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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of The Securities Exchange Act of 1934**

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**Date of Report (Date of earliest event reported): August 4, 2017**

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**MRC GLOBAL INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-35479**  
(Commission  
File Number)

**20-5956993**  
(I.R.S. Employer  
Identification Number)

**Fulbright Tower, 1301 McKinney Street, Suite 2300  
Houston, TX 77010**

(Address of principal executive offices, including zip code)

**Registrant's telephone number, including area code: (877) 294-7574**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01**      **Regulation FD Disclosure.**

MRC Global Inc. (“MRC Global”) executive management will make presentations from time to time to current and potential investors, lenders, creditors, insurers, vendors, customers, employees and others with an interest in MRC Global and its business regarding, among other things, MRC Global’s operations and performance. A copy of the materials to be used at the presentations (the “Presentation Materials”) is included as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information contained in the Presentation Materials is summary information that should be considered in the context of MRC Global’s filings with the Securities and Exchange Commission and other public announcements that MRC Global may make by press release or otherwise from time to time. The Presentation Materials speak as of the date of this Current Report on Form 8-K. While MRC Global may elect to update the Presentation Materials in the future or reflect events and circumstances occurring or existing after the date of this Current Report on Form 8-K, MRC Global specifically disclaims any obligation to do so. The Presentation Materials will also be posted in the Investor Relations section of MRC Global’s website, <http://www.mrcglobal.com>, for 90 days.

The information referenced under Item 7.01 (including Exhibit 99.1 referenced under Item 9.01 below) of this Current Report on Form 8-K is being “furnished” under “Item 7.01. Regulation FD Disclosure” and, as such, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information set forth in this Current Report on Form 8-K (including Exhibit 99.1 referenced under Item 9.01 below) shall not be incorporated by reference into any registration statement, report or other document filed by MRC Global pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01**      **Financial Statements and Exhibits.**

(d) Exhibits.

99.1      Investor Presentation, dated August 4, 2017

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 4, 2017

MRC GLOBAL INC.

By: /s/ James E. Braun  
James E. Braun  
Executive Vice President and Chief Financial Officer

INDEX TO EXHIBITS

Exhibit  
No.

Description

99.1 Investor Presentation, dated August 4, 2017

## Second Quarter 2017 Investor Presentation

August 4, 2017

### Andrew Lane

President & CEO

### Jim Braun

Executive Vice President & CFO



**MRC Global**  
*We Make Energy Flow.*

## Forward Looking Statements and Non-GAAP Disclaimer

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as "will," "expect," "expected," "looking forward," "guidance" and similar expressions are intended to identify forward-looking statements. Statements about the company's business, including its strategy, the impact of changes in oil prices and customer spending, its industry, the company's future profitability, the company's guidance on its sales, adjusted EBITDA, adjusted gross profit, tax rate, capital expenditures and cash flow, growth in the company's various markets and the company's expectations, beliefs, plans, strategies, objectives, prospects and assumptions are not guarantees of future performance. These statements are based on management's expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, most of which are difficult to predict and many of which are beyond our control, including the factors described in the company's SEC filings that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

For a discussion of key risk factors, please see the risk factors disclosed in the company's SEC filings, which are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and on the company's website, [www.mrcglobal.com](http://www.mrcglobal.com). Our filings and other important information are also available on the Investor Relations page of our website at [www.mrcglobal.com](http://www.mrcglobal.com).

Undue reliance should not be placed on the company's forward-looking statements. Although forward-looking statements reflect the company's good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the company's actual results, performance or achievements or future events to differ materially from anticipated future results, performance or achievements or future events expressed or implied by such forward-looking statements. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent required by law.

### Statement Regarding Use of Non-GAAP Measures:

The Non-GAAP financial measures contained in this presentation (Adjusted EBITDA and Adjusted Gross Profit) are not measures of financial performance calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and should not be considered as alternatives to net income or gross profit. They should be viewed in addition to, and not as a substitute for, analysis of our results reported in accordance with GAAP. Management believes that these non-GAAP financial measures provide investors a view to measures similar to those used in evaluating our compliance with certain financial covenants under our credit facilities and provide meaningful comparisons between current and prior year period results. They are also used as a metric to determine certain components of performance-based compensation. They are not necessarily indicative of future results of operations that may be obtained by the Company.

## Global Leader in PVF Distribution

- Largest pipe, valves and fittings (PVF) distributor - Sales of \$3.3B TTM

### Key Role in Global Supply Chains of Energy Companies

- Create value for both customers and suppliers
- Closely integrated into customer supply chains
- Volume purchasing savings and capital efficiencies for customer

### Differentiated Global Capabilities

- Footprint with ~300 locations in 22 countries
- Premier quality program, material sourcing & customer service
- Serve broad PVF needs making it convenient and efficient for customers

### Diversified Business Mix

- Balanced portfolio across upstream, midstream & downstream sectors
- Product mix focused on higher margin offerings
- Strategic focus on maintenance, repair and operations (MRO) contracts
- Growing international footprint, integrated supply & project business
- Serve 200+ fabrication customers and ~\$300M in annual revenue

