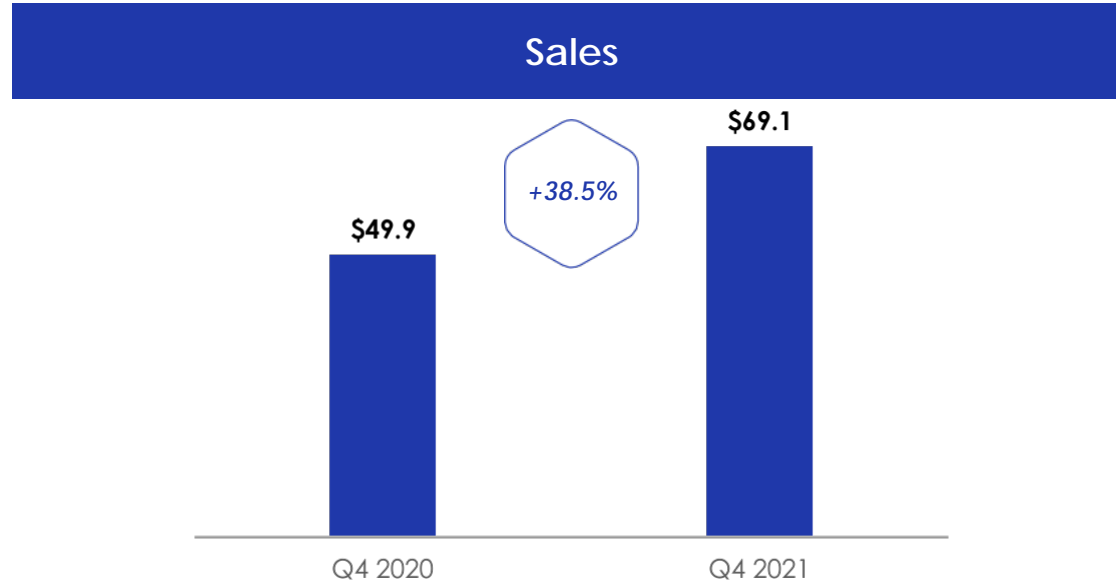
Adjusted EBITDA & Margin



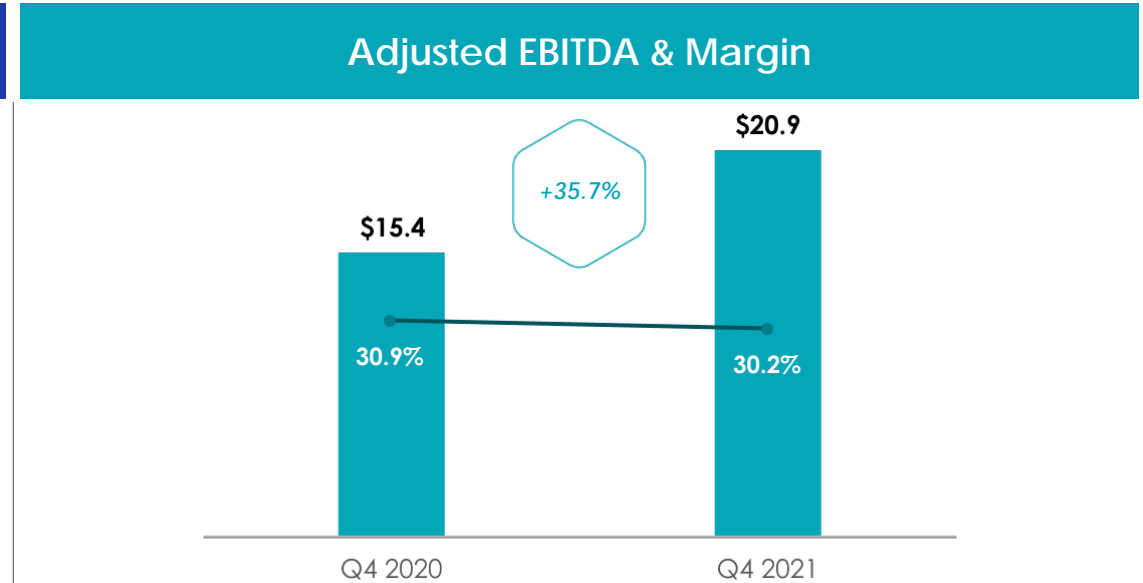
- Adjusted segment EBITDA decreased 12.3% versus the prior-year period due to divestitures
- Adjusted segment EBITDA increased 3.0% on an organic basis
- In the quarter, results marginally impacted by inflationary pressures from raw materials, labor and freight costs, concentrated particularly in the trucking end market, partially offset by pricing initiatives and leverage on organic volume increase

