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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 2, 2019

MRC GLOBAL INC.
(Exact name of registrant as specified in its charter)

Delaware	001-35479	20-5956993
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

Fulbright Tower, 1301 McKinney Street, Suite 2300
Houston, Texas 77010
(Address of Principal Executive Offices)

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

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. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	**MRC**	**New York Stock Exchange**

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 May 2, 2019

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Investor presentation, dated May 2, 2019

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: May 2, 2019

MRC GLOBAL INC.

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

Exhibit 99.1

MRC Global

First Quarter 2019 Investor Presentation

May 2, 2019

Andrew Lane

President & CEO

Jim Braun

Executive Vice President & CFO

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," "Results in mid-cycle Adjusted EBITDA" and similar expressions are intended to identify forward-looking statements. Statements about the company's business, including its strategy, its industry, the company's future profitability, the company's guidance on its sales, Adjusted EBITDA, gross profit, gross profit percentage, Adjusted Gross Profit, Adjusted Gross Profit percentage, tax rate, capital expenditures and cash from operations, 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 and on the company's website, www.mrcglobal.com. Our filings and other important information are also available on the Investor Relations page of our website at 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 – TTM Sales of $4.1B

Key Role in Global Supply Chains of Energy Companies

- Create value for both customers and suppliers
- Closely integrated into customer supply chains

Differentiated Global Capabilities

- Broad footprint with ~300 service locations in 22 countries
- Premier quality program, material sourcing & customer service

Diversified Business Mix

- Balanced portfolio across upstream, midstream & downstream sectors
- Product mix focused on higher margin offerings

Industrial Distribution Business Characteristics

- Counter-cyclical cash flow generation & strong balance sheet
- Cash flow generation in modest growth periods

Balanced Approach to Capital Allocation

- Committed to returning cash to shareholders

Upstream 31%

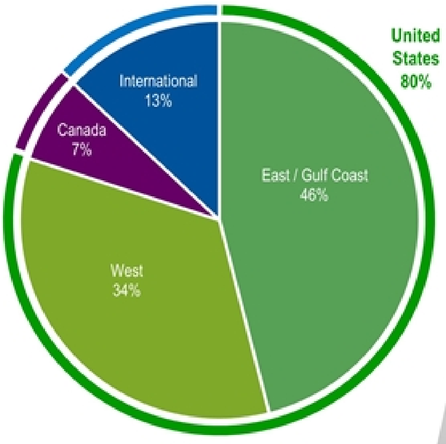
Midstream 40%

Downstream 29%

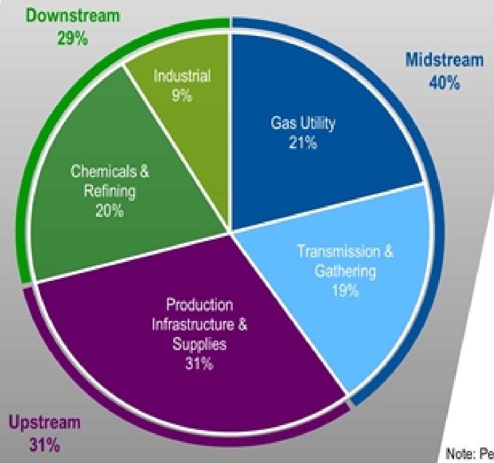
Note: For the twelve months ended March 31, 2019

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

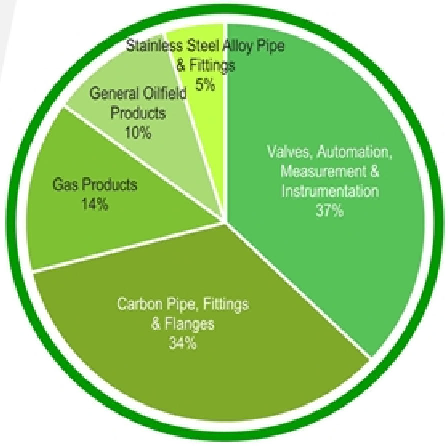
Revenue by Geography



Revenue by Industry Sector



Revenue by Product Line



Note: Percentage of sales are for the twelve months ended March 31, 2019.
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 exploration & production (E&P) operators including Shell, Chevron, Anadarko, California Resources Corporation 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 & gas production areas
- Located in all major basins - revenue follows basin market activity levels
- Permian basin is our largest upstream position representing 8% of total 1Q 2019 revenue and with growth of 19% for 1Q 2019 over 1Q 2018

Midstream – Providing PVF to Pipeline Infrastructure Customers and Gas Products to Gas Utility Customers

Gas Utilities

- Business drivers:
  - independent of commodity prices
  - integrity projects & pipeline enhancement projects
  - residential & commercial, new & upgrade installations
- Relatively stable, steady growth
- Contracts with 8 of the 10 largest gas utilities in the U.S. based on the number of customers (e.g. PG&E, NiSource, Atmos, Duke, Southern Company Gas)

