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): OCTOBER 28, 2020

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))

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

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. ☐

Item 2.02 Results of Operations and Financial Condition

On October 28, 2020, MRC Global Inc. ("MRC Global" or the "Company") issued a press release announcing its financial results for the three and nine months ended September 30, 2020. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure

Earnings Presentation

On October 28, 2020, MRC Global announced its financial results for the three and nine months ended September 30, 2020. In conjunction with this release, the Company issued a presentation summarizing the highlights of the financial results (the "Earnings Presentation"). A copy of the Earnings Presentation is furnished as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference.

The information contained in the Earnings Presentation 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 Earnings Presentation speaks as of the date of this Current Report on Form 8-K. While MRC Global may elect to update the Earnings Presentation 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 Earnings Presentation will also be posted in the Investor Relations section of MRC Global's website, http://www.mrcglobal.com.

The information referenced under Item 7.01 (including Exhibit 99.2 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 99.2 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.

Investor Conference Presentation

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 99.3 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 99.3 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 99.3 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	Press release of MRC Global Inc. dated October 28, 2020
99.2	Earnings presentation of MRC Global Inc. dated October 28, 2020
99.3	Investor conference presentation of MRC Global Inc., dated October 28, 2020
104	Cover Page Interactive Data File – The cover page XBRL tags from this Current Report on Form 8-K are imbedded within the Inline XBRL document

INDEX TO EXHIBITS

Exhibit No.	Description
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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: October 28, 2020

MRC GLOBAL INC.

By: /s/ Kelly Youngblood
Kelly Youngblood
Executive Vice President and Chief Financial Officer

MRC Global Announces Third Quarter 2020 Results

Sales of $585 million, a 3% sequential decline
Net loss attributable to common shareholders of $(3) million or $(8) million, as adjusted
Diluted loss per common share of $(0.04) or $(0.10), as adjusted

Adjusted Gross Profit percentage of 19.7%
Adjusted EBITDA of $24 million

Cash Flow from Operations of $94 million for the quarter and $178 million year-to-date

Net debt of $369 million, a sequential reduction of $86 million and $150 million year-to-date
Total available liquidity of $477 million

Houston, TX – October 28, 2020 – MRC Global Inc. (NYSE: MRC), the largest global distributor, based on sales, of pipe, valves and fittings and related infrastructure products and services to the energy industry, today announced third quarter 2020 results.

The company's sales were $585 million for the third quarter of 2020, which was 3% lower than the second quarter of 2020 and 38% lower than the third quarter of 2019. Sequentially, the downstream and industrial and the gas utilities sectors each experienced an increase in sales while the upstream production and the midstream pipeline sectors each experienced a decline. As compared to the third quarter of 2019, the decrease was across all sectors and segments as the impact of the COVID-19 pandemic and lower commodity prices significantly reduced customer spending.

Net loss attributable to common stockholders for the third quarter of 2020 was $(3) million, or $(0.04) per diluted share, as compared to the third quarter of 2019 net income of $15 million, or $0.18 per diluted share. Adjusted net loss attributable to common stockholders for the third quarter of 2020 was $(8) million, or $(0.10) per diluted share, compared to adjusted net income of $17 million, or $0.21 per diluted share for the third quarter of 2019. Please refer to the reconciliation of adjusted net income (loss) (a non-GAAP measure) to net income (loss) (a GAAP measure) included in this release.

Andrew R. Lane, MRC Global's president and chief executive officer stated, "The resiliency of our business model, which focuses on diversified sectors, was evident this quarter. Two of our sectors, gas utilities and downstream and industrial, which make-up 68% of our third quarter revenue, were both up sequentially. As a result, total revenue was down only 3% sequentially this quarter, better than expectations. In September, e-commerce revenue as a percentage of North America revenue reached 48%, an all-time high for our company as we continue to invest in this technology platform. We continue to focus on managing the business through these difficult market conditions by aggressively reducing costs, generating cash and reducing debt.

"We are on-track to exceed all the goals we initially laid out earlier in the year. In the first nine months, we generated $178 million of cash from operations and reduced net debt by $150 million to a current balance of $369 million. For the full year, we expect to generate cash flow from operations greater than $220 million and end the year with a net debt balance less than $300 million, as a result of the additional cash generated in the fourth quarter and sales proceeds related to recent real estate transactions. This quarter we closed or consolidated 9 more facilities for a total of 22 this year with plans to close 6 more in the fourth quarter for a total of 28 in 2020. We also expect to achieve over $110 million of normalized cost savings in 2020 as compared to 2019, with approximately two-thirds of these cost savings being structural in nature, positioning the company to take advantage of the eventual market recovery," Mr. Lane added.

MRC Global's third quarter 2020 gross profit was $114 million, or 19.5% of sales as compared to the third quarter of 2019 gross profit of $174 million, or 18.5% of sales. Gross profit for the third quarter of 2020 and 2019 reflects income of $11 million and $2 million, respectively, in cost of sales relating to the use of the last-in, first out (LIFO) method of inventory cost accounting. Adjusted gross profit, which excludes the impact of LIFO, for the third quarter of 2020 was $115 million or 19.7% of revenue.

Selling, general and administrative (SG&A) expenses were $100 million, or 17.1% of sales, for the third quarter of 2020 compared to $137 million, or 14.5% of sales, for the same period of 2019. Adjusted SG&A of $97 million for the third quarter of 2020 excludes the net impact of severance and restructuring charges of $5 million and the recovery of a $2 million supplier bad debt previously written off.

Income tax expense was $5 million for the three months ended September 30, 2020 as compared to $8 million for the three months ended September 30, 2019. The effective tax rates were 63% and 28% for the three months ended September 30, 2020 and 2019, respectively. The company's rates generally differ from the U.S. federal statutory rate of 21% as a result of state income taxes and differing foreign income tax rates. The effective tax rate for three months ended September 30, 2020 was higher primarily due to losses in foreign jurisdictions with no corresponding tax benefit and the reversal of a current year net operating loss benefit recognized in a prior quarter but no longer expected to be realized.

Please refer to the reconciliation of non-GAAP measures (adjusted gross profit, adjusted SGA, adjusted EBITDA) to GAAP measures (gross profit, SG&A, net income) in this release.

Sales by Segment

U.S. sales in the third quarter of 2020 were $463 million, down $300 million, or 39%, from the same quarter in 2019. Gas utilities' sector sales were down $9 million, or 4%, primarily due to non-recurring work, partially offset by recent market share gains and certain customers increasing activity levels as they recover from pandemic restrictions. Downstream and industrial sector sales declined $87 million, or 40%, due to delayed or reduced maintenance spending from lower demand as well as non-recurring turnarounds. Upstream production sector sales decreased by $128 million, or 68% primarily due to reduced spending by customers and a 74% reduction in well completions. Midstream pipeline sector sales declined $76 million, or 54% due to lower production levels and reduced demand for infrastructure.

Canadian sales in the third quarter of 2020 were $27 million, down $30 million, or 53%, from the same quarter in 2019 driven primarily by the upstream production sector, which was adversely affected by the pandemic and associated reduced demand.

International sales in the third quarter of 2020 were $95 million, down $27 million, or 22%, from the same period in 2019 driven primarily by reduced spending in the upstream sector followed by the downstream and industrials sector due to the lower activity levels associated with reduced demand. Stronger foreign currencies relative to the U.S. dollar favorably impacted sales by $2 million or 2%.

All sales were adversely impacted by the COVID-19 pandemic and the related mitigation measures, which negatively affected demand for energy products.

Sales by Sector

Gas utilities sector sales in the third quarter of 2020 were $208 million, or 36% of total sales, a decline of $8 million, or 4%, from the third quarter of 2019. Sequentially, the gas utilities sector sales were 1% higher due to market share gains and some customers increasing spending post pandemic restrictions.

Downstream and industrial sector sales in the third quarter of 2020 were $185 million, or 32% of total sales, a decrease of $100 million, or 35%, from the third quarter of 2019. Sequentially, downstream sector sales were up 5% as customers completed repair, maintenance and turnaround work post pandemic restrictions.

Upstream production sector sales in the third quarter of 2020 were $118 million, or 20% of total sales, a decline of $169 million, or 59%, from the third quarter of 2019. The decrease in upstream production sales was across all segments led by the U.S. segment.

Midstream pipeline sector sales in the third quarter of 2020 were $74 million, or 12% of total sales, a reduction of $80 million, or 52%, from the third quarter of 2019 driven by the U.S. segment.

Balance Sheet

The cash balance was $40 million and debt, net of cash, was $369 million at September 30, 2020. Cash provided by operations was $94 million in the third quarter of 2020 and $178 million for the nine months ended September 30, 2020. Excess availability under the company's asset-based lending facility was $437 million and available liquidity was $477 million.

COVID-19 Pandemic Impact

The COVID-19 pandemic and related mitigation measures have created significant volatility and uncertainty in the oil and gas industry. Oil demand has significantly deteriorated as a result. The unparalleled demand destruction has resulted in lower spending by customers and reduced demand for the company's products and services. Although we have seen a modest improvement in oil demand, uncertainty exists as to when a more significant recovery will occur.

As a critical supplier to the global energy infrastructure and an essential business, the company has remained operational with no closures to any facilities. The company currently has 11 COVID-19 illnesses reported, down from 27 in the second quarter of 2020 and only 0.4% of our global workforce. MRC Global has implemented various safety measures for employees working in the company's facilities and implemented remote working for those whose jobs permit it. MRC Global is committed to a safe working environment for all employees and is constantly monitoring its response in the locations where the company operates.

From a supply chain perspective, the effects have moved around the globe as the virus has spread. Given the company's inventory position and the reduced demand, the company has fulfilled orders with little disruption. However, if shutdowns are re-established, order fulfillment risk could increase.

Conference Call

The company will hold a conference call to discuss its third quarter 2020 results at 10:00 a.m. Eastern Time (9:00 a.m. Central Time) on October 29, 2020. To participate in the call, please dial 412-902-0003 and ask for the MRC Global conference call at least 10 minutes prior to the start time. To access the conference call, live over the Internet, please log onto the web at www.mrcglobal.com and go to the “Investor Relations” page of the company’s website at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live call, a replay will be available through November 12, 2020 and can be accessed by dialing 201-612-7415 and using pass code 13709094#. Also, an archive of the webcast will be available shortly after the call at www.mrcglobal.com for 90 days.

About MRC Global Inc.

MRC Global is the largest distributor of pipe, valves and fittings (PVF) and other infrastructure products and services to the energy industry, based on sales. Through approximately 230 service locations worldwide, approximately 2,700 employees and with nearly 100 years of history, MRC Global provides innovative supply chain solutions and technical product expertise to customers globally across diversified end-markets including the upstream production, midstream pipeline, gas utility and downstream and industrial. MRC Global manages a complex network of over 200,000 SKUs and 10,000 suppliers simplifying the supply chain for its over 12,000 customers. With a focus on technical products, value-added services, a global network of valve and engineering centers and an unmatched quality assurance program, MRC Global is the trusted PVF expert. Find out more at www.mrcglobal.com.