Note: For the twelve months ended June 30, 2017

**Downstream 29%**



**Midstream 42%**

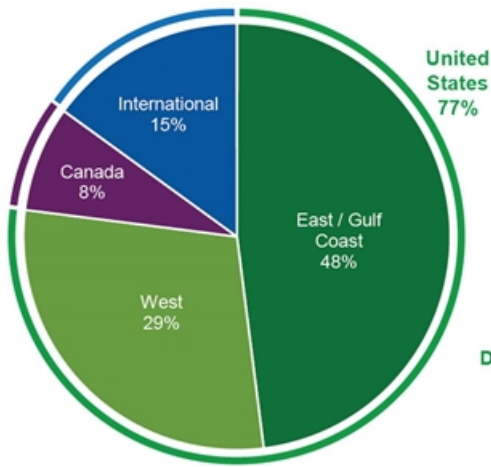


**Upstream 29%**

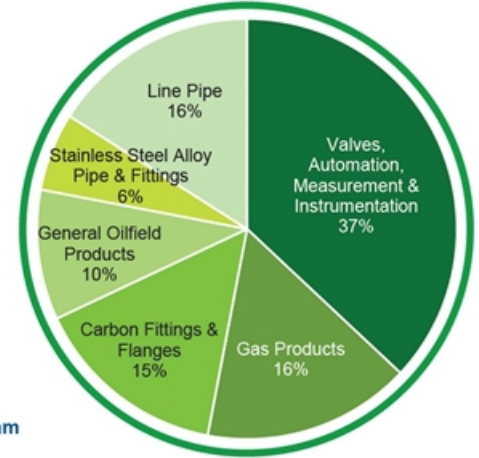


## Diversified by Region, Industry Sector and Product Line - Well Positioned Through Cycle

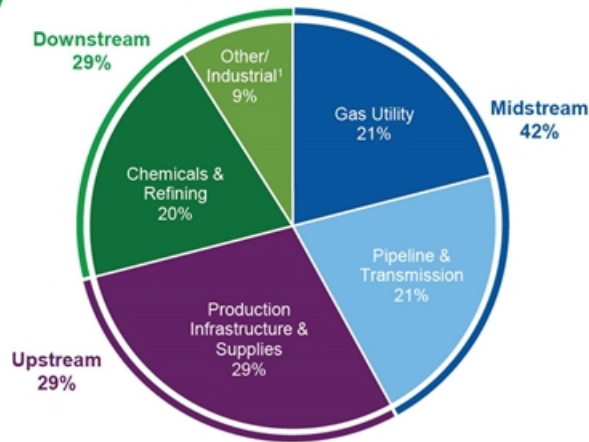
**Revenue by Geography**



**Revenue by Product Line**



**Revenue by Industry Sector**



Note: Percentage of sales are for the twelve months ended June 30, 2017.

1. Other industrial includes: metals & mining, fabrication, pulp & paper, power generation and general industrial.



## Upstream – Providing Completion Infrastructure to E&P Operators

- Provide well hook-ups via on-site product trailers, above-ground infrastructure PVF products for flow lines & tank batteries
- Serve E&P operators including Shell, Chevron, Statoil and Canadian Natural Resources
- Primary drivers are customers' capital budgets for well completions & production tank battery upgrades and expansions



- Walk-in counter sales at strategically located branches in active oil and gas production areas
- Located in all major basins
- Upstream revenue follows basin market activity levels

## Midstream – Serving Gas Utilities & Transmission & Gathering Customers

### Gas Utilities

- Provide PVF and integrated supply services including smart meters
- Business drivers:
  - integrity projects
  - pipeline enhancement projects
  - independent of commodity prices
  - residential and commercial, new & upgrade installations
- Relatively stable, steady growth



### Transmission & Gathering



- Provide PVF to midstream gathering customers (e.g. MLPs)
- Provide PVF bulks & shorts and logistical services to long-haul transmission customers
- Benefit from recent pipeline approvals & modernization projects replacing older pipelines

## Downstream – Serving Refining, Chemical and Industrial Customers

### Refining

- Recurring MRO revenue from planned & unplanned maintenance
- Provide on-location “zone store” inventory
- Customers include Shell, Chevron, Phillips 66, Marathon Petroleum Company, BP and Valero



1. Source: Wall Street Journal, “Shale Boom’s Impact In One Word: Plastics”, June 26, 2017.

### Chemicals



- Low gas prices provide stable, advantaged feedstock for plastics
- Positioned to benefit from \$185B of planned U.S. petrochemical projects<sup>1</sup>
  - Including: ExxonMobil – Gulf Coast
  - Shell – Franklin, PA
  - LyondellBasell – Gulf Coast

# MRC Global is a Critical Link Between Its Customers & Suppliers



- Supplier Value Proposition**
- ✓ Manufacturing and scale efficiencies
  - ✓ Leverage MRC Global's footprint
  - ✓ Access to 17,000+ customers
  - ✓ Lead suppliers through the quality process