Transmission & Gathering

- Provide PVF to midstream gathering customers
- Provide PVF bulks & shorts and logistical services to long-haul transmission customers
- Benefit from recent pipeline approvals & modernization projects replacing older pipelines
- Customers include TransCanada, DCP Midstream, Energy Transfer, Williams Partners, Equitable, Enable Midstream Partners

Downstream – Providing PVF to Refining, Chemical & Industrial Customers

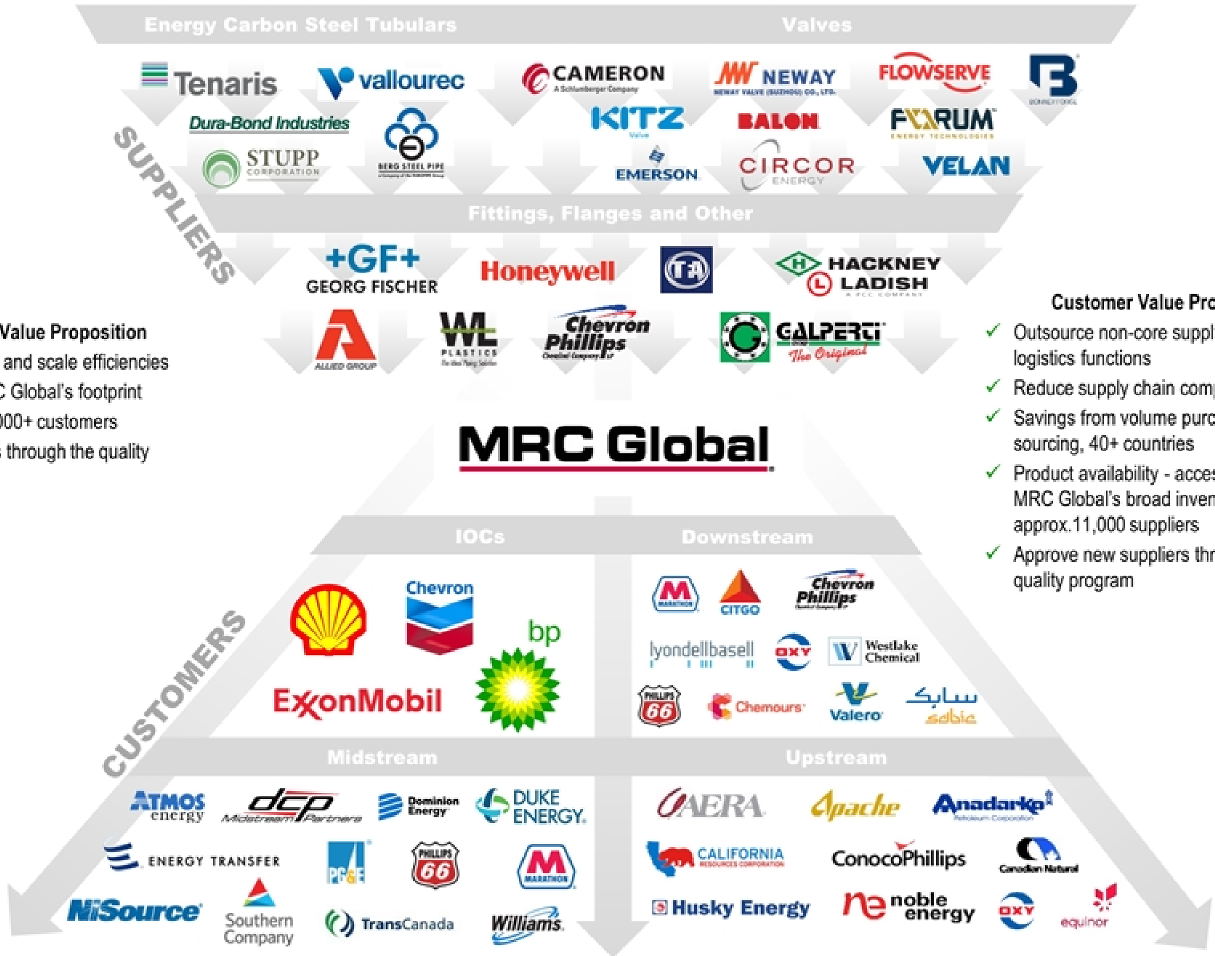
Refining

- Recurring MRO revenue from planned & unplanned maintenance
- Provide on-location "zone store" inventory
- Contracts with all of the 10 largest refiners in the U.S. (e.g. Shell, Chevron, Marathon Petroleum Company, Valero, Phillips 66, ExxonMobil)

Chemical & Industrial

- Low gas prices provide stable, advantaged feedstock for plastics
- Positioned to benefit from planned U.S. petrochemical projects

MRC Global is a Critical Link Between Its Customers & Suppliers



Supplier Value Proposition

- ✓ Manufacturing and scale efficiencies
- ✓ Leverage MRC Global's footprint
- ✓ Access to 15,000+ customers
- ✓ Lead suppliers through the quality process