This news release 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,” “intend,” “believes,” "on-track," “well positioned,” “strong position,” “looking forward,” “guidance,” “plans,” “can,” "target," "targeted" 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, tax rate, capital expenditures, achieving cost savings and cash flow, debt reduction, liquidity, 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 MRC Global’s control, including the factors described in the company’s SEC filings that may cause the company’s actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

These risks and uncertainties include (among others) decreases in oil and natural gas prices; decreases in oil and natural gas industry expenditure levels, which may result from decreased oil and natural gas prices or other factors; U.S. and international general economic conditions; the company's ability to compete successfully with other companies in MRC Global's industry; the risk that manufacturers of the products the company distributes will sell a substantial amount of goods directly to end users in the industry sectors the company serves; unexpected supply shortages; cost increases by the company's suppliers; the company's lack of long-term contracts with most of its suppliers; suppliers' price reductions of products that the company sells, which could cause the value of the company's inventory to decline; decreases in steel prices, which could significantly lower MRC Global's profit; increases in steel prices, which the company may be unable to pass along to its customers which could significantly lower its profit; the company's lack of long-term contracts with many of its customers and the company's lack of contracts with customers that require minimum purchase volumes; changes in the company's customer and product mix; risks related to the company's customers' creditworthiness; the success of the company's acquisition strategies; the potential adverse effects associated with integrating acquisitions into the company's business and whether these acquisitions will yield their intended benefits; the company's significant indebtedness; the dependence on the company's subsidiaries for cash to meet its obligations; changes in the company's credit profile; a decline in demand for certain of the products the company distributes if import restrictions on these products are lifted or imposed; significant substitution of alternative fuels for oil and gas; environmental, health and safety laws and regulations and the interpretation or implementation thereof; the sufficiency of the company's insurance policies to cover losses, including liabilities arising from litigation; product liability claims against the company; pending or future asbestos-related claims against the company; the potential loss of key personnel; adverse health events such as a pandemic; interruption in the proper functioning of the company's information systems and the occurrence of cyber security incidents; loss of third-party transportation providers; potential inability to obtain necessary capital; risks related to adverse weather events or natural disasters; impairment of the company's goodwill or other intangible assets; adverse changes in political or economic conditions in the countries in which the company operates; exposure to U.S. and international laws and regulations, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act and other economic sanction programs; risks associated with international stability and geopolitical developments; risks relating to ongoing evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act; risks related to the company's intention not to pay dividends; and risks arising from compliance with and changes in law in the countries in which we operate, including (among others) changes in tax law, tax rates and interpretation in tax laws.

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. MRC Global's filings and other important information are also available on the Investor Relations page of the company's 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.

Contact:

Monica Broughton
Investor Relations
MRC Global Inc.
Monica.Broughton@mrcglobal.com
832-308-2847

MRC Global Inc.
Condensed Consolidated Balance Sheets (Unaudited)
(in millions, except shares)

	September 30, 2020	December 31, 2019
Assets		
Current assets:		
Cash	$ **40**	$ 32
Accounts receivable, net	**343**	459
Inventories, net	**582**	701
Other current assets	**29**	26
Total current assets	**994**	1,218
Long-term assets:		
Operating lease assets	**168**	186
Property, plant and equipment, net	**128**	138
Other assets	**16**	19
Intangible assets:		
Goodwill, net	**264**	483
Other intangible assets, net	**235**	281
	$ **1,805**	$ 2,325
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	$ **293**	$ 357
Accrued expenses and other current liabilities	**86**	91
Operating lease liabilities	**34**	34
Current portion of long-term debt	**4**	4
Total current liabilities	**417**	486
Long-term liabilities:		
Long-term debt, net	**405**	547
Operating lease liabilities	**160**	167
Deferred income taxes	**80**	91
Other liabilities	**41**	37
Commitments and contingencies		
6.5% Series A Convertible Perpetual Preferred Stock, $0.01 par value; authorized 363,000 shares; 363,000 shares issued and outstanding	**355**	355
Stockholders' equity:		
Common stock, $0.01 par value per share: 500 million shares authorized, 106,284,968 and 105,624,750 issued, respectively	**1**	1
Additional paid-in capital	**1,736**	1,731
Retained deficit	**(770)**	(483)
Less: Treasury stock at cost: 24,216,330 shares	**(375)**	(375)
Accumulated other comprehensive loss	**(245)**	(232)
	347	642
	$ **1,805**	$ 2,325

MRC Global Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
Sales	$ **585**	$ 942	$ **1,981**	$ 2,896
Cost of sales	**471**	768	**1,640**	2,374
Gross profit	**114**	174	**341**	522
Selling, general and administrative expenses	**100**	137	**352**	409
Goodwill and intangibles impairment	**-**	-	**242**	-
Operating income (loss)	**14**	37	**(253)**	113
Other (expense) income:				
Interest expense	**(7)**	(10)	**(22)**	(31)
Other, net	**1**	2	**(1)**	3
Income (loss) before income taxes	**8**	29	**(276)**	85
Income tax expense (benefit)	**5**	8	**(7)**	22
Net income (loss)	**3**	21	**(269)**	63
Series A preferred stock dividends	**6**	6	**18**	18
Net (loss) income attributable to common stockholders	$ **(3)**	$ 15	$ **(287)**	$ 45
Basic (loss) income per common share	$ **(0.04)**	$ 0.18	$ **(3.50)**	$ 0.54
Diluted (loss) income per common share	$ **(0.04)**	$ 0.18	$ **(3.50)**	$ 0.53
Weighted-average common shares, basic	**82.1**	82.7	**81.9**	83.4
Weighted-average common shares, diluted	**82.1**	83.4	**81.9**	84.2

MRC Global Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in millions)

	Nine Months Ended	
	September 30, 2020	**September 30, 2019**
Operating activities		
Net (loss) income	$ **(269)**	$ 63
Adjustments to reconcile net (loss) income to net cash provided by operations:		
Depreciation and amortization	**15**	16
Amortization of intangibles	**20**	33
Equity-based compensation expense	**8**	12
Deferred income tax benefit	**(10)**	(5)
Decrease in LIFO reserve	**(20)**	(3)
Goodwill and intangible asset impairment	**242**	-
Lease impairment and abandonment	**15**	-
Inventory-related charges	**34**	-
Provision for uncollectible accounts	**3**	2
Other	**3**	2
Changes in operating assets and liabilities:		
Accounts receivable	**110**	(4)
Inventories	**102**	56
Other current assets	**(3)**	-
Accounts payable	**(63)**	(3)
Accrued expenses and other current liabilities	**(9)**	(35)
Net cash provided by operations	**178**	134
Investing activities		
Purchases of property, plant and equipment	**(8)**	(12)
Other investing activities	1	2
Net cash used in investing activities	**(7)**	(10)
Financing activities		
Payments on revolving credit facilities	**(655)**	(786)
Proceeds from revolving credit facilities	**519**	733
Payments on long-term obligations	**(5)**	(3)
Purchase of common stock	-	(63)
Dividends paid on preferred stock	**(18)**	(18)
Repurchases of shares to satisfy tax withholdings	**(3)**	(6)
Other	-	1
Net cash used in financing activities	**(162)**	(142)
Increase (decrease) in cash	**9**	(18)
Effect of foreign exchange rate on cash	**(1)**	-
Cash -- beginning of period	**32**	43
Cash -- end of period	$ **40**	$ 25

MRC Global Inc.
Supplemental Sales Information (Unaudited)
(in millions)

Disaggregated Sales by Segment and Sector

Three Months Ended September 30,	U.S.	Canada	International	Total
2020				
Gas utilities	**$ 206**	**$ 2**	**$ -**	**$ 208**
Downstream & industrial	**131**	**4**	**50**	**185**
Upstream production	**61**	**17**	**40**	**118**
Midstream pipeline	**65**	**4**	**5**	**74**
	$ 463	**$ 27**	**$ 95**	**$ 585**
2019				
Gas utilities	$ 215	$ 1	$ -	$ 216
Downstream & industrial	218	7	60	285
Upstream production	189	43	55	287
Midstream pipeline	141	6	7	154
	$ 763	$ 57	$ 122	$ 942

Nine Months Ended September 30,	U.S.	Canada	International	Total
2020				
Gas utilities	**$ 605**	**$ 10**	**$ -**	**$ 615**
Downstream & industrial	**447**	**12**	**153**	**612**
Upstream production	**266**	**72**	**136**	**474**
Midstream pipeline	**257**	**11**	**12**	**280**
	$ 1,575	**$ 105**	**$ 301**	**$ 1,981**
2019				
Gas utilities	$ 663	$ 14	$ -	$ 677
Downstream & industrial	667	18	176	861
Upstream production	583	130	170	883
Midstream pipeline	435	21	19	475
	$ 2,348	$ 183	$ 365	$ 2,896

MRC Global Inc.
Supplemental Sales Information (Unaudited)
(in millions)

Sales by Product Line

Type	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Line pipe	$ **63**	$ 153	$ **243**	$ 468
Carbon fittings and flanges	**76**	145	**264**	456
Total carbon pipe, fittings and flanges	**139**	298	**507**	924
Valves, automation, measurement and instrumentation	**230**	362	**802**	1,125
Gas products	**131**	147	**379**	425
Stainless steel and alloy pipe and fittings	**29**	43	**96**	135
General products	**56**	92	**197**	287
	$ **585**	$ 942	$ **1,981**	$ 2,896

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Gross Profit to Adjusted Gross Profit (a non-GAAP measure)
(in millions)

	Three Months Ended			
	September 30, 2020	**Percentage of Revenue**	**September 30, 2019**	**Percentage of Revenue**
Gross profit, as reported	$ **114**	**19.5%**	$ 174	18.5%
Depreciation and amortization	**5**	**0.9%**	5	0.5%
Amortization of intangibles	**7**	**1.2%**	11	1.2%
Decrease in LIFO reserve	**(11)**	**(1.9)%**	(2)	(0.2)%
Adjusted Gross Profit	$ **115**	**19.7%**	$ 188	20.0%

	Nine Months Ended			
	September 30, 2020	**Percentage of Revenue**	**September 30, 2019**	**Percentage of Revenue**
Gross profit, as reported	$ **341**	**17.2%**	$ 522	18.0%
Depreciation and amortization	**15**	**0.8%**	16	0.6%
Amortization of intangibles	**20**	**1.0%**	33	1.1%
Decrease in LIFO reserve	**(20)**	**(1.0)%**	(3)	(0.1)%
Inventory-related charges (1)	**34**	**1.7%**	-	0.0%
Adjusted Gross Profit	$ **390**	**19.7%**	$ 568	19.6%

Notes to above:

(1) Non-cash charges (pre-tax) recorded in the second quarter of 2020 for inventory recorded in cost of goods sold. Charges of $19 million in the U.S. and $1 million in Canada relate to excess and obsolete inventory as a result of the current market outlook for certain products. International segment charges of $14 million relate to increased reserves for excess and obsolete inventory as well as the exit of the Thailand business.

The company defines Adjusted Gross Profit as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, plus inventory-related charges and plus or minus the impact of its LIFO inventory costing methodology. The company presents Adjusted Gross Profit because the company believes it is a useful indicator of the company's operating performance without regard to items, such as amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of acquisitions of which they have been involved. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon whether they elect to utilize LIFO and depending upon which method they may elect. The company uses Adjusted Gross Profit as a key performance indicator in managing its business. The company believes that gross profit is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted Gross Profit.

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Selling, General and Administrative Expenses to
Adjusted Selling, General and Administrative Expenses (a non-GAAP measure)
(in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
Selling, general and administrative expenses	**$ 100**	$ 137	**$ 352**	$ 409
Severance and restructuring (1)	**(5)**	(5)	**(12)**	(5)
Facility closures (2)	**-**	-	**(15)**	-
Recovery of supplier bad debt (3)	**2**	-	**2**	-
Adjusted selling, general and administrative expenses	**$ 97**	$ 132	**$ 327**	$ 404

(1) Charges (pre-tax) related to employee severance and restructuring charges associated with the company's cost reduction initiatives in the second and third quarters of 2020 as well as the third quarter of 2019. Charges of $5 million were recorded in the third quarter of 2020 with $3 million in the International segment, $1 million in the U.S. segment and $1 million in the Canada segment. Charges of $7 million were recorded in the second quarter 2020 with $6 million in the U.S. segment and $1 million in the International segment. Charges of $5 million were recorded in the third quarter of 2019 in the U.S. segment.
(2) Charges (pre-tax) of $15 million for lease impairments and abandonments related to facility closures, substantially non-cash, recorded in the second quarter of 2020. $12 million is recorded in the International segment, $2 million in the U.S. segment and $1 million in Canada segment.
(3) Income (pre-tax) related to the collection of a product claim from a foreign supplier.

