

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

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

Date of report (Date of earliest event reported): May 6, 2019 (May 2, 2019)

**Tredegar Corporation**

(Exact Name of Registrant as Specified in its Charter)

Virginia

(State or Other Jurisdiction of Incorporation)

1-10258

(Commission File Number)

54-1497771

(IRS Employer Identification No.)

1100 Boulders Parkway  
Richmond, Virginia

(Address of Principal Executive Offices)

23225

(Zip Code)

Registrant's telephone number, including area code: (804) 330-1000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Emerging growth company

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common	TG	NYSE

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

On May 2, 2019, Tredegar Corporation (“Tredegar”) held its Annual Meeting of Shareholders (the “Meeting”). As of March 15, 2019, the record date for the Meeting, there were a total of 33,198,735 shares of Tredegar’s common stock outstanding and entitled to vote at the Meeting. At the Meeting, 30,883,397 shares of Tredegar’s common stock, constituting approximately 93.03% of the outstanding shares on the record date for the Meeting, were represented in person or by proxy; therefore, a quorum was present. The results of the Meeting were as follows:

**Proposal 1 – Election of Directors**

<u>Directors</u>	<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
George C. Freeman, III	28,869,817	328,976	8,093	1,676,510
John D. Gottwald	28,261,181	937,640	8,066	1,676,510
William M. Gottwald	28,259,335	939,486	8,066	1,676,510
Kenneth R. Newsome	29,042,518	156,269	8,099	1,676,510
Gregory A. Pratt	28,807,815	391,648	7,424	1,676,510
Thomas G. Snead, Jr.	28,944,866	253,281	8,739	1,676,510
John M. Steitz	29,034,656	164,132	8,099	1,676,510
Carl E. Tack, III	28,872,530	326,292	8,064	1,676,510
Anne G. Waleski	29,001,395	198,568	6,924	1,676,510

All directors were duly elected.

**Proposal 2 – The Ratification of the Appointment of KPMG LLP as Tredegar’s Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2019**

<u>Votes For</u>	<u>Votes Against</u>	<u>Abstentions</u>	<u>Broker Non-Votes</u>
30,207,229	652,753	23,414	-0-

The appointment of KPMG LLP was ratified.

**Item 7.01. Regulation FD Disclosure.**

During the Meeting, members of Tredegar’s management delivered a presentation regarding Tredegar’s performance and related matters. As previously announced, the Meeting, including the presentation, was webcast through Tredegar’s website. Copies of the transcript of the webcast and the slides used in connection with the Meeting, which slides are also available on Tredegar’s website, are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated into this Item 7.01 by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed “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, nor shall it be deemed incorporated by reference in any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

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

(d) Exhibits.

[99.1](#) Transcript of Webcast of Tredegar Corporation’s 2019 Annual Meeting of Shareholders held May 2, 2019

[99.2](#) Slides for Webcast of Tredegar Corporation’s 2019 Annual Meeting of Shareholders held May 2, 2019

**SIGNATURES**

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

**TREDEGAR CORPORATION**

Date: May 6, 2019

By: /s/ D. Andrew Edwards  
D. Andrew Edwards  
Vice President and Chief Financial Officer

**Tredegar**  
**Annual Shareholders Meeting**  
**May-02-2019**

Bill Gottwald: Good morning, ladies and gentlemen. I'm Bill Gottwald, Chairman of the Board of Tredegar. Welcome to our 30<sup>th</sup> annual meeting of shareholders. I understand that the meeting is being webcast, so I extend a special welcome to those of you who are listening in.

Before I get going, I'd like to pause for a second and go off script to reflect on Tredegar's 30 years. Thirty years ago, Tredegar was a spinoff. It was born as a spinoff, and John got the job of making something out of a real hodgepodge of units that Ethyl--that just didn't quite fit with Ethyl. On the positive side, John got diversified business with aluminum, plastics, and energy. But, then on the negative side, does any of the old-timers in the room remember how many plants Tredegar started off with? Do you remember, John?

Bill Gottwald: Got to have been 20 or 30. It was a bunch. So, the topic is plants and for 30 years, John has been Tredegar's master gardener and pruning, reshaping Tredegar to the focused organization we have today. John's tried to hang up his gloves and shears and kneepads twice before, but this time, it's for real. So, thanks, John.