Advanced Surface Technologies – Q4 2021 Performance

\$ in millions



- Sales increase driven primarily by strong demand in the semiconductor market and the addition of Alluxa and NxEdge
- Organic sales increased 16.6%

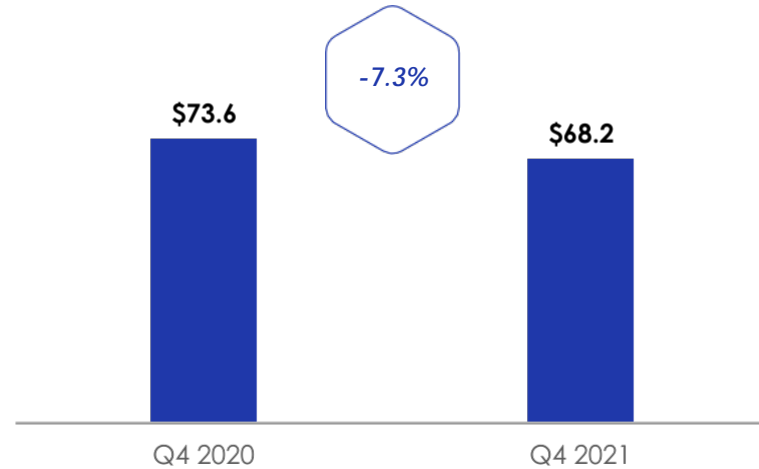


- Adjusted segment EBITDA increased 35.7%, driven primarily by the acquisitions and strong organic sales growth
- Adjusted segment EBITDA increased 10.4% on an organic basis

Engineered Materials – Q4 2021 Performance

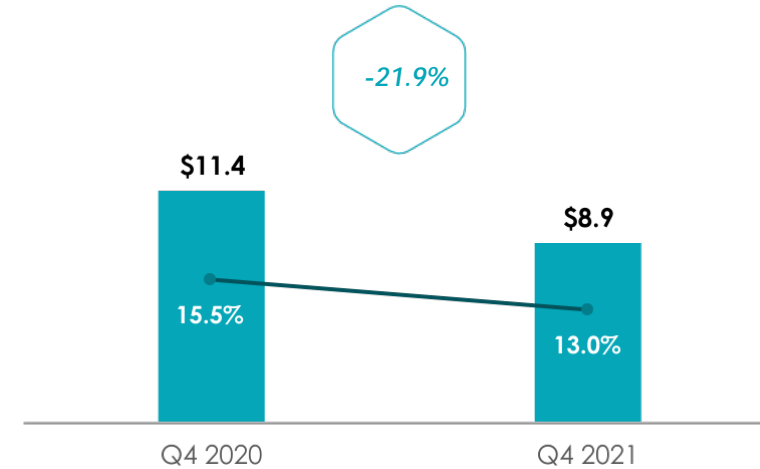
\$ in millions

Sales



- Sales decline driven by divestitures of the GGB bushing block and CPI businesses
- Sales also impacted by weakness in the automotive market due to chip shortages affecting auto production, particularly in the fourth quarter of 2020
- Organic sales were flat

Adjusted EBITDA & Margin



- Adjusted segment EBITDA decreased 21.9%, driven primarily by raw material inflation and supply chain headwinds as well as the decline in automotive production in Europe and the United States
- Adjusted segment EBITDA decreased 20.2% on an organic basis