The company defines Adjusted Selling, general and administrative (SG&A) expenses as SG&A, less severance and restructuring expenses, facility closures plus the recovery of supplier bad debt. The company presents Adjusted SG&A because the company believes it is a useful indicator of the company's operating performance without regard to items that can vary substantially from company to company. The company presents Adjusted SG&A because the company believes Adjusted SG&A is a useful indicator of the company's operating performance. Among other things, Adjusted SG&A measures the company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses. The company uses Adjusted SG&A as a key performance indicator in managing its business. The company believes that SG&A is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted SG&A.

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Net Income to Adjusted EBITDA (a non-GAAP measure)
(in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2020	**September 30, 2019**	**September 30, 2020**	**September 30, 2019**
Net income (loss)	$ **3**	$ 21	$ **(269)**	$ 63
Income tax expense (benefit)	**5**	8	**(7)**	22
Interest expense	**7**	10	**22**	31
Depreciation and amortization	**5**	5	**15**	16
Amortization of intangibles	**7**	11	**20**	33
Goodwill and intangible asset impairment (1)	**-**	-	**242**	-
Inventory-related charges (2)	**-**	-	**34**	-
Facility closures (3)	**-**	-	**18**	-
Severance and restructuring (4)	**5**	5	**12**	5
Decrease in LIFO reserve	**(11)**	(2)	**(20)**	(3)
Equity-based compensation expense (5)	**3**	5	**8**	12
Gain on early extinguishment of debt (6)	**-**	-	**(1)**	-
Recovery of supplier bad debt (7)	**(2)**	-	**(2)**	-
Foreign currency losses (gains)	**2**	(1)	**3**	(1)
Adjusted EBITDA	$ **24**	$ 62	$ **75**	$ 178

Notes to above:

(1) Non-cash charges (pre-tax) recorded in the second quarter of 2020 for the impairment of $217 million for goodwill and $25 million for the U.S. indefinite-lived tradename asset. The goodwill impairment consisted of $177 million for the U.S. segment and $40 million for the International segment, resulting in a $0 balance for the International segment.
(2) Non-cash charges (pre-tax) recorded in the second quarter of 2020 for inventory recorded in cost of goods sold. Charges of $19 million in the U.S. and $1 million in Canada relate to excess and obsolete inventory as a result of the current market outlook for certain products. International segment charges of $14 million relate to increased reserves for excess and obsolete inventory as well as the exit of the Thailand business.
(3) Charges (pre-tax) of $15 million for lease impairments and abandonments related to facility closures, substantially non-cash, recorded in SG&A. $12 million is recorded in the International segment, $2 million in the U.S. segment and $1 million in Canada segment. Also included are $3 million of non-cash (pre-tax) charges for the write-down of assets for facilities in Canada ($2 million) and International, recorded in Other expense. All charges were recorded in the second quarter of 2020.
(4) Charges (pre-tax) related to employee severance and restructuring charges associated with the company's cost reduction initiatives recorded in SG&A in the second and third quarters of 2020 as well as the third quarter of 2019. Charges of $5 million were recorded in the third quarter of 2020 with $3 million in the International segment, $1 million in the U.S. segment and $1 million in the Canada segment. Charges of $7 million were recorded in the second quarter 2020 with $6 million in the U.S. segment and $1 million in the International segment. Charges of $5 million were recorded in the third quarter of 2019 in the U.S. segment.
(5) Recorded in SG&A.
(6) Charges (pre-tax) related to the purchase of the Term Loan recorded in Other, net.
(7) Income (pre-tax) recorded in SG&A related to the collection of a product claim from a foreign supplier.

The company defines Adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles, and certain other expenses, including non-cash expenses, (such as equity-based compensation, severance and restructuring, changes in the fair value of derivative instruments and asset impairments, including intangible assets and inventory) and plus or minus the impact of its LIFO inventory costing methodology. The company presents Adjusted EBITDA because the company believes Adjusted EBITDA is a useful indicator of the company's operating performance. Among other things, Adjusted EBITDA measures the company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses. Adjusted EBITDA, however, does not represent and should not be considered as an alternative to net income, cash flow from operations or any other measure of financial performance calculated and presented in accordance with GAAP. Because Adjusted EBITDA does not account for certain expenses, its utility as a measure of the company's operating performance has material limitations. Because of these limitations, the company does not view Adjusted EBITDA in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance. See the company's Annual Report filed on Form 10-K for a more thorough discussion of the use of Adjusted EBITDA.

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Net Income Attributable to Common Stockholders to
Adjusted Net Income Attributable to Common Stockholders (a non-GAAP measure)
(in millions, except per share amounts)

	September 30, 2020			
	Three Months Ended		Nine Months Ended	
	Amount	Per Share	Amount	Per Share*
Net loss attributable to common stockholders	$ (3)	$ (0.04)	$ (287)	$ (3.50)
Goodwill and intangible asset impairment, net of tax (1)	-	-	234	2.86
Inventory-related charges, net of tax (2)	-	-	29	0.35
Facility closures, net of tax (3)	-	-	16	0.20
Severance and restructuring, net of tax (4)	5	0.06	10	0.12
Recovery of supplier bad debt, net of tax (5)	(2)	(0.02)	(2)	(0.02)
Decrease in LIFO reserve, net of tax	(8)	(0.10)	(15)	(0.18)
Adjusted net loss attributable to common stockholders	$ (8)	$ (0.10)	$ (15)	$ (0.18)

	September 30, 2019			
	Three Months Ended		Nine Months Ended	
	Amount	Per Share	Amount	Per Share
Net income attributable to common stockholders	$ 15	$ 0.18	$ 45	$ 0.53
Severance and restructuring, net of tax (4)	4	0.05	4	0.05
Decrease in LIFO reserve, net of tax	(2)	(0.02)	(2)	(0.02)
Adjusted net income attributable to common stockholders	$ 17	$ 0.21	$ 47	$ 0.56

Notes to above:

* does not foot due to rounding

(1) Non-cash charges (after-tax) recorded in the second quarter of 2020 for the impairment of $215 million for goodwill and $19 million for the U.S. indefinite-lived tradename asset. The after-tax goodwill impairment consisted of $175 million for the U.S. segment and $40 million for the International segment, resulting in a $0 balance for the International segment.

(2) Charges (after-tax) recorded in the second quarter of 2020 for inventory recorded in cost of goods sold. Charges (after-tax) of $15 million in the U.S. relate to excess and obsolete inventory as a result of the current market outlook for certain products. International segment charges (after-tax) of $14 million relate to increased reserves for excess and obsolete inventory as well as the exit of the Thailand business.

(3) Charges (after-tax) of $14 million for lease impairments and abandonments related to facility closures, substantially non-cash, recorded in SG&A. $11 million is recorded in the International segment, $2 million in the U.S. segment and $1 million in Canada segment, each after-tax. Also includes $2 million of non-cash (after-tax) charges for the write-down of assets for facilities in Canada ($2 million) and International, recorded in Other expense. All charges were recorded in the second quarter of 2020.

(4) Charges (after-tax) related to employee severance and restructuring charges associated with the company's cost reduction initiatives recorded in SG&A in the second and third quarters of 2020. Charges of $5 million were recorded in the third quarter 2020 with $3 million in the International segment, $1 million in the U.S. segment and $1 million in the Canada segment. Charges of $5 million were recorded in the second quarter 2020 with $4 million in the U.S. segment and $1 million in the International segment. Charges of $5 million were recorded in the third quarter of 2019 in the U.S. segment.

(5) Income (after-tax) recorded in SG&A related to the collection of a product claim from a foreign supplier.

The company defines Adjusted Net Income Attributable to Common Stockholders (a non-GAAP measure) as Net Income Attributable to Common Stockholders less after-tax goodwill and intangible impairment, inventory-related charges, facility closures, severance and restructuring, plus or minus the after-tax impact of its LIFO inventory costing methodology. The company presents Adjusted Net Income Attributable to Common Stockholders and related per share amounts because the company believes it provides useful comparisons of the company's operating results to other companies, including those companies with whom we compete in the distribution of pipe, valves and fittings to the energy industry, without regard to the irregular variations from certain restructuring events not indicative of the on-going business. Those items include goodwill and intangible asset impairments, inventory-related charges, facility closures, severance and restructuring as well as the LIFO inventory costing methodology. The impact of the LIFO inventory costing methodology can cause results to vary substantially from company to company depending upon whether they elect to utilize LIFO and depending upon which method they may elect. The company believes that Net Income Attributable to Common Stockholders is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly compared to Adjusted Net Income Attributable to Common Stockholders.

# # #

MRC Global

3Q 2020 Earnings Presentation
October 28, 2020

Andrew Lane
President & CEO

Kelly Youngblood
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," "looking forward," "guidance," "targeting", 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, Adjusted net income, Adjusted diluted EPS, Adjusted SG&A, gross profit, gross profit percentage, Adjusted Gross Profit, Adjusted Gross Profit percentage, tax rate, capital expenditures and cash from operations, Free Cash Flow, Free Cash Flow after Dividends, 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, including the company's Current Report on Form 8-K dated October 28, 2020.

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, Adjusted net income, Adjusted diluted EPS, Adjusted SG&A, Free Cash Flow and Free Cash Flow after Dividends) 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, gross profit or cash from operations. 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.

Key Points – Third Quarter 2020 Results

Generated $94 million of cash from operations in 3Q20 and $178 million YTD

Available Liquidity $477 million

Lowered operating costs

Reduced 3Q20 adjusted SG&A by $7 million from 2Q20 and $35 million from 3Q19

- Closed 9 facilities in 3Q20
- Reduced headcount by 144 in 3Q20

Net debt of $369 million down $86 million from 2Q20 & $150 million YTD

3Q20 Adjusted EBITDA of $24 million or 4.1% of revenue

Net working capital to sales ratio (TTM) 19.5% as of 3Q20

Adjusted gross profit percentage of 19.7% in 3Q20 – a 10 basis point improvement from 2Q20

3Q20 revenue decreased 3% sequentially

Note: See reconciliation of non-GAAP measures to GAAP measures in the appendix

Summary Highlights from Third Quarter 2020 Results

- $585M in revenue – 3% sequential decline
- Normalized SG&A - $97M – down $35M from 3Q19

Segment revenue highlights
3Q20 v 3Q19

U.S. – declined 39% from reduced spending by customers as a result of reduced demand from the pandemic and non-recurring work

Canada – declined 53% primarily in upstream due to reduced spending by customers as a result of reduced demand from the pandemic

International – declined 22% led by upstream followed by downstream due to less spending by customers as a result of reduced demand from the pandemic

Market sector revenue highlights
3Q20 v 3Q19

Gas Utilities decreased 4% due to non-recurring work, partially offset by recent market share gains and customer's increasing activity as they recover from pandemic restrictions

Downstream & Industrial decreased 35% across all segments driven by the U.S. segment due to lower maintenance & turnaround spending.