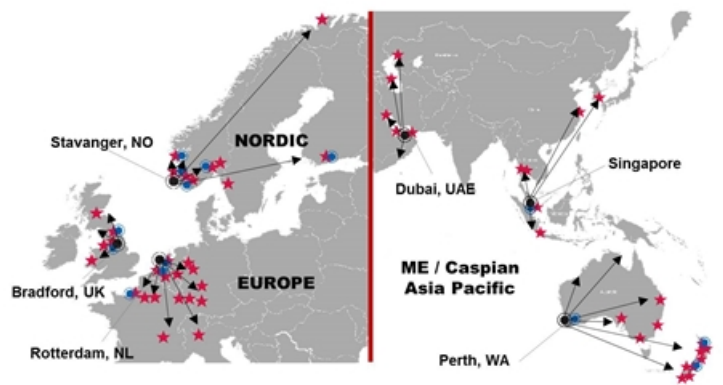
- Customer Value Proposition**
- ✓ Outsource non-core supply chain and logistics functions
  - ✓ Reduce supply chain complexity
  - ✓ Savings from volume purchasing and global sourcing, 40+ countries
  - ✓ Product availability - access to MRC Global's broad inventory with over 12,000 manufacturers
  - ✓ Approve new suppliers through rigorous quality program

# Global Footprint – Strategically Located in Key Geographies to Deliver Solutions to Customers

## North America



## International



North America	As of 6/30/2017
Branches	131
RDCs	10
VECs	15
Employees	~2,530

- ★ Branch Locations
- ⊕ Corporate Headquarters
- Regional Distribution Centers
- Valve & Engineering Centers

International	As of 6/30/2017
Branches	58
RDCs	6
VECs	14
Countries	20
Employees	~980

## MRC Global's Differentiated Value Proposition

### Organic Growth

- ✓ **Strong record of winning new customers and expanding existing relationships resulting in growth**

### Operational Optimization

- ✓ **Driving enhanced profitability and return on capital through operational efficiencies, disciplined cost management and products & services portfolio optimization**

### Strategic Capital Decisions

- ✓ **Active balance sheet management and robust cash flow create financial flexibility and capital allocation opportunities**

### Global M&A Platform

- ✓ **Solid history of strategic acquisitions in advantageous geographies, sectors and product lines**

## Strong Record of Customer Contract Wins and Renewals – Yields Growth Opportunities

### 1. Renew Existing & Obtain New MRO Contract Customers

- Approximately 51% of sales are from our top 25 customers<sup>1</sup>

### 2. Expand Global Chemical and Valves businesses

- 2017 Target - 40% of total revenue from valves, automation, measurement and instrumentation

### 3. Continue to Expand the Integrated Supply Business

- Approx. \$800 million in revenue<sup>1</sup>

### 4. Continue to Develop “Next 75” Customers

- Drive share through focused sales efforts and exceptional customer service

Selected Recent Contract Wins and Renewals				
Customer	Type/ Scope	Products	Geography	Term
NiSource	Renewal with added scope	Integrated Supply	U.S.	5 years
ConocoPhillips	Renewal	PVF	U.S.	2 years
Chevron	Renewal	PVF	Global	7 years
Statoil	Additional scope	Valves, Fittings, Manifolds	Denmark, Norway	4 years & Projects
ExxonMobil	Additional scope	Valves (Downstream)	Global (U.S. & Europe)	5 years
LyondellBasell	Renewal with added scope	PFF (renewed 4Q16) Stainless (added 4Q16) Valves (added 2Q17)	U.S.	3 years
PBF	Renewal with added scope	PVF	U.S.	5 years

1. For the twelve months ended June 30, 2017

## Leader in Executing Global PVF Contracts - a Platform for Growth

Customers prefer a dependable supplier who can offer global procurement capabilities and excellent service everywhere they operate

MRC Global has executed the only global PVF contracts with IOCs in the industry

- Shell – Global valves & North American PFF
- Chevron – Global PVF
- ExxonMobil – Global valves, initially focused on downstream





## **Expanding Higher Margin Product Offerings Increases Growth Opportunities and Profitability**

**Organic growth through expansion of higher margin products:**

### **Valves**

- Entered into Global Enterprise Distributor Program (EDP) with Cameron
- Access to several valve lines previously sold directly to customers
- Across upstream, midstream & downstream

### **Measurement & Instrumentation (M&I)**

- Exclusive EDP with Cameron for M&I products in North America
- Previously sold directly to customers
- Includes 1,300 new SKUs
- Opportunity to expand to midstream and downstream customers

**Expect 2017 annual revenue \$125-\$150 million from expanded  
Cameron agreements**

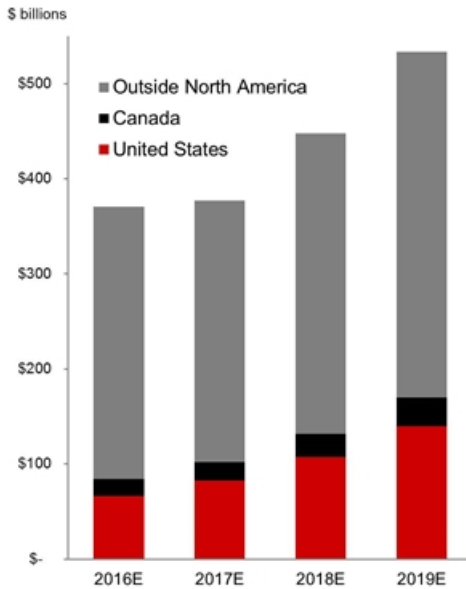
**MRC Global is the largest distributor of Cameron products**