Balance Sheet, Cash Flow & Capital Allocation

Net Debt			Commentary
<i>December 31, 2021, \$ in millions</i>			
	Credit Facility	\$ 175	<ul style="list-style-type: none"> • Ample liquidity consisting of \$338.1M cash, and \$213.6M available for borrowing under revolving credit facility³
	Senior Notes ¹	\$ 347	
	Term Loan ^{1,2}	\$ 604	
	Capital Lease Obligations	\$ —	<ul style="list-style-type: none"> • Free cash flow* for the full year 2021 of \$123.2M, up from \$39.3M in the prior year
A	Debt Components	\$ 1,126	
B	Cash and Equivalents	\$ 338	<ul style="list-style-type: none"> • Paid \$22.4M in dividends in 2021
C = (A - B)	Net Debt	\$ 788	

¹ Includes impact from unamortized debt issue costs.

² Includes three term loan facilities: Term loan A-1 Facility, Term Loan A-2 Facility and 364-Day Facility, with outstanding balances at December 31, 2021 of \$141.6, \$315.0 and \$150.0, respectively. The Term Loan A-1 Facility will amortize on a quarterly basis in an annual amount equal to 2.50% of the original principal amount of the Term Loan A-1 Facility in year one after the closing, 5.00% of such original principal amount in year two and 1.25% of such original principal amount in each of the first three quarters of year three, with the remaining outstanding principal amount payable at maturity. The Term Loan A-2 Facility will amortize on a quarterly basis in an annual amount equal to 2.5% of the original principal amount of the Term Loan A-2 Facility in each of years one through three, 5.0% of such original principal amount in year four and 1.25% of such original principal amount in each of the first three quarters of year five, with the remaining outstanding principal amount payable at maturity. The 364-Day Facility will not amortize and will be payable in full at maturity.

³ The \$213.6M available for borrowing under revolving credit facility is net of a \$175.0M outstanding balance and \$11.4M in letters of credit.

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

2022 Guidance*

(as of 2/22/22)

Revenue Growth	Low Double-Digits
Adjusted EBITDA	\$263M – \$275M
Adjusted Diluted EPS**	\$6.70 – \$7.25

Assumptions:

- Depreciation and other amortization of \$37M to \$39M
- Net interest expense of \$30M to \$33M
- Normalized tax rate of 27%, reduced from 30% last year

2022 Interest Expense (\$ in Millions)

	Interest Expense, Before Net Investment Hedge	\$38-\$41
	Net Investment Hedge	\$(7)
A	Total Interest Expense	\$31 - \$34
B	Interest Income	\$1
C = A – B	Net Interest Expense	\$ 30 --\$33

* Full-year guidance excludes changes in the number of shares outstanding, impacts from future and pending acquisitions, dispositions and related transaction costs, restructuring costs, incremental impacts of tariffs and trade tensions on market demand and costs subsequent to the end of the fourth quarter, the impact of foreign exchange rate changes subsequent to the end of the fourth quarter, increases in interest rates beyond those assumed in the preparation of the guidance, impacts from further spread of COVID-19 or from geopolitical activity, including the outbreak (or threat of outbreak) of armed hostilities, and environmental and litigation charges.

** Amortization of acquisition-related intangible assets of \$77-\$79 million excluded from the calculation of adjusted diluted EPS



Closing Comments

Eric Vaillancourt

President & Chief Executive Officer

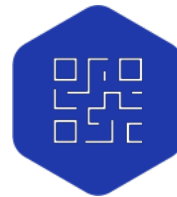


ENPRO

Enpro is a Leading Industrial Technology Company Offering Differentiated and Critical Products and Services to a Variety of Markets with Above-Average Growth and Superior Profitability

"We enter 2022 in a strong position. Despite obvious challenges, we will remain agile and opportunistic, with the intention to maintain our differentiated culture, focus on furthering our environmental and social responsibilities and continue to deliver long-term value to our stakeholders that have entrusted us with this purpose."