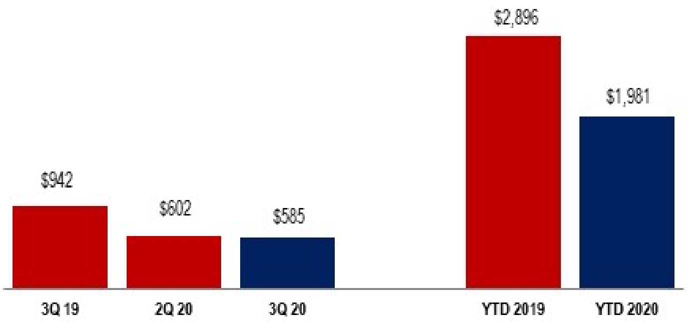
Upstream Production decreased 59% across all segments and led by the U.S. segment

Midstream Pipeline declined 52% due to lower production levels and reduced demand for infrastructure

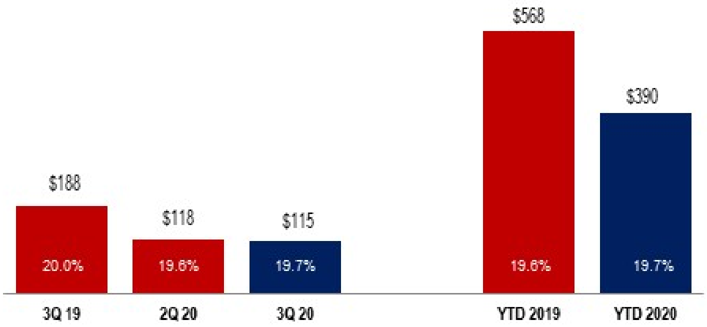
Quarterly & YTD Financial Performance

($ millions, except per share data)

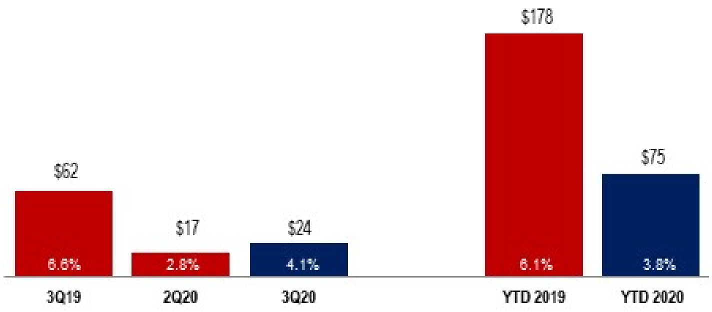
Sales



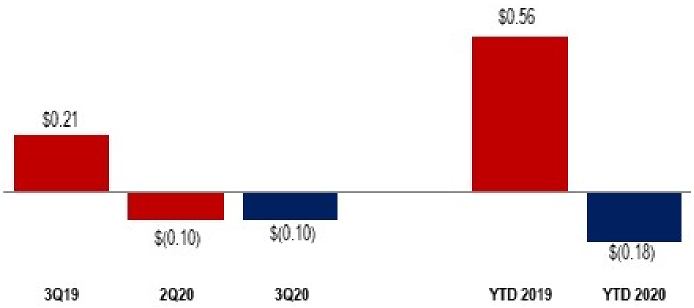
Adjusted Gross Profit and % Margin[1]



Adjusted EBITDA and % Margin[1]



Adjusted Diluted EPS[1]

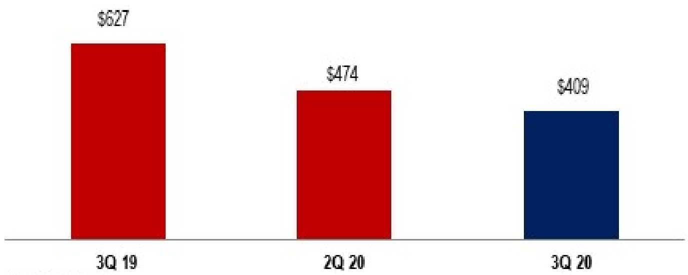


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

Strong Balance Sheet Provides Financial Flexibility

($ millions)

Total Debt

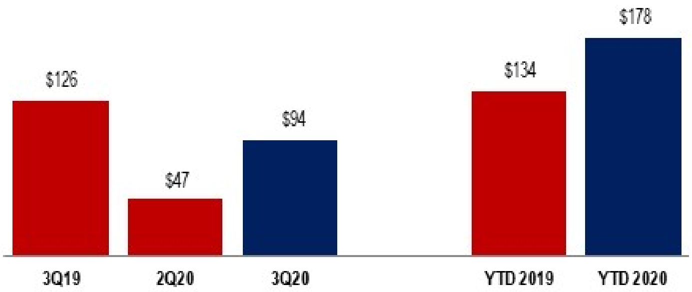


Net Leverage[1]:		
2.5x	3.3x	3.8x

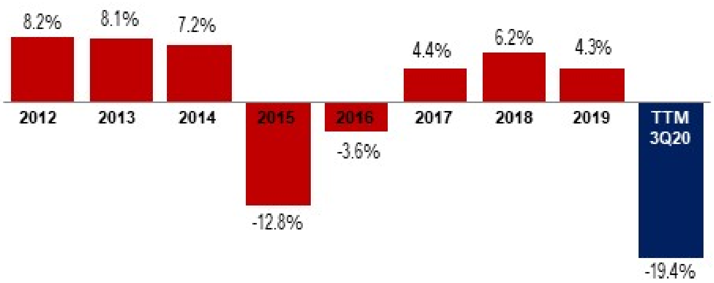
Capital Structure

	September 30, 2020
Cash and Cash Equivalents	$40
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 384
Global ABL Facility due 2022	25
Total Debt	$ 409
Preferred stock	355
Common stockholders' equity	347
Total Capitalization	$ 1,111
Liquidity	$ 477

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).Calculated with GAAP figures.

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

Strategy - 3Q20 Accomplishments

Grow Market Share	• Added new customer contracts and awards (*e.g.* downstream)

Maximize Profitability	• Achieved 19.7% adjusted gross margins
	• 39% of revenue from valves in 3Q 2020 and 40% YTD
	• E-commerce revenue:
	  • 48% of North America revenue in September
	  • 38% of total revenue in 3Q20

Maximize Working Capital Efficiency	• Achieved 19.5% of working capital, net of cash, to sales on TTM basis • Targeting 19.5% to 19.9% for 2020
Optimize Capital Structure	• Reduced net debt by $86 million in 3Q20 from 2Q20 and $150 million YTD • Generated $94 million cash from operations in 3Q20 and $178 million YTD

Concluding Key Points

Focused on operating cost reductions, cash flow, balance sheet management

- Lowered SG&A by $35 million in 3Q20 v. 3Q19, on a normalized basis
- Liquidity $477 million
- Generated $94 million in cash from operations
- Reduced net debt by $86 million from 2Q20
- Gross profit and Adjusted Gross Profit 19.5% and 19.7% for 3Q20

Delivering on strategic objectives

- Optimal balance sheet usage – reducing debt & continued working capital efficiency
- Strong cash flow generation – $178 million of cash from operations YTD 2020
- Continued investment in e-commerce solutions
- Maximizing profitability – reduced normalized SG&A to $97 million in 3Q20
- Growing market share – added and renewed customer contracts

Appendix

Adjusted Gross Profit Reconciliation

	Three months ended				Nine months ended	
($ millions)	September 30, 2020	June 30, 2020	September 30, 2019		September 30, 2020	September 30, 2019
Gross profit	$ 114	$ 79	$ 174		$ 341	$ 522
Depreciation and amortization	5	5	5		15	16
Amortization of intangibles	7	6	11		20	33
(Decrease) increase in LIFO reserve	(11)	(6)	(2)		(20)	(3)
Inventory charges and other	-	34	-		34	-
Adjusted Gross Profit	$ 115	$ 118	$ 188		$ 390	$ 568

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 October 28, 2020.

Adjusted SG&A Reconciliation

	Three months ended		
($ millions)	September 30, 2020	June 30, 2020	September 30, 2019
SG&A	**$ 100**	**$ 126**	**$ 137**
Severance and restructuring	(5)	(7)	(5)
Facility closures	-	(15)	-
Recovery of supplier bad debt	2	-	-
Adjusted SG&A	**$ 97**	**$ 104**	**$ 132**

Note: Adjusted SG&A is a non-GAAP measure. For a discussion of the use of Adjusted SG&A, see our Current Report on Form 8-K dated October 28, 2020.

Adjusted EBITDA Reconciliation

	Three months ended			Nine months ended	
($ millions)	Sept 30, 2020	June 30, 2020	Sept 30, 2019	Sept 30, 2020	Sept 30, 2019
Net income (loss)	**$ 3**	**$ (281)**	**$ 21**	**$ (269)**	**$ 63**
Income tax expense (benefit)	5	(17)	8	(7)	22
Interest expense	7	7	10	22	31
Depreciation and amortization	5	5	5	15	16
Amortization of intangibles	7	6	11	20	33
Decrease in LIFO reserve	(11)	(6)	(2)	(20)	(3)
Equity-based compensation expense	3	3	5	8	12
Foreign currency losses (gains)	2	(1)	(1)	3	(1)
Goodwill & intangible asset impairment	-	242	-	242	-
Inventory-related charges	-	34	-	34	-
Facility closures	-	18	-	18	-
Severance & restructuring charges	5	7	5	12	5
Recovery of supplier bad debt	(2)	-	-	(2)	-
Gain on early extinguishment of debt	-	-	-	(1)	-
Adjusted EBITDA	**$ 24**	**$ 17**	**$ 62**	**$ 75**	**$ 178**

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 October 28, 2020.

Adjusted Net Income Reconciliation

	Three months ended						Nine months ended			
($ millions)	Sept 30, 2020		June 30, 2020		Sept 30, 2019		Sept 30, 2020		Sept 30, 2019	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share*	Amount	Per Share
Net (loss) income attributable to common stockholders	**$ (3)**	**$ (0.04)**	**$ (287)**	**$ (3.50)**	**$ 15**	**$ 0.18**	**$ (287)**	**$ (3.50)**	**$ 45**	**$ 0.53**
Goodwill and intangible asset impairment, net of tax	-	-	234	2.85	-	-	234	2.86	-	-
Inventory-related charges, net of tax	-	-	29	0.35	-	-	29	0.35	-	-
Facility closures, net of tax	-	-	16	0.20	-	-	16	0.20	-	-
Severance and restructuring, net of tax	5	0.06	5	0.06	4	0.05	10	0.12	4	0.05
Recovery of supplier bad debt, net of tax	(2)	(0.02)	-	-	-	-	(2)	(0.02)	-	-
Decrease in LIFO reserve, net of tax	(8)	(0.10)	(5)	(0.06)	(2)	(0.02)	(15)	(0.18)	(2)	(0.02)
Adjusted net (loss) income attributable to common stockholders	**$ (8)**	**$ (0.10)**	**$ (8)**	**$ (0.10)**	**$ 17**	**$ 0.21**	**$ (15)**	**$ (0.18)**	**$ 47**	**$ 0.56**

Note: Adjusted Net Income is a non-GAAP measure. For a discussion of the use of Adjusted Net Income, see our Current Report on Form 8-K dated October 28, 2020.
* Does not foot due to rounding

Free Cash Flow & Free Cash Flow after Dividends Reconciliations

	Three months ended			Nine months ended	
($ millions)	September 30, 2020	September 30, 2019		September 30, 2020	September 30, 2019
Net cash provided by operations	$ 94	$ 126		$ 178	$ 134
Purchases of property, plant and equipment	(3)	(6)		(8)	(12)
Free cash flow	$ 91	$ 120		$ 170	$ 122
Dividends paid on preferred stock	(6)	(6)		(18)	(18)
Free cash flow after dividends	$ 85	$ 114		$ 152	$ 104

Note: Free Cash Flow and Free Cash Flow after Dividends are non-GAAP measures. The company presents Free Cash Flow and Free Cash Flow after Dividends because the company believes they are useful indicators of the company's cash generation and liquidity after certain payments for assets and investors. The company uses Free Cash Flow and Free Cash Flow after Dividends as key performance indicators in managing its business. The company believes that Cash From Operations is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Free Cash Flow and Free Cash Flow after Dividends.

Exhibit 99.3

MRC Global

3Q 2020 Investor Conference Presentation
October 28, 2020

Andrew Lane
President & CEO

Kelly Youngblood
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," "looking forward," "guidance," "targeting", 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, Adjusted net income, Adjusted diluted EPS, Adjusted SG&A, 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, including the company's Current Report on Form 8-K dated October 28, 2020.