## End Market Growth Opportunities

### Upstream

#### Global E&P Spending<sup>1</sup>

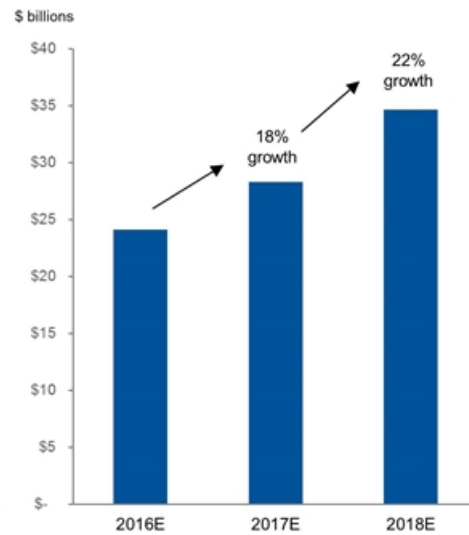


### Midstream

#### Existing Pipeline Infrastructure Aging

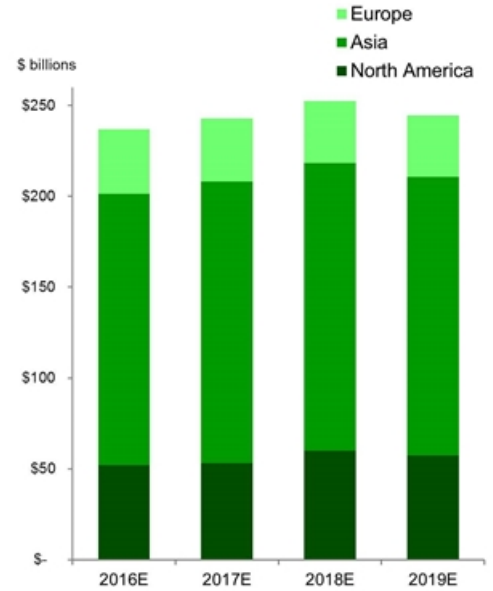
- gas pipelines average age > 50 years<sup>2</sup>
- replacement market of 5,000 miles/ year<sup>2</sup>

#### New Pipeline Spending In U.S.<sup>3</sup>



### Downstream

#### Global Refining & Chemical Spending<sup>4</sup>



#### Sources:

1. Evercore ISI 2017 E&P Spending Outlook, Mid-year update, published June 19, 2017.
2. Pipe Logix Line Pipe Market Review & Outlook, 2<sup>nd</sup> Quarter 2017, Construction Outlook published May 2017.
3. Stifel Diversified Industrials Specialty Engineering and Construction, pipeline database July 2017. All tiers. Probability weighted.
4. Industrial Info Resources: February 2017. Asia excludes China.

## **New Houston Regional Distribution Center - Supporting Growth & Continued Operational Efficiencies**

- Largest regional distribution center in global footprint with 400,000 sq. feet
- Consolidates four locations including three Houston locations, Galena Park, Darien & East Park
  - Large project staging capabilities
  - Easily scalable for growth
- Strategically located near refining and petrochemical customers
  - Supports growth from recent multi-year downstream customer contracts including ExxonMobil, BASF, LyondellBasell and The Chemours Company
- Largest global valve engineering center with expanded capabilities including valve testing services



## Investing in Technology for Long-Term Growth & Efficiency

- Benefits of implementing SAP ERP system:
  - Makes interaction with customers streamlined and efficient
  - Provides global view of inventory, global procurement and strategic inventory management
  - Standardization of processes resulting in lower costs
  - Timing
    - International complete in 2017
    - Canada implementation in 2018
- MRCGO online catalog increased functionality added
  - B-2-B for contract customers allows for easy and efficient ordering
  - Customized for each customer's contract terms, part numbers, commonly ordered items
  - Real-time inventory, pricing and order status
  - \$100 million of TTM revenue generated through MRCGO
- 35% of the top 25 U.S. customers' 2016 revenue was transacted through e-commerce (e.g. catalog, EDI)

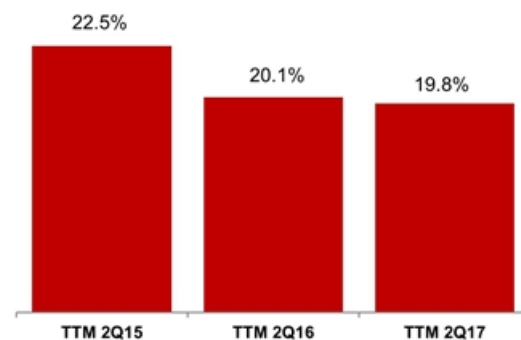


## Focus on Optimizing Operations

### Working Capital Management

- Expect to maintain capital efficiency with working capital as a percentage of revenue at approximately 20%
- Reduced the gap between days sales outstanding (DSO) and days payable outstanding over the past two years
- Investments in working capital are weighted to higher margin products