– Eric Vaillancourt –
President and CEO



Results demonstrate the benefits of our clear and consistent strategy, agility, disciplined cost management and strategic portfolio reshaping



Operational and commercial excellence achieved, despite a difficult inflationary and supply chain environment, as our teams maintain a focus on critical products and services and consistent and disciplined processes in place



In our 20th year as an independent public company, we are proud of our healthy platform for growth and energized for the future of our organization

Q&A



Appendix



Company Overview

Headquarters	Charlotte, NC
Principal Manufacturing and Service Facilities	19
Global Employees	~4,400

Financial Overview

Market-Cap ¹	\$2.29B
2021 Revenue ³	\$1.14B
2021 Adj. EBITDA (Margin) ^{2,3}	\$208M (18.3%)
2021 Aftermarket Rev. %	48%
Dividend Yield ¹	1.0%

2021 Revenue Contribution

Sales by Segment



- Sealing Technologies 52%
- Advanced Surface Technologies 22%
- Engineered Materials 26%

Sales by Channel



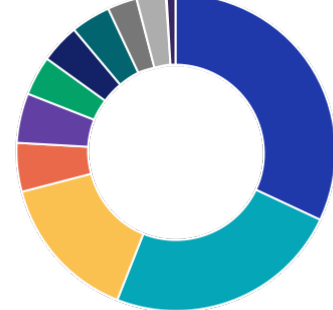
- Aftermarket 48%
- OE 52%

Sales by Geography



- North America 54%
- Europe 23%
- Asia 16%
- RoW 7%

Pro Forma Sales by Market⁴



- Semiconductor 32%
- General Industrial 24%
- MD/HD Truck 15%
- Food & Pharma 5%
- Auto 5%
- Power Generation 4%
- Aerospace 4%
- Oil & Gas 4%
- Petrochemical 3%
- Metals and Mining 3%
- Other 1%

Strong Aftermarket with Critical Products and Services

¹ As of 2/18/22; ² Refer to appendix for Non-GAAP reconciliation; ³ As of 12/31/2021. ⁴ Pro forma sales based on 2021 actual results and includes NxEdge acquisition, the sale of CPI and the polymer components business as if those transactions had closed effective January 1, 2021.

Consolidated Adjusted EBITDA

For the Quarters and Years Ended December 31, 2021 and 2020
(Stated in Millions of Dollars)

	Quarters Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Income (loss) from continuing operations attributable to EnPro Industries, Inc.	\$ 102.4	\$ (8.9)	\$ 177.2	\$ (23.7)
Net income (loss) attributable to redeemable non-controlling interests	0.3	(0.1)	0.4	0.4
Income (loss) from continuing operations	102.7	(9.0)	177.6	(23.3)
Adjustments to arrive at earnings from continuing operations before interest, income taxes, depreciation, amortization, and other selected items (Adjusted EBITDA):				
Interest expense, net	3.5	3.5	13.7	14.9
Income tax expense (benefit)	13.7	(5.7)	34.8	(3.5)
Depreciation and amortization expense	20.0	19.3	75.8	70.8
Restructuring and impairment expense	0.8	6.7	6.2	30.6
Environmental reserve adjustments	3.8	22.1	8.3	36.2
Costs (refunds) associated with previously disposed businesses	(0.3)	0.6	0.4	2.0
Net loss (gain) on sale of businesses	(117.6)	0.6	(135.2)	2.6
Acquisition and divestiture expenses	15.0	6.7	17.1	11.2
Pension income (non-service cost)	(2.2)	(1.0)	(8.3)	(3.0)
Non-controlling interest compensation allocation ¹	1.2	1.3	5.3	2.9
Impairment of indefinite-lived trademarks	—	—	—	16.1
Legal settlement - legacy matter	—	0.1	—	7.5
Amortization of the fair value adjustment to acquisition date inventory	4.1	3.0	9.9	3.0
Tax indemnification asset ²	3.0	—	3.0	—
Other	—	(0.1)	(0.2)	0.3
Adjusted EBITDA	\$ 47.7	\$ 48.1	\$ 208.4	\$ 168.3

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

²In connection with the acquisition of Aseptic in 2019, we recognized a liability for uncertain tax positions and a related indemnification asset for the portion of that liability recoverable from the seller. We determined the statute of limitations expired on some of the uncertain tax positions in 2021 and, accordingly, removed a portion of the liability and receivable. The release of the related liability was recorded as part of our tax expense for the year ended December 31, 2021 and the reversal of the related receivable was recorded as an expense in other non-operating income (expense) on our consolidated statement of operations.