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, Adjusted net income, Adjusted diluted EPS, Adjusted SG&A) 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 $2.7B

Industrial Distributor with Diversified Business Mix

- Counter-cyclical cash flow generation & strong balance sheet
- Cash flow generation in modest growth periods
- Balanced portfolio across gas utilities, downstream and industrial, upstream production & midstream pipeline sectors
- Product mix focused on higher margin offerings

Key Role in Global Supply Chains of Energy Companies

- Create value for both customers and suppliers
- Closely integrated into customer supply chains
- Broad footprint with approximately 230 service locations in 20 countries
- Premier quality program, material sourcing & customer service

Balanced Approach to Capital Allocation

- Strong balance sheet with financial flexibility through the cycle

Note: For the twelve months ended September 30, 2020

Gas Utilities 29%

Downstream & Industrial 31%

Upstream Production 25%

Midstream Pipeline 15%

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

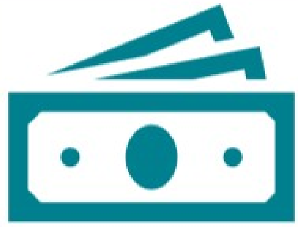
Maximize Profitability

- 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

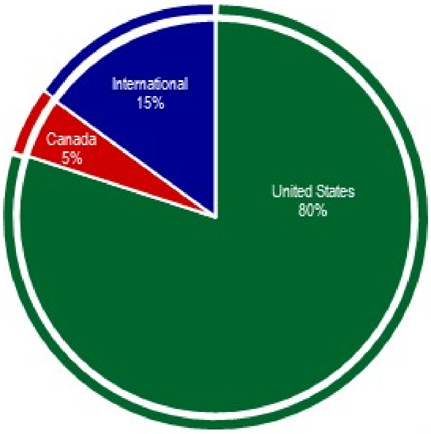
Compelling Investment Opportunity

- Market leader in PVF distribution, serving critical function to the energy industry
- Diversified across sectors, regions and customers
- Counter-cyclical cash flow and strong balance sheet
- Differentiated global platform creates customer value
- Organic growth potential via market share gains from expanded multi-year MRO contracts and 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

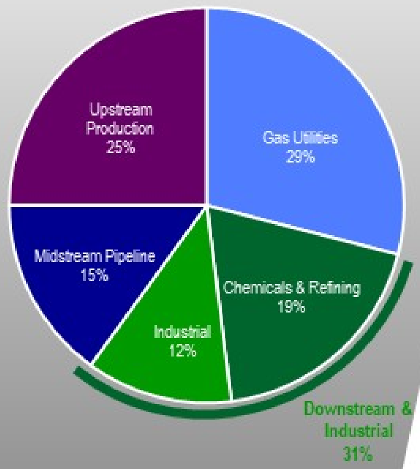
World-class Management Team
with Significant Distribution and Energy Experience

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

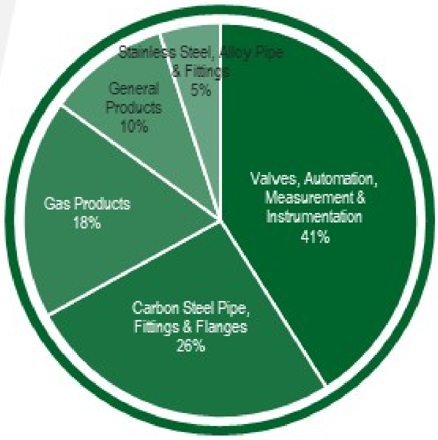
Revenue by Geography



Revenue by Industry Sector



Revenue by Product Line



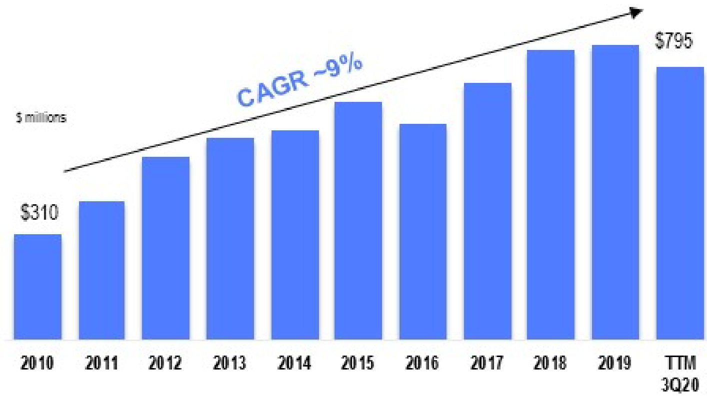
Note: Percentage of sales are for the twelve months ended September 30, 2020. Industrial includes metals & mining, fabrication, pulp & paper, power generation and general industrial.

Gas Utilities – Providing Gas Products to Gas Utility Customers

- Business drivers:
  - independent of commodity prices
  - integrity projects & pipeline enhancement projects
  - residential & commercial, new & upgrade installations
- Relatively stable, steady growth
- Contracts with 9 of the 10 largest gas utilities in the U.S. based on the number of customers (*e.g.* CenterPoint, PG&E, NiSource, Atmos, Duke, Southern Company Gas)

Gas Utilities Growth

- Largest provider of products & services to U.S. Gas Utilities
- Targeting to build a $1 billion revenue base in 2-3 years
- Contracts with 18 of the top 25 largest gas utilities in the U.S.
- Strong customer relationships – average 19 years under continuous contract



Downstream & Industrial – Providing PVF to Refining, Chemical & Industrial Customers

Refining

- Recurring MRO revenue from planned & unplanned maintenance
- Provide on-location "zone store" inventory
- Contracts with all 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
- Distribute to a broad range of industrials including power, pulp and paper, mining and OEM's (original equipment manufacturers).

Upstream Production – 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, Occidental, California Resources Corporation and Canadian Natural Resources

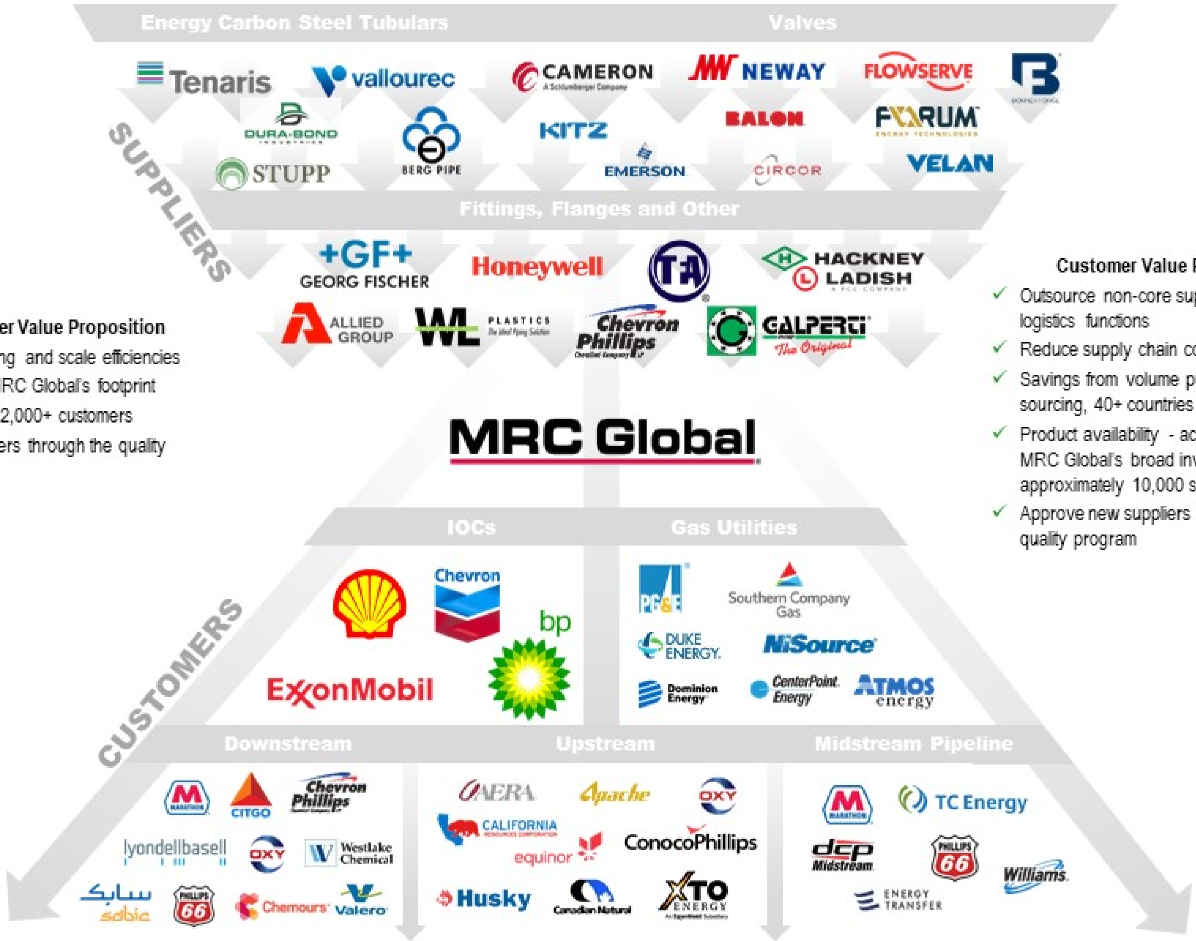
- Primary drivers are customers' capital budgets for well completions & production tank battery upgrades and expansions
- Walk-in counter sales at strategically located branches in active oil & gas production areas
- Located in all major basins - revenue follows basin market activity levels

Midstream Pipeline – Providing PVF to Pipeline Infrastructure Customers

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 TC Energy, DCP Midstream, Energy Transfer, Williams Partners, Equitable, Enable Midstream Partners

MRC Global is a Critical Link Between Its Customers & Suppliers



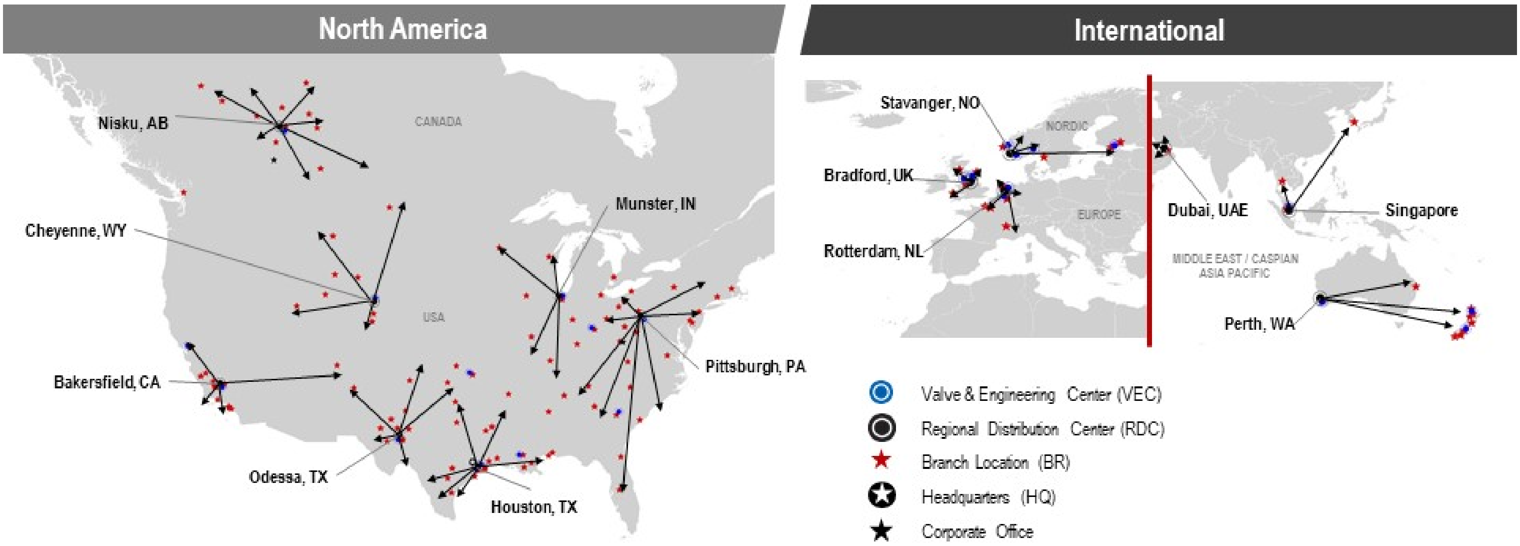
Supplier Value Proposition

- ✓ Manufacturing and scale efficiencies
- ✓ Leverage MRC Global's footprint
- ✓ Access to 12,000+ 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 approximately 10,000 suppliers
- ✓ Approve new suppliers through rigorous quality program

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



North America	As of 9/30/20
Branches	96
RDCs	7
VECs	13
Employees	~1,989

Global	As of 9/30/20
Branches	120
RDCs	13
VECs	25
Countries	20
Employees	~2,703

International	As of 9/30/20
Branches	24
RDCs	6
VECs	12
Countries	18
Employees	~714

MRC Global is committed to responsible governance of the enterprise and interaction with its stakeholders.