### Optimizing Net Working Capital<sup>1</sup>



### Actively Managing Costs

- High operating leverage - SG&A as a percentage of sales is declining as sales increase and operating costs are controlled
- Successfully executed cost reduction measures in downturn with ~\$200M of annual savings realized from 2014
- Expect modest headcount increases in 2017 commensurate with growth expectations

### Actively Managing SG&A Costs



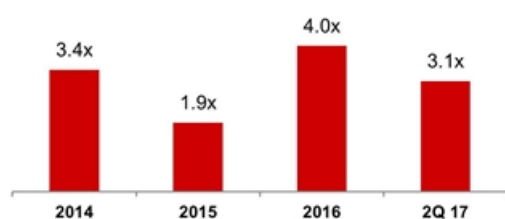
1. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

## Strategic Capital Decisions Support Growth

### Effectively Positioned the Balance Sheet ...

- Advantageous debt agreements with favorable terms, low interest rate and 2019 maturities
- Liquidity of \$542 million – sufficient to cover working capital and M&A
- Net leverage expected to decrease as EBITDA increases in 2017

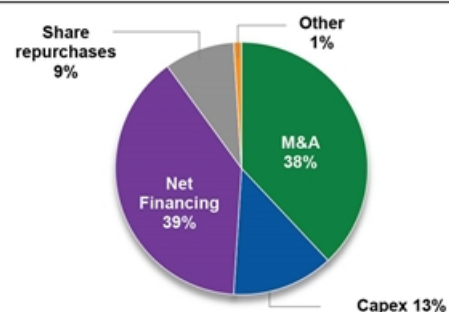
### Net Leverage



### ... For Capital Deployment Opportunities

- Organic growth initiatives - Investments to drive share gains & efficiencies
- Opportunistic share repurchases - \$125 million authorization completed in 1Q 2017
- Accretive M&A - 38% of cash flow deployed on M&A since 2010
- Debt repayment \$1.12 billion in 2015 & 2016

### Use of Cash Flow (2010 – 2Q 2017<sup>1</sup>)



1. Investing and Financing cash flows from 2010 through 2Q 2017. Net Financing equals the total issuance less repayment of debt and equity excluding share repurchases.

## Global Platform For Continued M&A



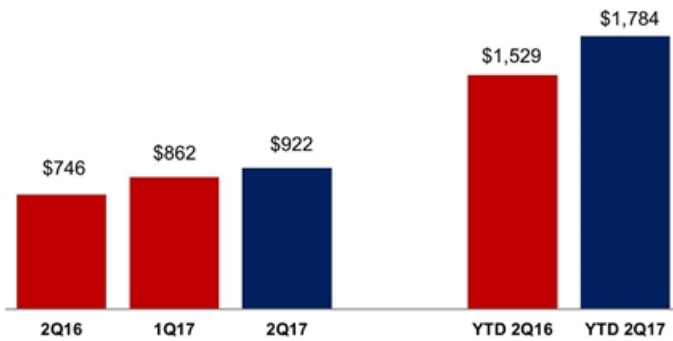
Strategic Acquisitions			
Date	Company Acquired	Country	Revenue (\$ million) <sup>1</sup>
Jun-14	HypTeck	Norway	38
May-14	MSD Engineering	Singapore & SE Asia	26
Jan-14	Stream	Norway	271
Dec-13	Flangefitt Stainless	United Kingdom	24
Jul-13	Flow Control Products	U.S	28
Dec-12	Production Specialty Services	U.S	127
Jun-12	Chaparral Supply	U.S	71
Mar-12	OneSteel Piping Systems	Australia	174
Jul-11	Valve Systems and Controls	U.S	13
Jun-11	Stainless Pipe and Fittings	Australia / SE Asia	91
Aug-10	Dresser Oil Tools Supply	U.S	13
May-10	South Texas Supply	U.S	9
Oct-09	Transmark	Europe and Asia	346
Oct-08	LaBarge	U.S.	\$ 233
			\$ 1.46+ Billion

1. Reflects reported revenues for the year of acquisition or 2013 for Stream, MSD and HypTeck.

## Quarterly & YTD Financial Performance

(\$ millions, except per share data)

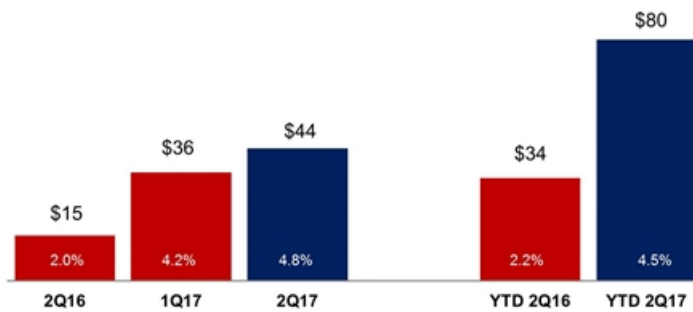
### Sales



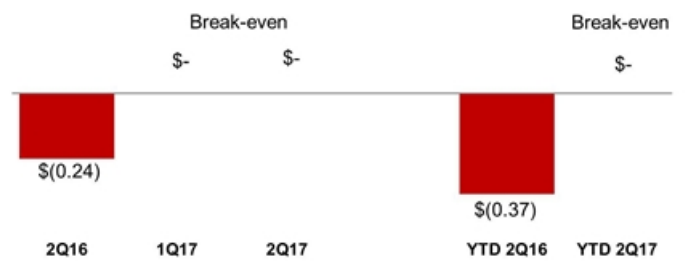
### Adjusted Gross Profit and % Margin<sup>1</sup>