Supplemental disclosure: Adjusted EBITDA as presented also represents the amount defined as "EBITDA" under the indenture governing the Company's 5.75% Senior Notes due 2026. For the year ended December 31, 2021 approximately 65% of the adjusted EBITDA as presented above was attributable to Enpro's subsidiaries that do not guarantee the Company's 5.75% Senior Notes due 2026.

Segment Adjusted EBITDA

For the Quarters and Years Ended December 31, 2021 and 2020
(Stated in Millions of Dollars)

Sales

	Quarters Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Sealing Technologies	\$143.9	\$154.7	\$599.8	\$636.7
Advanced Surface Technologies	69.1	49.9	247.3	171.2
Engineered Materials	68.2	73.6	302.4	275.0
	281.2	278.2	1,149.5	1,082.9
Less: intersegment sales	(0.4)	(2.2)	(7.7)	(8.9)
	\$280.8	\$276.0	\$1,141.8	\$1,074.0

Income (loss) from continuing operations attributable to EnPro Industries, Inc.

	\$102.4	\$ (8.9)	\$ 177.2	\$ (23.7)
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Earnings before interest, income taxes, depreciation, amortization and other selected items (Adjusted Segment EBITDA)

	Quarters Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Sealing Technologies	\$ 30.6	\$ 34.9	\$ 141.4	\$ 131.0
Advanced Surface Technologies	20.9	15.4	73.2	47.1
Engineered Materials	8.9	11.4	43.3	32.5
	\$ 60.4	\$ 61.7	\$ 257.9	\$ 210.6

Adjusted Segment EBITDA Margin

	Quarters Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Sealing Technologies	21.3 %	22.6 %	23.6 %	20.6 %
Advanced Surface Technologies	30.2 %	30.9 %	29.6 %	27.5 %
Engineered Materials	13.0 %	15.5 %	14.3 %	11.8 %
	21.5 %	22.4 %	22.6 %	19.6 %

Reconciliation of Adjusted Segment EBITDA to Income (Loss) from Continuing Operations Attributable to EnPro Industries, Inc.

	Quarters Ended December 31,		Years Ended December 31,	
	2021	2020	2021	2020
Adjusted Segment EBITDA	\$ 60.4	\$ 61.7	\$ 257.9	\$ 210.6
Acquisition and divestiture expenses	—	(6.9)	(0.4)	(9.6)
Non-controlling interest compensation allocation ¹	(1.2)	(1.3)	(5.3)	(2.9)
Amortization of the fair value adjustment to acquisition date inventory	(4.1)	(3.0)	(9.9)	(3.0)
Restructuring and impairment expense	(0.8)	(6.7)	(6.0)	(30.6)
Depreciation and amortization expense	(19.9)	(19.3)	(75.6)	(70.7)
Corporate expenses	(26.9)	(10.6)	(62.9)	(37.9)
Interest expense, net	(3.5)	(3.5)	(13.7)	(14.9)
Other income (expense), net	112.4	(25.1)	128.3	(67.8)
Income (loss) from continuing operations before income taxes	116.4	(14.7)	212.4	(26.8)
Income tax benefit (expense)	(13.7)	5.7	(34.8)	3.5
Income (loss) from continuing operations	102.7	(9.0)	177.6	(23.3)
Less: net income (loss) attributable to redeemable non-controlling interests	0.3	(0.1)	0.4	0.4
Income (loss) from continuing operations attributable to EnPro Industries, Inc.	\$102.4	\$ (8.9)	\$ 177.2	\$ (23.7)

Adjusted Segment EBITDA is total segment revenue reduced by operating expenses and other costs identifiable with the segment, excluding acquisition and divestiture expenses, restructuring and impairment expense, non-controlling interest compensation, amortization of the fair value adjustment to acquisition date inventory, and depreciation and amortization.

Corporate expenses include general corporate administrative costs. Expenses not directly attributable to the segments, corporate expenses, net interest expense, gains/losses related to the sale of assets, and income taxes are not included in the computation of Adjusted Segment EBITDA. The accounting policies of the reportable segments are the same as those for the Company.