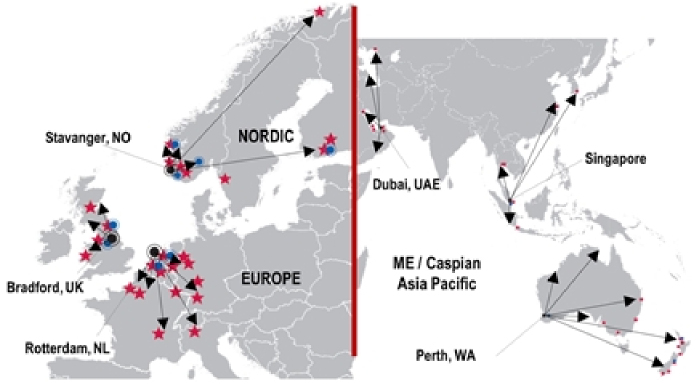
Customer Value Proposition

- ✓ 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 approx.11,000 suppliers
- ✓ Approve new suppliers through rigorous quality program

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

North America

International



- Valve & Engineering Center (VEC)
- Regional Distribution Center (RDC)
- Branch Location (BR)
- Headquarters (HQ)
- Corporate Office

North America	As of 3/31/2019
Branches	121
RDCs	9
VECs	13
Employees	~2,735

MRC Global	As of 3/31/2019
Branches	168
RDCs	15
VECs	25
Countries	22
Employees	~3,552

International	As of 3/31/2019
Branches	47
RDCs	6
VECs	12
Countries	20
Employees	~817

Strategy for Creating Shareholder Value

Grow Market Share

- Provide superior customer service & cost-saving supply chain solutions
- Focus on blue chip customers who demand value-added service and technical expertise
- Leverage market leadership position and global footprint
- Provide multi-channel engagement to capture buying

Maximize Profitability

- Focus on higher margin products, end-markets & sales strategies
- Leverage scale & global supply chain
- Expand offering of value-added services to capture enhanced margin
- Focus on controlling costs & operating leverage

Maximize Working Capital Efficiency

- Reduce cash conversion cycle
- Optimize inventory to maximize turnover and margin
- Continual operational efficiency improvements

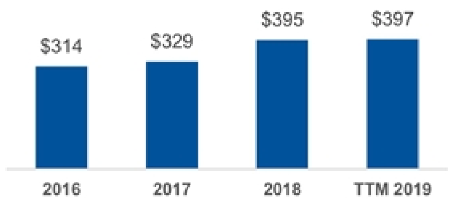
Optimize Capital Structure

- Optimize capital structure with financial flexibility throughout the cycle
  - Invest for growth
  - Return capital to shareholders
- Target leverage ratio ~2-3x net debt to adjusted EBITDA

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

1. **Renew Existing & Obtain New MRO Contract Customers**
   - Approximately 55% of sales are from our top 25 customers[1]
2. **Expand Global Chemical and Valve businesses**
   - Target - 40% of total revenue from valves, automation, measurement and instrumentation
3. **Continue to Expand the Integrated Supply Business**
   - Approx. $1.1 billion in revenue[1]
4. **Diversified customer base**
   - Serve 200+ fabrication customers

Fabrication Customer Revenue



Selected Recent Contract Wins and Renewals

Customer	Type/ Scope	Products	Geography
People's Gas	Renewal	PVF	U.S.
Philips 66	Renewal	Valves	U.S.
EnLink Midstream	New	PVF	U.S.
Anadarko	Renewal	PVF	U.S.
Valero	New	PVF	U.S.
South Jersey Gas	Renewal	Integrated Supply	U.S.
Enterprise Products	New	PVF	U.S.
Pioneer Natural Resources	New	PVF	U.S.
Dominion	Renewal	PVF	US
Marathon Petroleum	Renewal	PVF	U.S.
BP (downstream)	Renewal	PVF	U.S.
TransCanada	Renewal	PVF	U.S.
CNRL	Renewal with added scope	PVF	N.A.
Duke	Renewal with added scope	Integrated Supply	U.S.
DCP Midstream	Renewal	PVF	U.S.
Southern Co Gas	Renewal	Integrated Supply	U.S.

1. For the twelve months ended March 31, 2019

End Market Growth Opportunities

UPSTREAM

- Secular growth in oil & gas demand drives E&P capital and maintenance spending
- Steep shale decline curves and manufacturing mentality to shale drilling result in increasing well completions

MIDSTREAM – TRANSMISSION & GATHERING AND GAS UTILITIES

- Gas utilities are investing in multi-year integrity management programs to upgrade old distribution pipes, including steel and cast iron, enhancing the safety of the system.
- Increased production in the U.S. results in increased need for takeaway capacity and processing by transmission and gathering companies, including transportation to growing export terminals

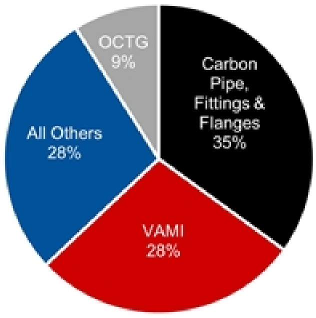
DOWNSTREAM – CHEMICALS & REFINING

- Plant spending and upgrades are being driven by: aging infrastructure, large and low-cost supply of hydrocarbon resources
- Increasing global demand for plastics and low cost, stable feedstock drives petrochemical investment particularly along the US Gulf Coast