### Adjusted EBITDA and % Margin<sup>1</sup>



### Diluted EPS



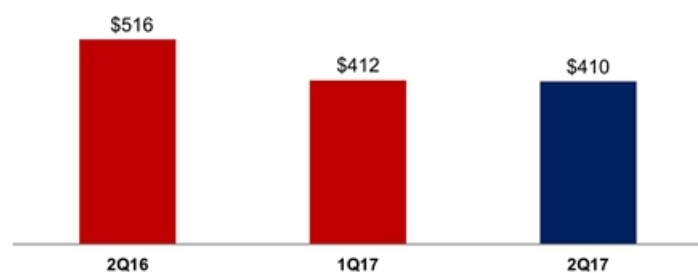
1. See reconciliation of non-GAAP measures to GAAP measures in the appendix



## Strong Balance Sheet Provides Financial Flexibility

(\$ millions)

### Total Debt



Net Leverage<sup>1</sup>:

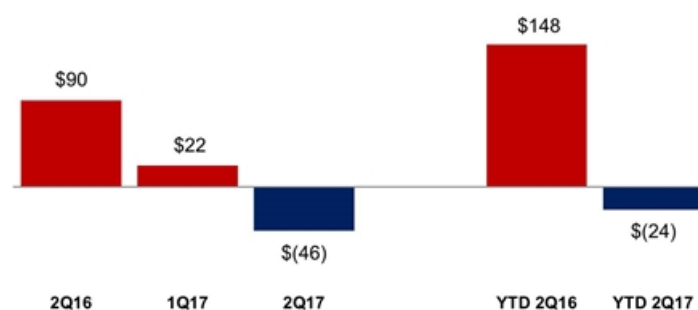


### Capital Structure

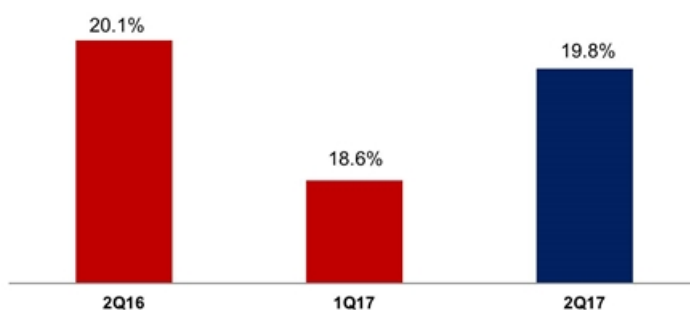
June 30, 2017

Cash and Cash Equivalents	\$ 37
Total Debt (including current portion):	
Term Loan B due 2019 (net of discount & deferred financing costs)	\$ 410
Global ABL Facility due 2019	-
Total Debt	\$ 410
Preferred stock	355
Common stockholders' equity	765
<b>Total Capitalization</b>	<b>\$ 1,530</b>
<b>Liquidity</b>	<b>\$ 542</b>

### Cash Flow from Operations



### Net Working Capital as % of Sales<sup>2</sup>



1. Multiples represent Net Debt / trailing twelve months EBITDA.
2. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

## Compelling Long-Term Investment

- Market Leader in PVF Distribution, Serving Critical Function to the Energy Industry
- Diversified Across Sectors, Regions and Customers
- Differentiated Global Platform Creates Customer Value
- Counter-cyclical Cash Flow and Strong Balance Sheet
- Organic Growth Potential via Market Share Gains from Expanded Multi-year MRO Contracts and Supported by Long-term Secular Growth from Global Energy Demand
- Proven History of Driving Continuous Productivity Improvements
- Industry Consolidator with Proven Success in Acquiring and Integrating Businesses
- World-class Management Team with Significant Distribution and Energy Experience



## **Appendix**

**Financial Outlook****2017 Annual Outlook – 2Q17 Update**

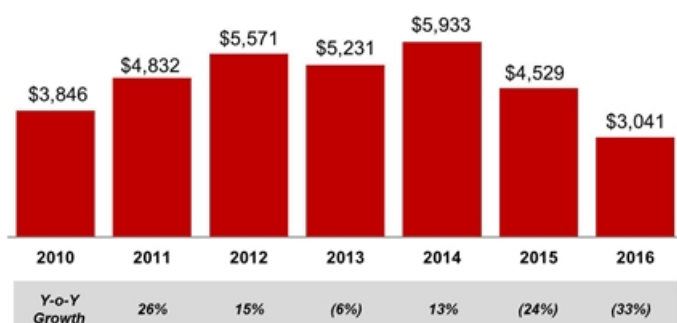
Revenue	Profitability / Cash flows
<ul style="list-style-type: none"> <li>2017 annual – up 18-24% over 2016</li> </ul>	<ul style="list-style-type: none"> <li>Gross Profit – 16.4%</li> </ul>
<b>By sector</b>	<ul style="list-style-type: none"> <li>Adjusted Gross Profit<sup>1</sup> – 18.5%</li> </ul>
<ul style="list-style-type: none"> <li>Upstream – up 22-30%</li> </ul>	<ul style="list-style-type: none"> <li>SG&amp;A – \$131-\$133 million/qtr</li> </ul>
<ul style="list-style-type: none"> <li>Midstream – up 30-38%</li> </ul>	<ul style="list-style-type: none"> <li>Tax rate – 35% annual</li> </ul>
<ul style="list-style-type: none"> <li>Downstream – up 2-6%</li> </ul>	<ul style="list-style-type: none"> <li>Capital expenditures – \$45 million</li> </ul>
<b>By segment</b>	<ul style="list-style-type: none"> <li>Cash flow from operations – break-even</li> </ul>
<ul style="list-style-type: none"> <li>U.S. &amp; Canada – each, up low to mid 20% range</li> <li>International – up mid single-digit percentage range</li> </ul>	
<b>Sequential</b>	
<ul style="list-style-type: none"> <li>3Q17 – up mid single-digit percentage range</li> </ul>	