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

Segment Information

For the Quarters and Years Ended December 31, 2021 and 2020
(Stated in Millions of Dollars)

	Quarter Ended December 31, 2021			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Non-controlling interest compensation allocation ¹	\$ —	\$ 1.2	\$ —	\$ 1.2
Amortization of the fair value adjustment to acquisition date inventory	\$ —	\$ 4.1	\$ —	\$ 4.1
Restructuring and impairment expense	\$ 0.6	\$ —	\$ 0.2	\$ 0.8
Depreciation and amortization expense	\$ 7.3	\$ 9.7	\$ 2.9	\$ 19.9
	Quarter Ended December 31, 2020			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Acquisition and divestiture expenses	\$ 0.6	\$ 6.3	\$ —	\$ 6.9
Non-controlling interest compensation allocation ¹	\$ —	\$ 1.3	\$ —	\$ 1.3
Amortization of the fair value adjustment to acquisition date inventory	\$ —	\$ 3.0	\$ —	\$ 3.0
Restructuring and impairment expense	\$ 1.3	\$ —	\$ 5.4	\$ 6.7
Depreciation and amortization expense	\$ 8.8	\$ 6.7	\$ 3.8	\$ 19.3

	Year Ended December 31, 2021			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Acquisition and divestiture expenses	\$ 0.4	\$ —	\$ —	\$ 0.4
Non-controlling interest compensation allocation ¹	\$ —	\$ 5.3	\$ —	\$ 5.3
Amortization of the fair value adjustment to acquisition date inventory	\$ —	\$ 9.9	\$ —	\$ 9.9
Restructuring and impairment expense	\$ 2.4	\$ —	\$ 3.6	\$ 6.0
Depreciation and amortization expense	\$ 30.6	\$ 32.9	\$ 12.1	\$ 75.6
	Year Ended December 31, 2020			
	Sealing Technologies	Advanced Surface Technologies	Engineered Materials	Total Segments
Acquisition and divestiture expenses	\$ 2.8	\$ 6.8	\$ —	\$ 9.6
Non-controlling interest compensation allocation ¹	\$ —	\$ 2.9	\$ —	\$ 2.9
Amortization of the fair value adjustment to acquisition date inventory	\$ —	\$ 3.0	\$ —	\$ 3.0
Restructuring and impairment expense	\$ 14.2	\$ 0.1	\$ 16.3	\$ 30.6
Depreciation and amortization expense	\$ 36.5	\$ 20.0	\$ 14.2	\$ 70.7

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

Consolidated Adjusted Net Income

(Stated in Millions of Dollars, Except Per Share Data)

	Quarters Ended December 31,					
	2021			2020		
	\$	Average common shares outstanding, diluted (millions)	Per Share	\$	Average common shares outstanding, diluted (millions)	Per Share
Income (loss) from continuing operations attributable to EnPro Industries, Inc.	\$102.4	20.8	\$ 4.92	\$ (8.9)	20.5	\$ (0.43)
Net income (loss) from redeemable non-controlling interests	0.3			(0.1)		
Income tax expense (benefit)	13.7			(5.7)		
Income (loss) from continuing operations before income taxes	116.4			(14.7)		
Adjustments from selling, general, and administrative:						
Acquisition and divestiture expenses	15.0			6.7		
Non-controlling interest compensation allocations ¹	1.2			1.3		
Amortization of acquisition-related intangible assets	12.7			10.9		
Adjustments from other operating expense and cost of sales:						
Restructuring and impairment expense	0.8			6.7		
Amortization of the fair value adjustment to acquisition date inventory	4.1			3.0		
Legal settlement - legacy matter	—			0.1		
Adjustments from other non-operating expense (income):						
Environmental reserve adjustment	3.8			22.1		
Costs (refunds) associated with previously disposed businesses	(0.3)			0.6		
Net loss (gain) on sale of businesses	(117.6)			0.6		
Pension income (non-service cost)	(2.2)			(1.0)		
Tax indemnification asset ²	3.0			—		
Other adjustments:						
Other	—			(0.1)		
Adjusted income from continuing operations before income taxes	36.9			36.2		
Adjusted income tax expense	(11.1)			(10.9)		
Net loss (income) from redeemable non-controlling interests	(0.3)			0.1		
Adjusted income from continuing operations attributable to EnPro Industries, Inc.	\$ 25.5	20.8	\$1.23 ³	\$ 25.4	20.6 ⁴	\$1.24 ³