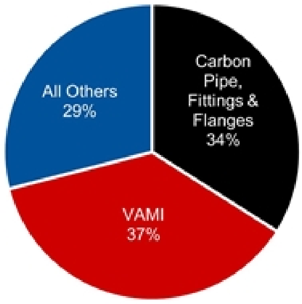
Optimizing Profitability: Expanding Higher Margin Opportunities - Valve Products & Services

Positioning Offerings to Higher Margin Products & Services

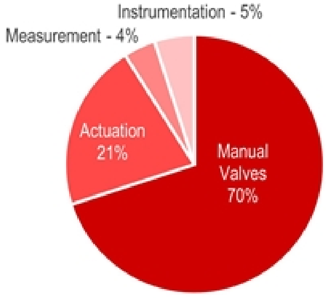
2013 Sales - Product Mix



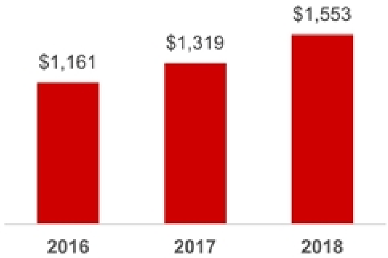
2018 Sales – Product Mix



2018 VAMI Sales



Annual VAMI Sales Growth

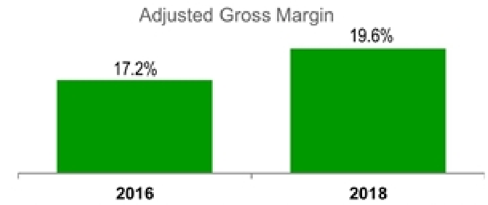


Focus on Optimizing Operations

Product Margin Enhancement

- Investment in higher margin products and services:
  - VAMI services - Valve actuation/automation, modification, Engineered Solutions, Traceability, Testing, ValidTorque™, ValveWatch®
  - Expanding La Porte - 127,000 ft² valve modification facility in 2019
- Reduction of lower margin products and projects

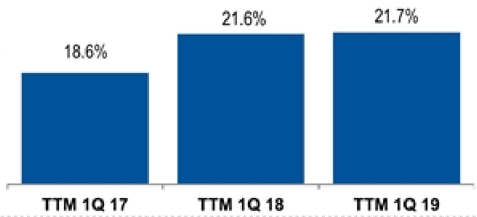
Portfolio Optimization



Working Capital Management

- Target is ~20% working capital to sales ratio
- 2019 – Higher valve inventory to support expected growth
- 2018 – Increased inventory ahead of inflationary pricing pressures as well as growth in the business. Ended the year at target.
- Investments in working capital are weighted to higher margin products

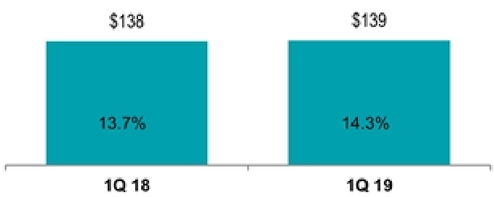
Optimizing Net Working Capital[1]



Actively Managing Costs

- Absolute SG&A basically unchanged from 1Q 18 to 1Q 19
- Incremental adjusted EBITDA margin in 2019 is expected to be ~15%, in line with historical averages
- Achieved incremental adjusted EBITDA of 19.2% in 2018, the second year of incremental adjusted EBITDA well-above historical averages

Actively Managing SG&A Costs



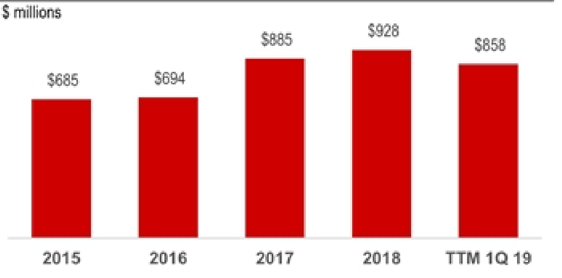
1. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

Investing in Technology for Long-Term Growth & Efficiency

MRCGO™ online catalog - Broadening the Customer Experience

- 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
- TTM 1Q 2019 results:
  - $858 million of revenue transacted via e-commerce
  - $124 million of revenue generated through MRCGO™

Revenue Generated via E-Commerce



~29% of the **top 37** customers' TTM revenue or approximately $642 million was transacted through e-commerce (e.g. catalog, EDI)

Strategic Capital Decisions Support Growth

Effectively Positioned the Balance Sheet

- Advantageous debt agreements with favorable terms, low interest rate and maturities 2022+
- Liquidity of $409 million – sufficient to support business strategy