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Here's the agenda for today's meeting. I'll move quickly through the annual meeting business items. After that, I'll take a minute to introduce John Steitz, our new CEO and President. Then Drew here is going to kick off the meeting with the financial report and then he'll turn things back over to John Steitz. John's presentation on the Tredegar way will walk us through his five guiding principles and explain how they align well with Tredegar's legacy and plans for the future. We'll then conclude with questions from the live audience.

As always, I need to warn you that we are--or that Drew, not me--I'm not going to use any measures, but Drew is going to use some measures that are consistent--not consistent with generally accepted accounting principles, and if you need reconciliation of that, go to our website. Also, we don't know the future. Drew doesn't know the future either, and so any forward-looking statements or anything that could be construed as a forward-looking statement, you should look on it kind of skeptically.

Before I begin the annual business--annual meeting business items, I'd like to introduce the Board of Directors, all of whom are here today and all of whom, including me, are up for re-election. So, guys, if you'd please stand when I call your name and in case anybody out there is inclined to applaud, please hold your applause until the end.

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George Freeman, John Gottwald, Ken Newsome, Greg Pratt, Tom Snead, John Steitz, Carl Tack, and last but not least, Anne Waleski who we are welcoming to her very first annual meeting for Tredegar. So, thank you guys for serving.

Now, for the annual meeting items. Please note proper notice of this meeting was given and minutes have been available or are available at the secretary's desk. The inspector of the election in the back is presenting me with a list of share--Tredegar shareholders entitled to vote at this meeting on the record date. This list has been on file in the Principal Office at Tredegar for inspection during normal business hours since April 10<sup>th</sup> and will be available for inspection throughout this meeting.

Our polls are now open for voting. Any shareholder who has already voted, given his or her proxy doesn't need to vote, but you can do so if you want to. Will those who want to vote in person please raise your hands and would the inspector please distribute ballots to anybody that wants to vote?

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There are two items of business today. One of them is the re-election of our Directors to serve until the next annual meeting and the ratification of our auditors, KPMG for 2019. Are there any ballots that need to be collected? Okay, I'll declare the polls closed. Is the inspector ready to report?

David Dietrich: Thank you, Mr. Chairman. With respect to the election of the nine directors to serve until the 2020 annual meeting, each director received a majority of the votes cast in there for all elected. The ratification of the appointment of KPMG as the independent public accounting firm for the fiscal year ending December 31<sup>st</sup>, 2019 was approved.

Bill Gottwald: Okay. Based on the inspector's report, I hereby declare that all the Director nominees have been elected and the auditors have been ratified. And, this brings to a conclusion the business portion of the meeting. So, now for the management presentation.

Before Drew gets started, I'd like to introduce those of you who haven't met him to John Steitz, President and CEO. John has an extensive background in operations and commercial roles in chemicals, making him an ideal leader for our businesses. And, because he's served as a valuable member of our Board for the last two years, his knowledge of Tredegar has allowed him to transition smoothly into his new role. So, welcome John. We're fortunate to have you and looking forward to great things. Drew, up to you, man.

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Drew Edwards: Thank you, Bill. So, I'm going to review our 2018 financial results. First quarter 2019 results will be available on May 9<sup>th</sup>. My first chart is earnings per share from ongoing operations, and I'll bridge you from 2017 to 2018. So, when I use the word EPS, I mean EPS from ongoing operations, which is a non-GAAP measure. As Bill mentioned, you can go to our website, to get a reconciliation of that to the U.S. GAAP measure.

So, in 2017, we had 91 cents per share EPS. In 2018, it grew by 52 cents to \$1.43. All my numbers on this chart are after-tax numbers per share and I'm going to move you left and right on what generated that 52 cent growth. We had an 11 cent adverse impact. That was two things. Seven cents per share was lower operating profits after-tax in our Surface Protection business. We had some quality claims in 2018. That's behind us now, as well as 2017 was just a very, very good year. The other 4 cents of the 11 cents relates to our Personal Care business. There in 2018, we had lower volumes from competitive pressures, primarily in Asia.

Moving over to the next bridge item is Terphane. That's our flexible packaging business in Brazil. It added 7 cents a share on over 10 percent volume growth. We restarted an idle line mid-last year that gave us the additional capacity to drive that additional volume growth and that 7 cents per share accretion to our earnings. Bonnell also had good volume growth in 2018, over 8 percent volume growth and on an after-tax basis its profits grew 9 cents per share.