Safety Performance

- 2020: YTD top Quartile Safety Performance in a National Association Wholesaler-Distributors Survey (compared to last results in 2019 survey)
- 54 distribution companies with over $1 billion in revenue

Sustainable Environment Contribution

- 93% of 2019 valve sales from inventory are "Low-E" valves, which prevent fugitive emissions of methane and other greenhouse gases.
- Reduced North American Scope 1 emissions by approximately 20% from 2013 levels through 2019
- Increased U.S. recycling tonnage by 33% from 2018 to 2019

Supplier Quality Process (Processes, Policies, Audits) includes:

- Increase ethical behavior in our supply chain
- Avoid improper labor practices
- Encourage sustainability

Develop Employees and Encourage Diversity

- 33% of Board of Directors from Diversity Groups
- Women make up 45% of global corporate employees

For more information:

Governance:
Proxy Statement for our 2020 Annual Meeting of Stockholders

ESG Generally:
2020 Environmental, Social Responsibility & Corporate Governance Report

ESG Policies: Corporate Social Responsibility

Community Engagement Community Involvement

Long-term End Market Growth Opportunities

GAS UTILITIES

- Gas utilities are investing in multi-year infrastructure modernization programs to upgrade old, lower pressure distribution systems and pipes, including steel and cast iron; enhancing the safety and integrity of the systems
- Continued commercial and residential infrastructure expansion

DOWNSTREAM & INDUSTRIAL

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

UPSTREAM PRODUCTION

- Capitalizing on oil & gas demand while recognizing the early stages of global energy transition and market consolidation
- Steep shale decline curves and manufacturing mentality for shale drilling result in increasing well completions and facilities

MIDSTREAM PIPELINE

- The demand for energy results in increased need for takeaway capacity and processing by transmission and gathering companies, including transportation to growing export terminals
- Aging pipeline infrastructure in the U.S. requires annual integrity investment

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 – Percent of total revenue from valves, automation, measurement and instrumentation: 40-42% in 2020 & 45% in 2023
     - TTM 3Q20 = 41%
3. **Continue to Expand the Integrated Supply Business**
   - 30% of total revenue[1]
4. **Diversified customer base**
   - Serve 200+ fabrication customers

1. For the twelve months ended September 30, 2020

Selected Recent Contract Awards and Renewals

Customer	Type/ Scope	Products	Geography
PG&E	Renewal	Gas products	U.S.
Dominion	Renewal with expanded scope	Gas products	U.S.
TECO	Renewal	Gas Products	U.S.
Ameren	New	Gas products	U.S.
Noble Midstream	New	Valves, Fittings and Flanges	U.S.
Eversource	Renewal with expanded scope	Gas products	U.S.
Total	New	Valves	Europe & West Africa
INEOS	Renewal	PVF	U.S.
Chevron – Canada	New	Integrated Supply	Canada
SoCal Gas	New	PFF	U.S.
CenterPoint	New	Integrated Supply	U.S.
Oneok	New	Valves	U.S.
ConocoPhillips	Renewal	PVF	N.A.
Chevron-TCO MRO	Renewal	Valves	KZ
Atmos	Renewal	Integrated Supply	U.S.
People's Gas	Renewal	PVF	U.S.

Houston Operations Complex at La Porte, TX

Supporting Growth & Continued Operational Efficiencies

- **More than <u>620,000 ft^2</u>** of space to deliver our customers' actuation, modification and product needs
  - Valve Engineering & Modification Center
  - Regional Distribution Center
  - Valve & Engineering Center
  - Office space for supply chain management, sales, projects, and executive personnel

MRC Global's Valve-Centric Strategy

- U.S. oil & gas valve sales were $5.2B[1] ($2.6B through distribution)
  - $2.2B Upstream & Midstream
  - $3.0B Downstream
- MRC Global is #1 in U.S. distributed energy valves
  - Holder of 3 global, multi-year, valve contracts with IOCs (Shell, Chevron, ExxonMobil)
- Valve, Automation, Measurement & Instrumentation (VAMI) revenue
  - VAMI is 40% of MRC Global's total sales YTD 3Q20
  - Expected to be 40-42% of total revenue in 2020 & 45% of total revenue in 2023
- Highly technical, complex, long lead-time, global supply chain with value-added services and modifications leads to higher margins

3Q20 VAMI Sales

Upstream Production	Midstream Pipeline	Gas Utilities	Downstream & Industrial
21%	15%	11%	53%

1. Source: *Valve World Americas*, *"Market Report"*, September 30, 2019. Sum of Chemical, Oil & Gas and Refining.

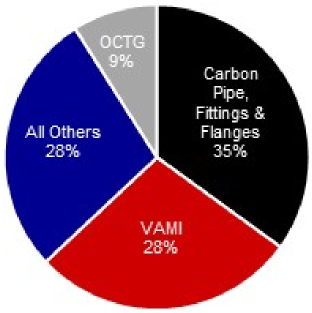
Market Penetration: Investment in Value-Added Valve Modification Capabilities

- Valve Engineering & Modification Center at La Porte complex in-house capabilities:
  - Pipe pup transitions, stem extensions, coatings
  - Differential thermal relief systems
  - Modification services
  - Testing services (e.g. Hydro testing, weld x-rays)
  - Documentation packages
  - Fast track actuation
- Midstream pipelines & gas utilities valves market penetration opportunity
- Higher-margin due to value-added services, supports strategic objective to maximize profitability

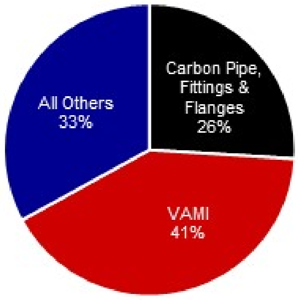
Maximizing Profitability: Expanding Higher Margin Opportunities - Valve Products & Services

Positioning Offerings to Higher Margin Products & Services

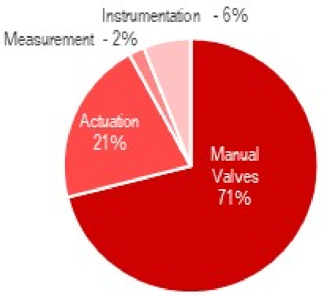
2013 Sales - Product Mix



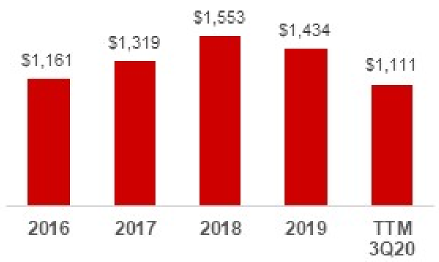
TTM 3Q20 Sales – Product Mix



YTD 3Q20 VAMI



Annual VAMI Sales

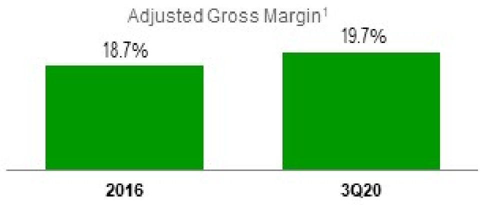


Maximizing Profitability and Working Capital Efficiency

Product Margin Enhancement

- Investment in higher margin products and services:
  - VAMI services - Valve actuation/automation, modification, engineered solutions, traceability, testing, ValidTorque™
  - Expanded La Porte - 127,000 ft² valve modification facility in 2019
- Reduction of lower margin products and projects

Portfolio Optimization



Working Capital Management

- Target is 19.5% – 19.9% working capital to sales ratio
- Investments in working capital are weighted to higher margin products
- Initiatives to increase efficiency underway (e.g. consolidating inventory in RDCs for better deployment)
- 2019 – exceeded 20% target

Optimizing Net Working Capital[2]

Actively Managing Costs

- SG&A, adjusted $35 million lower in 3Q20 versus 3Q19
- Actions taken to reduce SG&A in 2020
  - Closed and consolidated facilities
  - Voluntary retirement & involuntary reduction in force
  - Hiring and pay freezes
  - Indefinite suspension of 401K matching
  - For eligible executives & employees, a reduction in short & long-term incentives
  - Furloughs in all operations

Actively Managing SG&A, adjusted[1] Costs

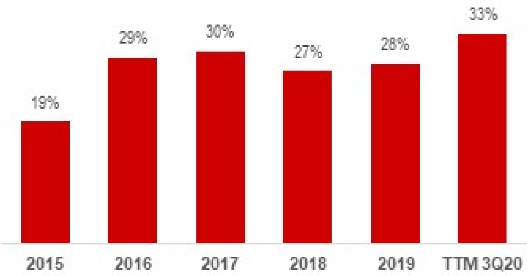
1. See reconciliation of non-GAAP measures to GAAP measures in the appendix
2. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

Investing in Technology for Long-Term Growth & Efficiency

MRCGO™ - A Comprehensive Digital Supply Chain Solution for Oil & Gas Pipe, Valve & Fitting Purchases

- End-to-end digital supply chain solution from a single platform
- B2B for contract customers allows for easy and efficient ordering
- Customized for each customer's contract terms, part numbers, commonly ordered items
- Targeting cost to serve for smaller, transactional customers – initial savings of $5 - $10 million expected by 2022
- 3Q20 e-commerce revenue was 38% of global revenue
- TTM 3Q20 results:
  - $899 million of revenue generated through MRCGO™/ e-commerce
  - 473 customers

% of Global Revenue Generated via E-Commerce



~49% of the **top 36** North American customers' TTM revenue or approximately $731 million was transacted through MRCGO (*e.g.* all digital sales including catalog, EDI)

E-Commerce Platform Capabilities Increase Efficiencies

MRCGO™
MRC GLOBAL ONLINE

GO SEARCH

- Mill Test Reports (MTRs)
- Proof of Delivery (POD)
- Invoices

GO TRACK

- Order status history
- Expedite a delivery
- View inquiry dashboard
- View inquiry reports

GO SHOP

- Catalog
  - View inventory
  - View price
- Request a quote
- Punchout via your ERP or procurement software
- Electronic purchasing (EDI/XML)

SUPPORT

- Online chat
- PVF mobile handbook
- Find a store
- Consult reference materials

Strategic Capital Decisions Support Growth

Effectively Positioned the Balance Sheet

- Advantageous debt agreements with favorable terms, low interest rate and maturities 2022+
- Liquidity of $477 million at 9/30/20 – sufficient to support business strategy