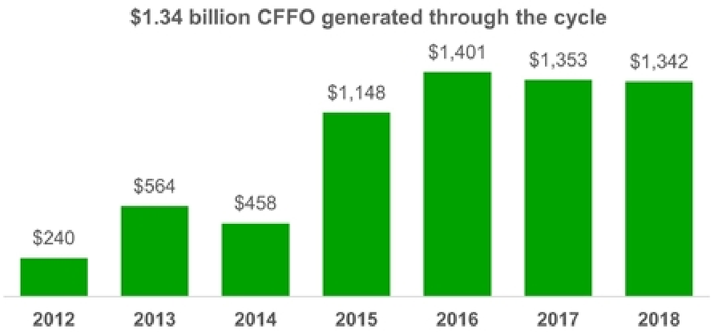
+ Strong Operating Cash Flow Generation

- CFFO annual average is ~$200 million from 2012 to 2018
- Counter-cyclical cash flow generation
- Business consumes/releases ~20% of working capital per change in sales

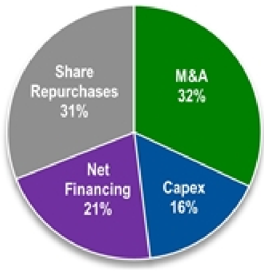
= Capital Deployment Opportunities

- Organic growth initiatives - Investments to drive share gains & efficiencies
- Returned $350 million of cash to shareholders since 2015 through 5/3/19
  - 22.5 million shares at an average price of $15.58 per share
- Current $150 million share repurchase authorization has $25 million remaining
  - $50 million repurchased in 2019 through 5/3/19
  - $75 million repurchased in 4Q 2018

Cumulative Annual Cash Flow from Operations



Use of Cash Flow (2013 – 1Q 2019[1])

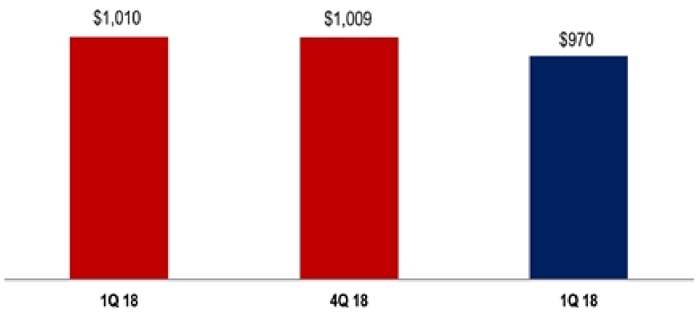


1. Investing and Financing cash flows from 2013 through 1Q 2019. Net Financing equals the total issuance less repayment of debt and equity excluding share repurchases. Excludes miscellaneous sources of cash including immaterial asset proceeds.

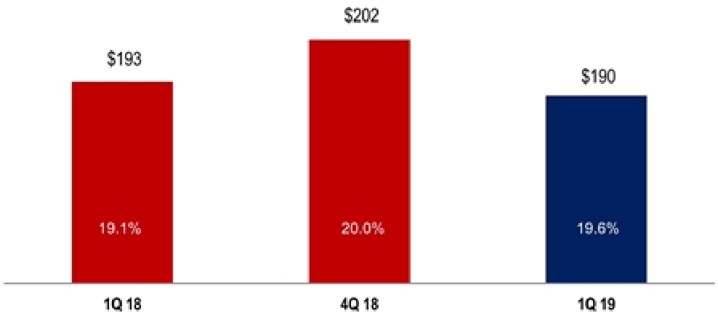
Quarterly & YTD Financial Performance

($ millions, except per share data)

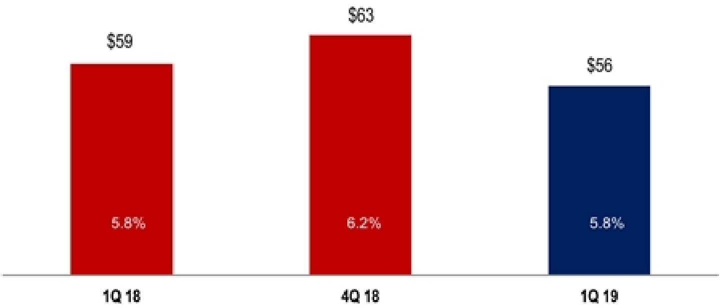
Sales



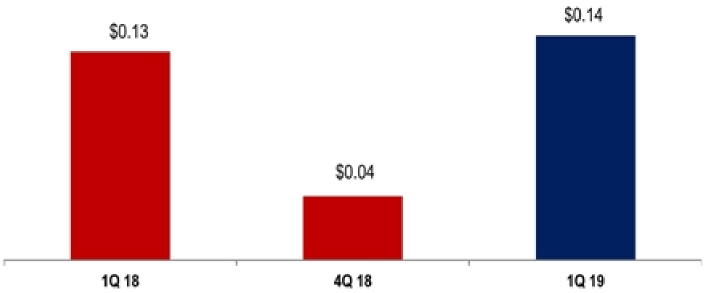
Adjusted Gross Profit and % Margin[1]



Adjusted EBITDA and % Margin[1]