	Years Ended December 31,					
	2021			2020		
	\$	Average common shares outstanding, diluted (millions)	Per Share	\$	Average common shares outstanding, diluted (millions)	Per Share
Income (loss) from continuing operations attributable to EnPro Industries, Inc.	\$177.2	20.8	\$ 8.53	\$(23.7)	20.5	\$(1.15)
Net income from redeemable non-controlling interests	0.4			0.4		
Income tax expense (benefit)	34.8			(3.5)		
Income (loss) from continuing operations before income taxes	212.4			(26.8)		
Adjustments from selling, general, and administrative:						
Acquisition and divestiture expenses	17.1			11.2		
Non-controlling interest compensation allocations ¹	5.3			2.9		
Amortization of acquisition-related intangible assets	46.4			37.8		
Adjustments from other operating expense and cost of sales:						
Restructuring and impairment expense	6.2			30.6		
Amortization of the fair value adjustment to acquisition date inventory	9.9			3.0		
Impairment of indefinite-lived trademarks	—			16.1		
Legal settlement - legacy matter	—			7.5		
Adjustments from other non-operating expense:						
Environmental reserve adjustment	8.3			36.2		
Costs associated with previously disposed businesses	0.4			2.0		
Net loss (gain) on sale of businesses	(135.2)			2.6		
Pension income (non-service cost)	(8.3)			(3.0)		
Tax indemnification asset ²	3.0			—		
Other adjustments:						
Other	(0.2)			0.3		
Adjusted income from continuing operations before income taxes	165.3			120.4		
Adjusted income tax expense	(49.6)			(36.1)		
Net income from redeemable non-controlling interests	(0.4)			(0.4)		
Adjusted income from continuing operations attributable to EnPro Industries, Inc.	\$115.3	20.8	\$5.55 ³	\$ 83.9	20.6 ⁴	\$4.07 ³

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

Other adjustments are included in selling, general, and administrative, cost of sales, and other operating expenses on the consolidated statements of operations. The adjusted income tax expense presented above is calculated using a normalized company-wide effective tax rate excluding discrete items of 30.0% for continuing operations. Per share amounts were calculated by dividing by the weighted-average shares of diluted common stock outstanding during the periods.

¹Non-controlling interest compensation allocation represents compensation expense associated with a portion of the rollover equity from the acquisitions of LeanTeq and Alluxa that is subject to reduction for certain types of employment terminations of the LeanTeq and Alluxa sellers and is directly related to the terms of the respective acquisitions. This expense will continue to be recognized as compensation expense over the term of the put and call options associated with the acquisitions unless certain employment terminations have occurred. ²In connection with the acquisition of Aseptic in 2019, we recognized a liability for uncertain tax positions and a related indemnification asset for the portion of that liability recoverable from the seller. We determined the statute of limitations expired on some of the uncertain tax positions in 2021 and, accordingly, removed a portion of the liability and receivable. The release of the related liability was recorded as part of our tax expense for the year ended December 31, 2021 and the reversal of the related receivable was recorded as an expense in other non-operating income (expense) on our consolidated statement of operations. ³Adjusted diluted earnings per share. ⁴There were 0.1 million potentially dilutive shares that were excluded from the computation of diluted earnings per share for the quarter and year ended December 31, 2020 because they were antidilutive. These shares were included in the computation of adjusted diluted earnings per share for those periods.

Free Cash Flow

(Stated in Millions of Dollars)

Free Cash Flow - Year Ended December 31, 2021

Net cash provided by operating activities of continuing operations	\$	142.0
Purchases of property, plant, and equipment		(18.8)
Free cash flow	\$	123.2

Free Cash Flow - Year Ended December 31, 2020

Net cash provided by operating activities of continuing operations	\$	57.6
Purchases of property, plant, and equipment		(18.3)
Free cash flow	\$	39.3