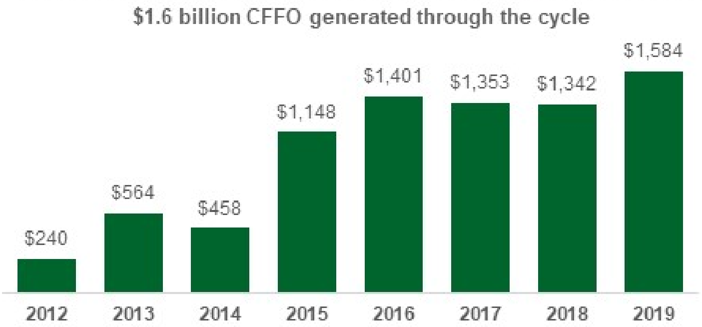
+ Strong Operating Cash Flow Generation

- CFFO annual average is $198 million from 2012 to 2019
- Counter-cyclical cash flow generation
- Business consumes/releases ~20% of working capital per change in sales on average

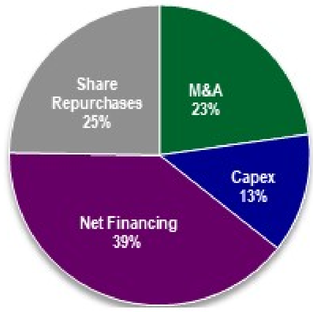
= Capital Deployment Opportunities

- Debt reduction prioritized in near-term
  - Reduced debt $142M YTD & $65M in 3Q
  - Repurchased $3M of Term Loan B at a 23% discount in 1Q
- E-commerce investments to drive cost efficiencies & share gains
- Returned $375 million of cash to shareholders since 2015 through 2019
  - Repurchased 24.2 million shares at an average price of $15.48 per share

Cumulative Annual Cash Flow from Operations



Use of Cash Flow (2013 – 3Q 2020[1])

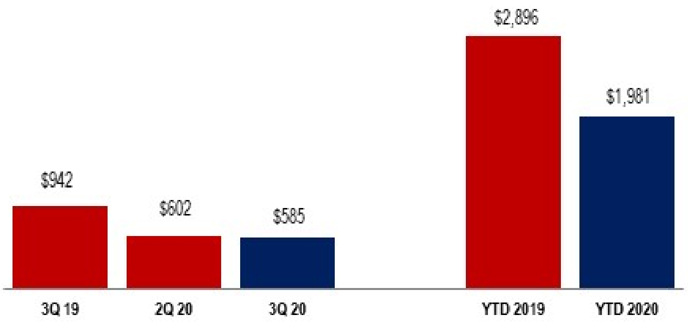


1. Investing and Financing cash flows from 2013 through 3Q 2020. Net Financing equals the total issuance less repayment of debt and equity excluding share repurchases. Excludes miscellaneous sources of cash including immaterial asset proceeds.

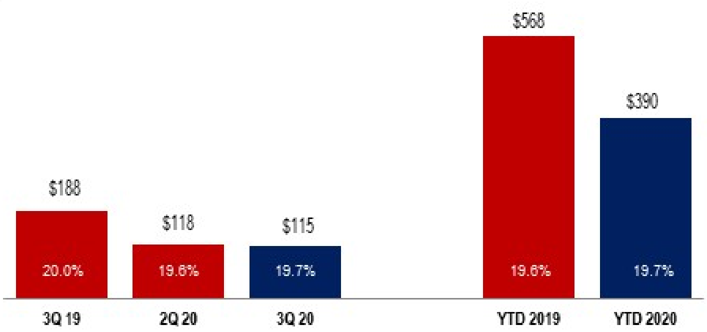
Quarterly & YTD Financial Performance

($ millions, except per share data)

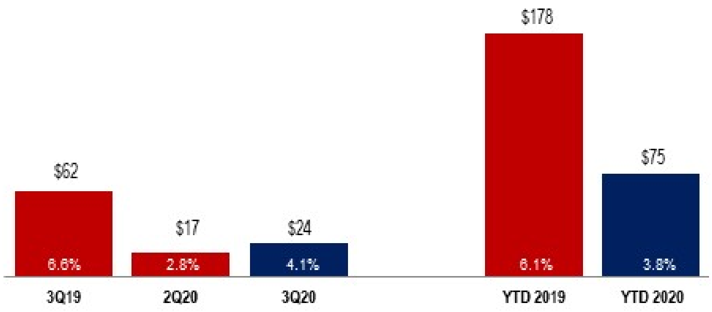
Sales



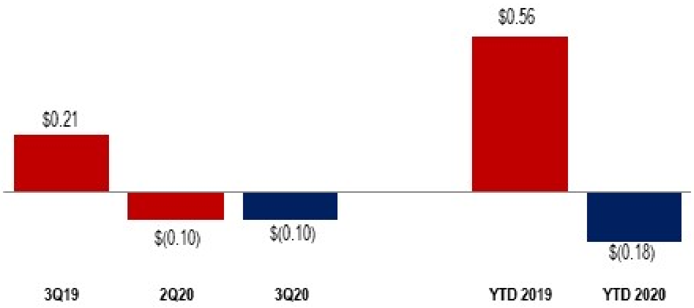
Adjusted Gross Profit and % Margin[1]



Adjusted EBITDA and % Margin[1]



Adjusted Diluted EPS[1]

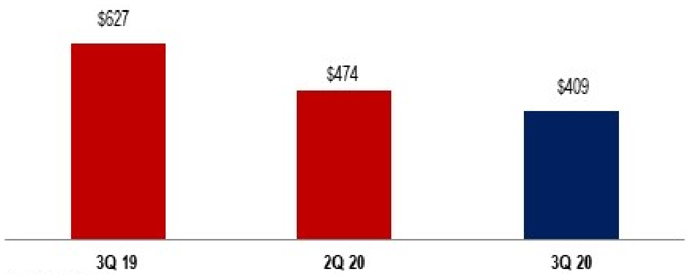


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

Strong Balance Sheet Provides Financial Flexibility

($ millions)

Total Debt

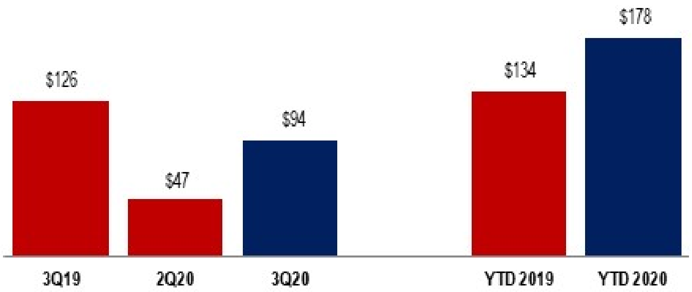


Net Leverage[1]:		
2.5x	3.3x	3.8x

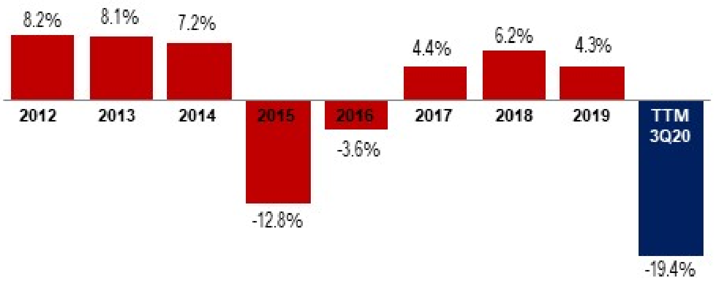
Capital Structure

	September 30, 2020
Cash and Cash Equivalents	**$40**
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 384
Global ABL Facility due 2022	25
Total Debt	$ 409
Preferred stock	355
Common stockholders' equity	347
Total Capitalization	**$ 1,111**
Liquidity	**$ 477**

Cash Flow from Operations



Return on Average Net Capital Employed[2]



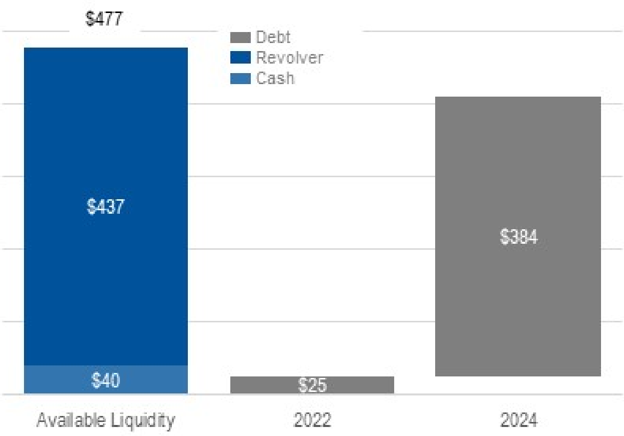
1. Multiples represent Net Debt / trailing twelve months Adjusted EBITDA. Net Debt is Total Debt less Cash.
2. Return on Average Net Capital Employed is defined as net income plus interest expense after-tax, divided by average net capital employed (debt plus equity).Calculated with GAAP figures.

Capital Structure

Credit Agreements (ABL and Term Loan)

- Global ABL matures in September 2022 and Term Loan B matures in September 2024
- Term Loan B has 1% per year amortization, paid quarterly
- Term Loan B requires repayment in form of annual excess cash flow sweep based on leverage ratio (25 - 50% of annual "Excess Cash Flow")

Liquidity & Debt Waterfall (millions)



Financial Maintenance Covenants

- Both the ABL and Term Loan B have no financial maintenance covenant restrictions
- In the ABL, a springing covenant is triggered if "Excess Availability" is less than the greater of 10% of the "Line Cap" or $60 million, then a "Fixed Charge Coverage Ratio" of 1.0:1.0 is required.
  - "Excess Availability" is approximately $437 million
  - "Fixed Charge Coverage Ratio" was 1.3 at Sept. 30, 2020
- The ABL and Term Loan B contain customary restrictive covenants based on leverage metrics that limit our ability to make investments, prepay certain indebtedness, grant liens, incur additional indebtedness, sell assets, make fundamental changes, enter into transactions with affiliates and pay dividends.

Strategy - 3Q20 Accomplishments

Grow Market Share	• Added new customer contracts and awards (*e.g.* downstream)

Maximize Profitability	• Achieved 19.7% adjusted gross margins
	• 39% of revenue from valves in 3Q 2020 and 40% YTD
	• E-commerce revenue:
	  • 48% of North America revenue in September
	  • 38% of total revenue in 3Q20

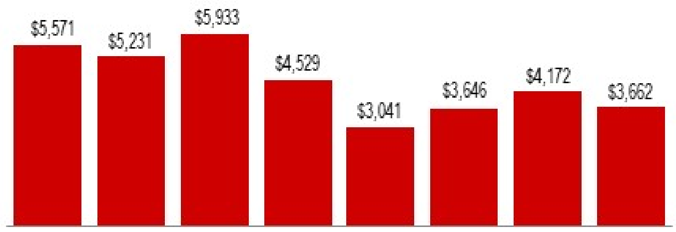
Maximize Working Capital Efficiency	• Achieved 19.5% of working capital, net of cash, to sales on TTM basis • Targeting 19.5% to 19.9% for 2020
Optimize Capital Structure	• Reduced net debt by $86 million in 3Q20 from 2Q20 and $150 million YTD • Generated $94 million cash from operations in 3Q20 and $178 million YTD

Appendix

Annual Financial Performance

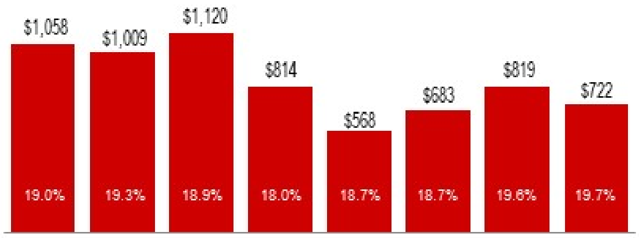
($ millions, except per share data)

Sales



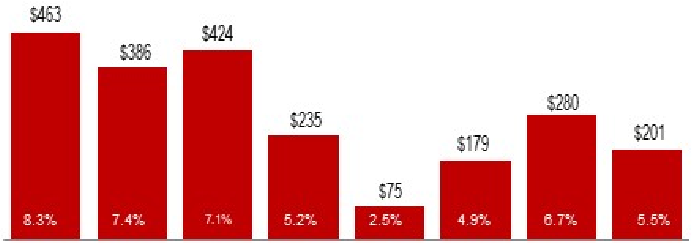
	2012	2013	2014	2015	2016	2017	2018	2019
Y-o-Y Growth		*(6%)*	*13%*	*(24%)*	*(33%)*	*20%*	*14%*	*(12%)*