Diluted EPS

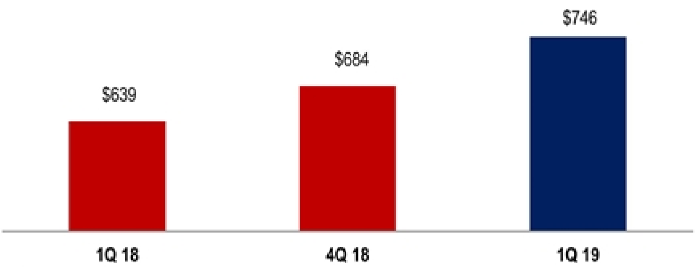


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

Strong Balance Sheet Provides Financial Flexibility

($ millions)

Total Debt



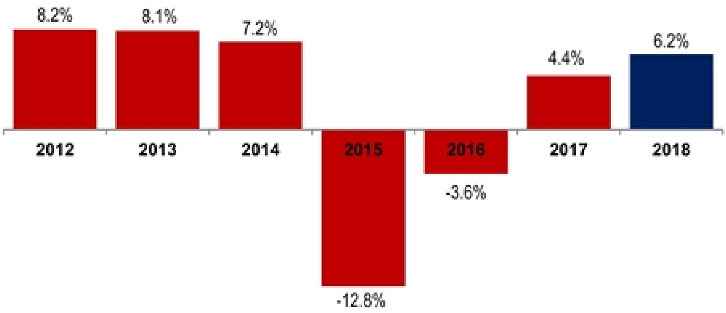
Net Leverage[1]:	1Q 18	4Q 18	1Q 19
	2.9x	2.3x	2.6x

Capital Structure

	March 31, 2019
Cash and Cash Equivalents	**$ 27**
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 392
Global ABL Facility due 2022	354
Total Debt	$ 746
Preferred stock	355
Common stockholders' equity	678
Total Capitalization	**$ 1,779**
Liquidity	**$ 409**

Cash Flow from Operations

Return on Average Net Capital Employed[2]



1. Multiples represent Net Debt / trailing twelve months Adjusted EBITDA. Net Debt is Total Debt less Cash.
2. Return on Average Net Capital Employed is defined as net income plus interest expense after-tax, divided by average net capital employed (debt plus equity).

Favorable Trends Lead to Continued Growth

POSITIVE MACROECONOMIC CONDITIONS

- Increased production in U.S. requiring additional oil & gas facility (e.g. tank battery) expansions and pipeline infrastructure
- Deregulation of new pipeline installations and multi-year investments in replacement pipeline for aging infrastructure & pipeline integrity projects
- Stable supply of low-cost natural gas providing secure feedstock for petrochemical processing along with increasing demand for plastics leads to higher petrochemical facility investment
- Favorable economics for gas-exporting pipelines to Mexico & Canada, LNG to rest of world
- Drilled but Uncompleted well (DUC) count represents backlog of future upstream completion revenue

STRONG MRC GLOBAL STRATEGY & BUSINESS QUALITIES

- Counter-cyclical Cash Flow and Strong Balance Sheet
- Diversified Across Sectors, Regions and Customers
- Higher margin product mix strategy
- Multi-year contract wins and renewals represent an increase in organic market share growth
- Lower operating cost model provides a competitive advantage
- Market Leader in PVF Distribution, Serving Critical Function to the Energy Industry
- Differentiated Global Platform Creates Customer Value

Leads to mid-cycle Adjusted EBITDA of approximately $300M

Appendix

Financial Outlook

2019 Outlook

2019E Income Statement	Sequential revenue
• Revenue – \$4,070 - \$4,270 million	• 2Q19 – up 6 - 9%
• Adjusted Gross Profit – 19.7% - 19.9%	
• LIFO – \$20 - \$30 million expense	**Cash Flow**
• SG&A – \$555 - \$575 million	• Capital expenditures – \$20 - \$25 million
• Adjusted EBITDA – \$260 - \$290 million	• Cash flow from operations – \$150 - \$200 million
• Tax rate – 25% annual	
• Equity based compensation – \$15 million	
• Earnings Per Share – \$0.70 – \$1.00	

Note: Adjusted Gross Profit and Adjusted EBITDA are non-GAAP measures. For a reconciliation to their closest GAAP measures, see our Current Report on Form 8-K dated May 2, 2019. The foregoing 2019 Outlook contains forward-looking statements. See our Current Report on Form 8-K dated May 2, 2019 for a discussion of these statements and the factors that might impact the various items in the 2019 Outlook.

Impact of Tariffs – Work Closely with Customers to Optimize the Global Supply Chain

In general, inflation is a positive for distribution companies

Summary:

- Section 232 – eff. 3/23/18. Tariffs & quotas substituted for tariffs, various countries affected differently
- Section 301 – eff. 9/24/18. Tariffs affect certain valves, valve parts, fittings & flanges manufactured in China
  - List 3 items (totaling $200B in products) will incur an additional 15% tariff (totaling 25%) – deadline extended indefinitely
- Directly or indirectly impacts all stainless & carbon products including pipe, fittings and flanges
  - Approx. 40% of revenue affected
  - Inventory: Carbon ~70% domestic, 30% imported. Stainless~40% domestic, 60% imported.
- Valves are also being impacted by Chinese regulations, resulting in the closure of steel manufacturers and casting foundries. Actions lead to inflationary pricing & extended lead times
- 1Q19 average price of pipe is 6% greater than the 1Q18 average price (per Pipelogix)