1. See reconciliation in 8-K filed 8/4/2017

## Annual Financial Performance

(\$ millions, except per share data)

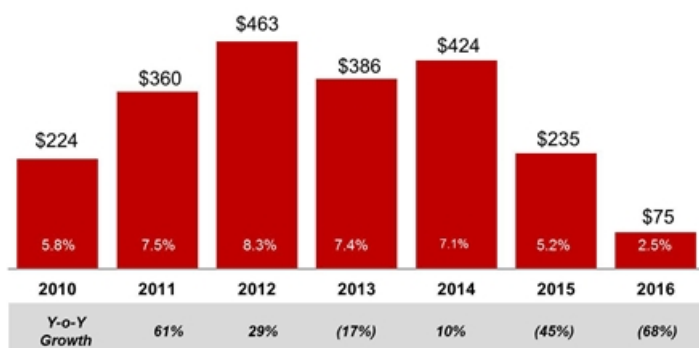
### Sales



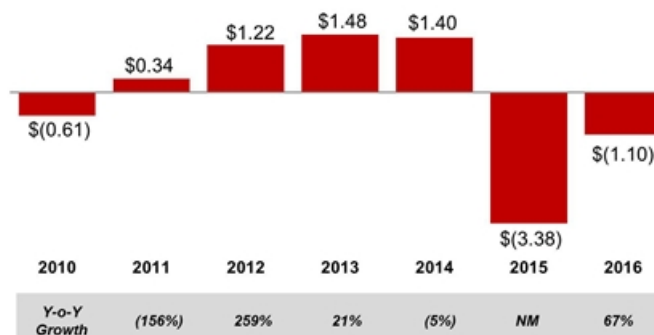
### Adjusted Gross Profit and % Margin<sup>1</sup>



### Adjusted EBITDA and % Margin<sup>1</sup>



### Diluted EPS



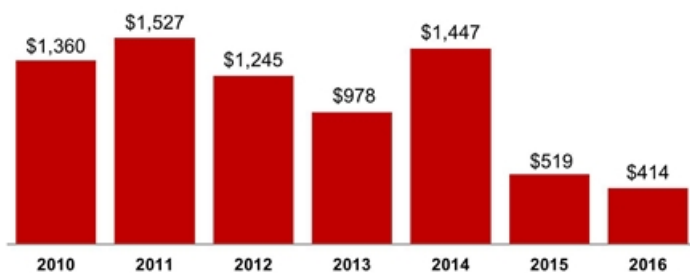
1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

2. Includes \$45 million of non-cash, pre-tax charges recorded in cost of goods sold related to a restructuring of our Australian business and market conditions in Iraq as well as an increase in reserves for excess and obsolete inventory in the U.S. and Canada as a result of the current market outlook for certain products. Excluding these charges, Adjusted Gross Profit would be \$568 million (18.7%).

## Balance Sheet

(\$ millions)

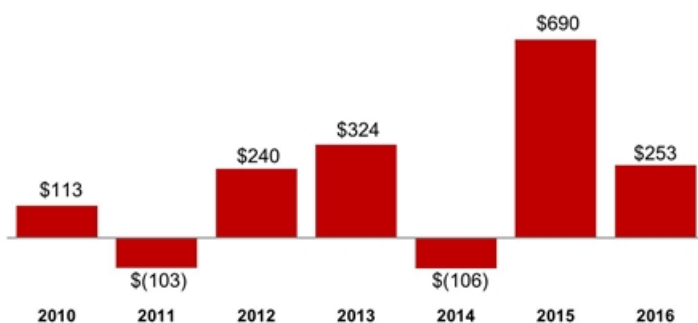
### Total Debt



Net Leverage<sup>1</sup>:

5.8x    4.1x    2.6x    2.5x    3.4x    1.9x    4.0x

### Cash Flow from Operations

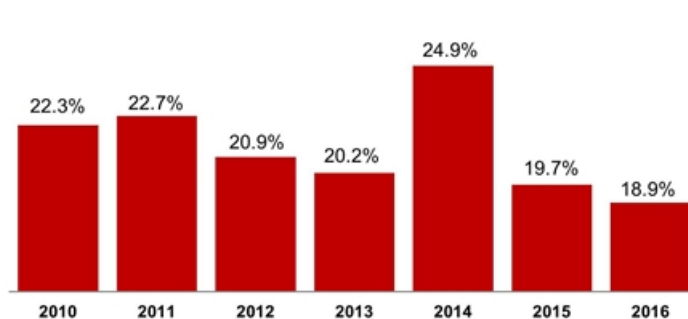


### Capital Structure

December 31,  
2016

Cash and Cash Equivalents	\$ 109
Total Debt (including current portion):	
Term Loan B due 2019 (net of discount & deferred financing costs)	\$ 414
Global ABL Facility due 2019	-
Total Debt	\$ 414
Preferred stock	355
Common stockholders' equity	763
<b>Total Capitalization</b>	<b>\$ 1,532</b>
<b>Liquidity</b>	<b>\$ 534</b>

### Net Working Capital as % of Sales<sup>2</sup>



1. Multiples represent Net Debt / trailing twelve months EBITDA.
2. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

**Adjusted Gross Profit Reconciliation**

(\$ millions)	Six months ended June 30		Three months ended			Year ended December 31						
	2017	2016	June 30, 2017	March 31, 2017	June 30, 2016	2016	2015	2014	2013	2012	2011	2010
Gross profit	\$ 289	\$ 258	\$ 149	\$ 140	\$ 125	\$ 468	\$ 786	\$ 1,018	\$ 955	\$ 1,014	\$ 708	\$ 518
Depreciation and amortization	11	10	6	5	5	22	21	22	22	19	17	17
Amortization of intangibles	22	23	11	11	11	47	60	68	52	49	51	54
Increase (decrease) in LIFO reserve	6	(4)	5	1	(1)	(14)	(53)	12	(20)	(24)	74	74
<b>Adjusted Gross Profit</b>	<b>\$ 328</b>	<b>\$ 287</b>	<b>\$ 171</b>	<b>\$ 157</b>	<b>\$ 140</b>	<b>\$ 523</b>	<b>\$ 814</b>	<b>\$ 1,120</b>	<b>\$ 1,009</b>	<b>\$ 1,058</b>	<b>\$ 850</b>	<b>\$ 663</b>

## Adjusted EBITDA Reconciliation

(\$ millions)	Six months ended June 30		Three months ended			Year ended December 31						
	2017	2016	June 30, 2017	Mar 31, 2017	June 30, 2016	2016	2015	2014	2013	2012	2011	2010
Net income (loss)	\$ 12	\$ (25)	\$ 6	\$ 6	\$ (17)	\$ (83)	\$ (331)	\$ 144	\$ 152	\$ 118	\$ 29	\$ (52)
Income tax expense (benefit)	4	(7)	3	1	(2)	(8)	(11)	82	85	64	27	(23)
Interest expense	15	17	8	7	9	35	48	62	61	113	137	140
Depreciation and amortization	11	10	6	5	5	22	21	22	22	19	17	17
Amortization of intangibles	22	23	11	11	11	47	60	68	52	49	51	54
Increase (decrease) in LIFO reserve	6	(4)	5	1	(1)	(14)	(53)	12	(20)	(24)	74	75
Inventory-related charges	-	-	-	-	-	40	-	-	-	-	-	-
Goodwill & intangible asset impairment	-	-	-	-	-	-	462	-	-	-	-	-
Change in fair value of derivative instruments	-	2	(1)	1	1	(1)	1	1	(5)	(2)	(7)	5
Equity-based compensation expense	9	7	5	4	4	12	10	9	15	8	8	4
Severance & restructuring charges	-	9	-	-	4	20	14	8	1	-	1	3
Write-off of debt issuance costs	-	-	-	-	-	1	3	-	-	-	-	-
Litigation settlement	3	-	3	-	-	-	3	-	-	-	-	-
Foreign currency (gains) losses	(2)	2	(2)	-	1	4	3	3	13	(1)	(1)	-
Loss on disposition of non-core product line	-	-	-	-	-	-	5	10	-	-	-	-
Insurance charge	-	-	-	-	-	-	-	-	2	-	-	-
Cancellation of executive employment agreement (cash portion)	-	-	-	-	-	-	-	3	-	-	-	-
Expenses associated with refinancing	-	-	-	-	-	-	-	-	5	2	9	-
Loss on early extinguishment of debt	-	-	-	-	-	-	-	-	-	114	-	-
Pension settlement	-	-	-	-	-	-	-	-	-	4	-	-
Legal and consulting expenses	-	-	-	-	-	-	-	-	-	-	10	4
Provision for uncollectible accounts	-	-	-	-	-	-	-	-	-	-	-	(2)
Joint venture termination	-	-	-	-	-	-	-	-	-	-	2	-
Other expense (income)	-	-	-	-	-	-	-	-	3	(1)	3	(1)
<b>Adjusted EBITDA</b>	<b>\$ 80</b>	<b>\$ 34</b>	<b>\$ 44</b>	<b>\$ 36</b>	<b>\$ 15</b>	<b>\$ 75</b>	<b>\$ 235</b>	<b>\$ 424</b>	<b>\$ 386</b>	<b>\$ 463</b>	<b>\$ 360</b>	<b>\$ 224</b>