Adjusted Gross Profit and % Margin[1]



	2012	2013	2014	2015	2016	2017	2018	2019
Y-o-Y Growth		*(5%)*	*11%*	*(27%)*	*(30%)*	*20%*	*20%*	*(12%)*

Adjusted EBITDA and % Margin[1]



	2012	2013	2014	2015	2016	2017	2018	2019
Y-o-Y Growth		*(17%)*	*10%*	*(45%)*	*(68%)*	*139%*	*56%*	*(28%)*

Adjusted Diluted EPS[1]

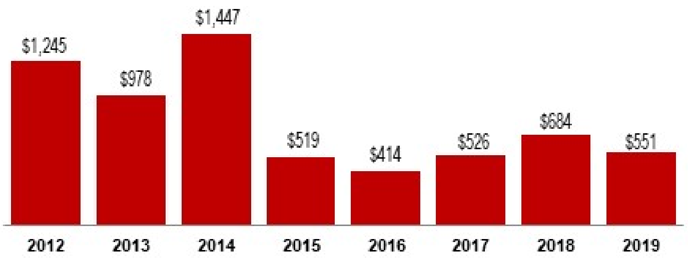
	2012	2013	2014	2015	2016	2017	2018	2019
Y-o-Y Growth		*(22)%*	*13%*	*(75)%*	*NM*	*NM*	*NM*	*(67%)*

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

Balance Sheet

($ millions)

Total Debt



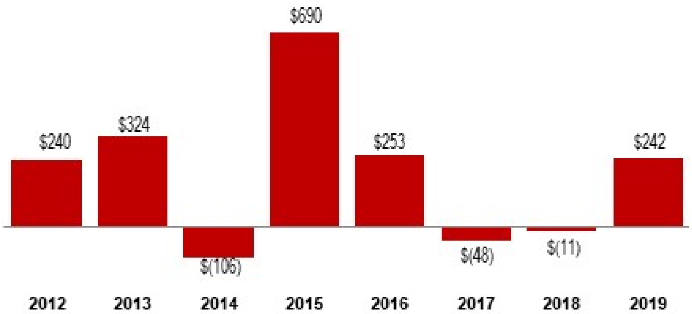
Net Leverage[1]:

2012	2013	2014	2015	2016	2017	2018	2019
2.6x	2.5x	3.4x	1.9x	4.0x	2.7x	2.3x	2.6x

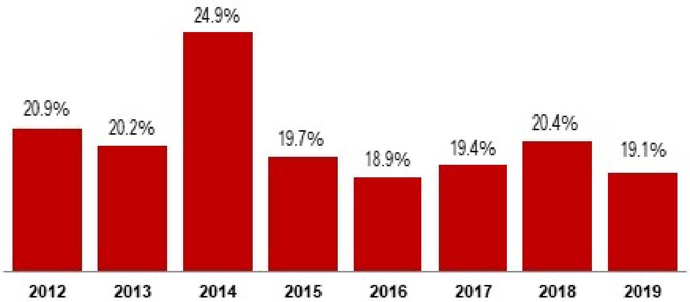
Capital Structure

	December 31, 2019
Cash and Cash Equivalents	**$ 32**
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 390
Global ABL Facility due 2022	161
Total Debt	$ 551
Preferred stock	355
Common stockholders' equity	642
Total Capitalization	**$ 1,548**
Liquidity	**$ 483**

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			Nine months ended		Year ended December 31							
($ millions)	Sept 30, 2020	June 30, 2020	Sept 30, 2019	Sept 30, 2020	Sept 30, 2019	2019	2018	2017	2016	2015	2014	2013	2012
Gross profit	$ 114	$ 79	$ 174	$ 341	$ 522	$ 653	$ 689	$ 582	$ 468	$ 786	$ 1,018	$ 955	$ 1,014
Depreciation and amortization	5	5	5	15	16	21	23	22	22	21	22	22	19
Amortization of intangibles	7	6	11	20	33	42	45	45	47	60	68	52	49
(Decrease) increase in LIFO reserve	(11)	(6)	(2)	(20)	(3)	(2)	62	28	(14)	(53)	12	(20)	(24)
Inventory charges and other	-	34	-	34	-	8	-	6	45	-	-	-	-
Adjusted Gross Profit	$ 115	$ 118	$ 188	$ 390	$ 568	$ 722	$ 819	$ 683	$ 568	$ 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 October 28, 2020.

Adjusted SG&A Reconciliation

	Three months ended	
($ millions)	Sept 30, 2020	Sept 30, 2019
SG&A	**$ 100**	**$ 137**
Severance and restructuring	(5)	(5)
Recovery of supplier bad debt	2	-
Adjusted SG&A	**$ 97**	**$ 132**

Note: Adjusted SG&A is a non-GAAP measure. For a discussion of the use of Adjusted SG&A, see our Current Report on Form 8-K dated October 28, 2020.

Adjusted EBITDA Reconciliation

	Three months ended			Nine months ended		Year ended December 31							
($ millions)	Sept 30, 2020	June 30, 2020	Sept 30, 2019	Sept 30, 2020	Sept 30, 2019	2019	2018	2017	2016	2015	2014	2013	2012
Net income (loss)	$ 3	$ (281)	$ 21	$ (269)	$ 63	$ 39	$ 74	$ 50	$ (83)	$ (331)	$ 144	$ 152	$ 118
Income tax expense (benefit)	5	(17)	8	(7)	22	27	21	(43)	(8)	(11)	82	85	64
Interest expense	7	7	10	22	31	40	38	31	35	48	62	61	113
Depreciation and amortization	5	5	5	15	16	21	23	22	22	21	22	22	19
Amortization of intangibles	7	6	11	20	33	42	45	45	47	60	68	52	49
(Decrease) increase in LIFO reserve	(11)	(6)	(2)	(20)	(3)	(2)	62	28	(14)	(53)	12	(20)	(24)
Equity-based compensation expense	3	3	5	8	12	16	14	16	12	10	9	15	8
Foreign currency losses (gains)	2	(1)	(1)	3	(1)	(1)	(1)	(2)	4	3	3	13	(1)
Goodwill & intangible asset impairment	-	242	-	242	-	-	-	-	-	462	-	-	-
Inventory-related charges	-	34	-	34	-	5	-	6	40	-	-	-	-
Facility closures	-	18	-	18	-	-	-	-	-	-	-	-	-
Severance & restructuring charges	5	7	5	12	5	9	4	14	20	14	8	1	-
Recovery of supplier bad debt & Supplier bad debt	(2)	-	-	(2)	-	5	-	-	-	-	-	-	-
Gain on early extinguishment of debt	-	-	-	(1)	-	-	-	-	-	-	-	-	114
Write off of debt issuance costs	-	-	-	-	-	-	1	8	1	3	-	-	-
Litigation matter	-	-	-	-	-	-	-	3	-	3	-	-	-
Change in fair value of derivative instruments	-	-	-	-	-	-	(1)	1	(1)	1	1	(5)	(2)
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
Pension settlement	-	-	-	-	-	-	-	-	-	-	-	-	4
Other expense (income)	-	-	-	-	-	-	-	-	-	-	-	3	(1)
Adjusted EBITDA	$ 24	$ 17	$ 62	$ 75	$ 178	$ 201	$ 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 October 28, 2020.

Adjusted Net Income Reconciliation

	Three months ended						Nine months ended			
($ millions)	Sept 30, 2020		June 30, 2020		Sept 30, 2019		Sept 30, 2020		Sept 30, 2019	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share*	Amount	Per Share
Net (loss) income attributable to common stockholders	**$ (3)**	**$ (0.04)**	**$ (287)**	**$ (3.50)**	**$ 15**	**$ 0.18**	**$ (287)**	**$ (3.50)**	**$ 45**	**$ 0.53**
Goodwill and intangible asset impairment, net of tax	-	-	234	2.85	-	-	234	2.86	-	-
Inventory-related charges, net of tax	-	-	29	0.35	-	-	29	0.35	-	-
Facility closures, net of tax	-	-	16	0.20	-	-	16	0.20	-	-
Severance and restructuring, net of tax	5	0.06	5	0.06	4	0.05	10	0.12	4	0.05
Recovery of supplier bad debt, net of tax	(2)	(0.02)	-	-	-	-	(2)	(0.02)	-	-
Decrease in LIFO reserve, net of tax	(8)	(0.10)	(5)	(0.06)	(2)	(0.02)	(15)	(0.18)	(2)	(0.02)
Adjusted net (loss) income attributable to common stockholders	**$ (8)**	**$ (0.10)**	**$ (8)**	**$ (0.10)**	**$ 17**	**$ 0.21**	**$ (15)**	**$ (0.18)**	**$ 47**	**$ 0.56**

Note: Adjusted Net Income is a non-GAAP measure. For a discussion of the use of Adjusted Net Income, see our Current Report on Form 8-K dated October 28, 2020.
* Does not foot due to rounding

Adjusted Net Income Reconciliation

Year ended December 31																
($ millions)	2019		2018		2017		2016		2015		2014		2013		2012	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
Net income (loss) attributable to common stockholders	**$ 15**	**$ 0.18**	**$ 50**	**$ 0.54**	**$ 26**	**$ 0.27**	**$ (107)**	**$ (1.10)**	**$ (344)**	**$ (3.38)**	**$ 144**	**$ 1.40**	**$ 152**	**$ 1.48**	**$ 118**	**$ 1.22**
Goodwill and intangible asset impairment, net of tax	-	-	-	-	-	-	-	-	402	3.94	-	-	-	-	-	-
Inventory-related charges, net of tax	5	0.06	-	-	6	0.06	33	0.34	-	-	-	-	-	-	-	-
Severance and restructuring, net of tax	7	0.08	3	0.03	14	0.15	17	0.17	11	0.11	6	0.06	-	-	-	-
Supplier bad debt, net of tax	5	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(Decrease) increase in LIFO reserve, net of tax	(2)	(0.02)	48	0.52	18	0.19	(9)	(0.09)	(33)	(0.32)	8	0.08	(13)	(0.13)	(15)	(0.15)
Loss on early extinguishment of debt, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74	0.76
Litigation matter, net of tax	-	-	-	-	2	0.02	-	-	2	0.02	-	-	-	-	-	-
Write-off of debt issuance costs, net of tax	-	-	1	0.01	5	0.05	1	0.01	2	0.02	-	-	-	-	1	0.01
Executive separation expense, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	1	0.01	-	-
Loss on disposition of non-core product lines, net of tax	-	-	-	-	-	-	-	-	3	0.03	8	0.08	-	-	-	-
Insurance charge, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	1	0.01	-	-
Expenses associated with refinancing, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	3	0.03	-	-
Equity-based compensation acceleration, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	3	0.03	-	-
Income tax adjustment	-	-	-	-	(50)	(0.52)	-	-	-	-	-	-	3	0.03	-	-
Cancellation of executive employment agreement, net of tax	-	-	-	-	-	-	-	-	-	-	3	0.03	-	-	-	-
Pension settlement, net of tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	0.03
Adjusted net income (loss) attributable to common stockholders	**$ 30**	**$ 0.36**	**$ 102**	**$ 1.10**	**$ 21**	**$0.22**	**$ (65)**	**$ (0.67)**	**$ 43**	**$ 0.42**	**$ 169**	**$ 1.65**	**$ 150**	**$ 1.46**	**$ 181**	**$ 1.87**

Note: Adjusted Net Income is a non-GAAP measure. For a discussion of the use of Adjusted Net Income, see our Current Report on Form 8-K dated October 28, 2020.