Impact:

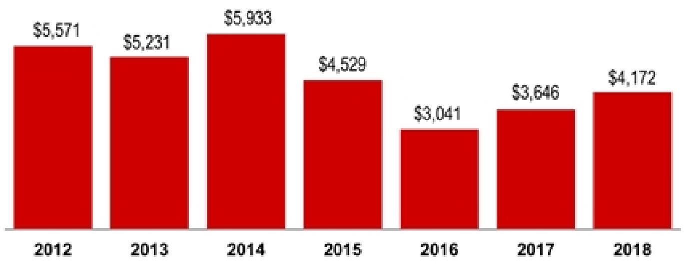
- Contract structure – cost plus pricing with 90 day re-pricing terms
- Revenue – higher cost products from inflation result in higher revenue and higher LIFO expense
- Margin dollars – more expensive materials with the same percentage mark-up result in more margin dollars

MRC Global is well-positioned with carbon, stainless and valve suppliers

Annual Financial Performance

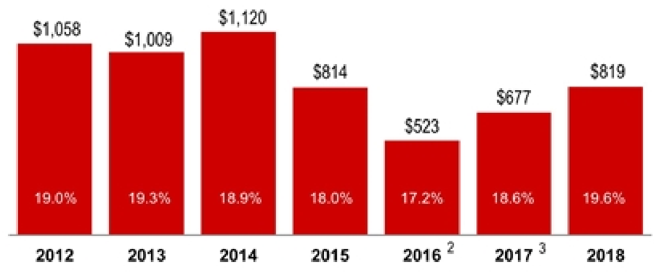
($ millions, except per share data)

Sales



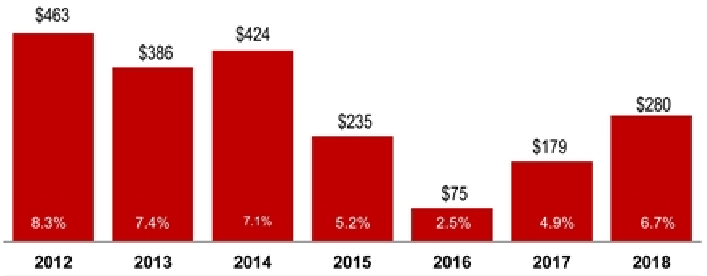
Y-o-Y Growth	*(6%)*	*13%*	*(24%)*	*(33%)*	*20%*	*14%*

Adjusted Gross Profit and % Margin[1]



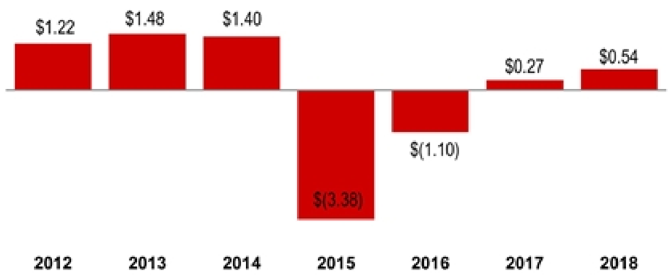
Y-o-Y Growth	*(5%)*	*11%*	*(27%)*	*(36%)*	*30%*	*21%*

Adjusted EBITDA and % Margin[1]



Y-o-Y Growth	*(17%)*	*10%*	*(45%)*	*(68%)*	*139%*	*56%*

Diluted EPS



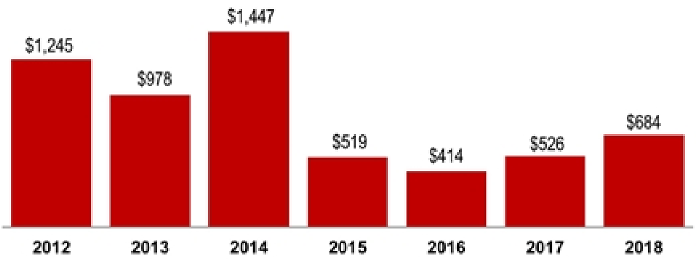
Y-o-Y Growth	*21%*	*(5%)*	*NM*	*67%*	*125%*	*100%*

1. See reconciliation of non-GAAP measures to GAAP measures in the appendix
2. Includes $45 million of non-cash charges recorded in cost of goods sold & the international segment for the year ended December 31, 2016. Charges relate 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 market outlook for certain products. Excluding these charges for the year ended December 31, 2016, gross profit, as reported would be $513 million (16.9%) and adjusted gross profit would be $568 million (18.7%).
3. Includes $6 million of non-cash charges recorded in cost of goods sold & in the international segment for the year ended December 31, 2017. Charges are related to reducing our local presence in Iraq. Excluding these charges for the year ended December 31, 2017 gross profit, as reported would be $588 million (16.1%) and adjusted gross profit would be $683 million (18.7%).

Balance Sheet

($ millions)

Total Debt



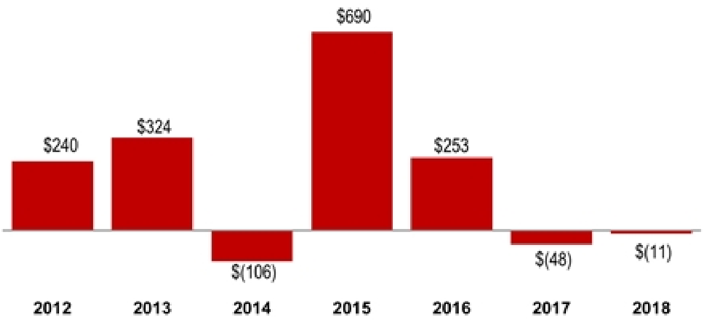
Net Leverage[1]:

2012	2013	2014	2015	2016	2017	2018
2.6x	2.5x	3.4x	1.9x	4.0x	2.7x	2.3x

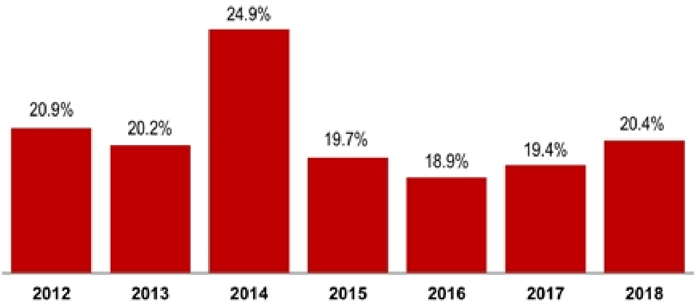
Capital Structure

	December 31, 2018
Cash and Cash Equivalents	**$ 43**
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 393
Global ABL Facility due 2022	291
Total Debt	$ 684
Preferred stock	355
Common stockholders' equity	692
Total Capitalization	**$ 1,731**
Liquidity	**$ 492**

Cash Flow from Operations



Net Working Capital as % of Sales[2]



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

Adjusted Gross Profit Reconciliation

	Three months ended				Year ended December 31						
($ millions)	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018		2018	2017	2016	2015	2014	2013	2012
Gross profit	**$ 174**	**$ 171**	**$ 169**		**$ 689**	**$ 582**	**$ 468**	**$ 786**	**$ 1,018**	**$ 955**	**$ 1,014**
Depreciation and amortization	**5**	6	6		**23**	22	22	21	22	22	19
Amortization of intangibles	**11**	11	11		**45**	45	47	60	68	52	49
Increase (decrease) in LIFO reserve	**-**	14	7		**62**	28	(14)	(53)	12	(20)	(24)
Adjusted Gross Profit	**$ 190**	**$ 202**	**$ 193**		**$ 819**	**$ 677**	**$ 523**	**$ 814**	**$ 1,120**	**$ 1,009**	**$ 1,058**

Note: Adjusted Gross Profit is a non-GAAP measure. For a discussion of the use of Adjusted Gross Profit, see our Current Report on Form 8-K dated May 2, 2019.

Adjusted EBITDA Reconciliation

	Three months ended			Year ended December 31						
($ millions)	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018	2018	2017	2016	2015	2014	2013	2012
Net income (loss)	**$ 18**	**$ 10**	**$ 18**	**$ 74**	**$ 50**	**$ (83)**	**$ (331)**	**$ 144**	**$ 152**	**$ 118**
Income tax expense (benefit)	**6**	6	7	**21**	(43)	(8)	(11)	82	85	64
Interest expense	**11**	10	8	**38**	31	35	48	62	61	113
Depreciation and amortization	**5**	6	6	**23**	22	22	21	22	22	19
Amortization of intangibles	**11**	11	11	**45**	45	47	60	68	52	49
Increase (decrease) in LIFO reserve	**-**	14	7	**62**	28	(14)	(53)	12	(20)	(24)
Inventory-related charges	**-**	-	-	**-**	6	40	-	-	-	-
Goodwill & intangible asset impairment	**-**	-	-	**-**	-	-	462	-	-	-
Change in fair value of derivative instruments		-	(2)	**(1)**	1	(1)	1	1	(5)	(2)
Equity-based compensation expense	**4**	3	4	**14**	16	12	10	9	15	8
Severance & restructuring charges	**-**	4	-	**4**	14	20	14	8	1	-
Write off of debt issuance costs	**-**	-	-	**1**	8	1	3	-	-	-
Litigation matter	**-**	-	-	**-**	3	-	3	-	-	-
Foreign currency losses (gains)	**1**	(1)	-	**(1)**	(2)	4	3	3	13	(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
Loss on early extinguishment of debt	**-**	-	-	**-**	-	-	-	-	-	114
Pension settlement	**-**	-	-	**-**	-	-	-	-	-	4
Other expense (income)	**-**	-	-	**-**	-	-	-	-	3	(1)
Adjusted EBITDA	**$ 56**	**$ 63**	**$ 59**	**$ 280**	**$ 179**	**$ 75**	**$ 235**	**$ 424**	**$ 386**	**$ 463**

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of Adjusted EBITDA, see our Current Report on Form 8-K dated May 2, 2019.