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If you add up my first bridge items there, you get to 95 cents per share. That's an apples-to-apples comparison to the 91 cents per share in 2017. And then we had two other items that benefited 2018 that were not in 2017. First is an accounting-related item. We got 16 cents per share on lower depreciation and amortization as a result of a significant write-down of Terphane's assets in the fourth quarter of 2017, and U.S. corporate--U.S. federal income tax rate for corporations dropped in 2018 from 35 to 21 percent and that added 32 cents per share, ending up 2018 at \$1.43.

Now, my next slide is on Outlook for 2019. In Personal Care, we've previously disclosed a significant customer product transition that started in January of 2019, and our estimate of the adverse impact of that on our quarterly operating profits is \$3.5 million. Our Personal Care team is very focused on generating sales growth from new investments we've made in Personal Care, and as well cost optimization is a key in that business unit.

In Surface Protection, we also have a significant customer product transition, but it's continuously been delayed. If and when it is fully implemented, we estimate it will have an adverse impact on our annual pre-tax profits of \$11 million. But, as I mentioned, it continues to be delayed, and as it's delayed, our Surface Protection team has been making progress in sales on new products, applications, and with new customers.

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For Terphane, as I mentioned before, it's a Latin American business. There's still a lot of uncertainty and volatility associated with our profitability. But, they did make good improvements in 2018, and hopefully that'll bode well for 2019. Bonnell had 4 percent volume growth in the first quarter of 2019, so continued growth. But we still have problems with inefficiencies at our Niles facility that we're trying to fix.

I also want to mention that the aluminum extrusions industry is a very cyclical industry. We are now into this recovery from the Great Recession for 10 years, 10 years. So, we keep a watchful eye on a downturn because you've got to operate this business a little bit differently in a downturn than you do in an uptick.

My next slide shows you net debt. We've got a simple capital structure, and so if you take -- on a sequential basis, if you take the difference in our debt net of cash, net debt, you get our net cash flow for that period. And, so for 2018, we generated \$48 million of cash flow, for a net debt drop of about \$48 million. \$35 million of that \$48 million was tax benefits and the others were related to operations. So, strong cash flow in 2018.

We ended up with net debt at March 31, 2019 at \$74 million, so we had negative cash flow, about \$7 million, and that's primarily higher than normal working capital, which we're trying to work down now. And, I'm happy to report that we got our first dividend on our kaléo investment of \$17.6 million. That hit our bank account on April 30<sup>th</sup>. So, that's very, very good news.

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My last slide is on internal control over financial reporting. So, our prior auditors' audit of our 2017 financial statements got inspected by their auditors, the PCAOB, and following that inspection, we identified material weaknesses in internal controls over financial reporting. Now, there were no changes, no changes to our financial statements. The numbers didn't change, but we've got significant remediation efforts that we've got to go through to get back into compliance with Sarbanes-Oxley.

That'll take place in 2019 and the first part of 2020. We'll keep everybody aware of what's going on there in our progress in our quarterly filings. But we will be spending one-time remediation costs we estimate of about \$1.5 million, and then thereafter, we're going to have likely higher ongoing maintenance costs to stay in compliance of \$500,000.

And, with that, I'm going to turn it over to John. Thank you.

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John Steitz: Well, thank you, Drew. I truly think we have one of the best CFOs in the business, and thank you for your leadership of working through some complex set of issues for us on the financial side and helping drive the company to a great year in 2018. Dr. Gottwald, thank you for your kind comments and more importantly, thank you for your leadership of our board as Chairman of our Board. I deeply appreciate that.

I'd also like to take a minute and thank all of our employees, especially John Gottwald, for his and their dedication and hard work and loyalty to our company. I'd also like to take a minute and thank our Board of Directors for their confidence in me, and the tone starts at the top, and I assure you that their stewardship of your company is very, very high. And, their concern and stewardship of our shareholders is at the foremost of their thinking.

I'd also like to thank all our shareholders who are here today. Shareholders are very important to us, and I feel that a very important aspect of my job is to grow shareholder value. So, I really would like to take a few minutes and share with you my thoughts on principles in helping drive shareholder value.

I believe that these five aspects of running a business will really help to continue to build the value of our company. First, topline growth, continually driving our sales effort in a margin positive way, with a term I call velocity, which is efficient use of working capital, helping drive cash, which will help feed into constantly new investment and invigoration of our company, all done through a very engaged leadership team.

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So, let me first start with topline growth. Taking care of customer needs and being that preferred source of supply for our customers is very important. I think if our people are constantly asking, "What are our customers working on that is new and exciting?" we will be successful. But, I also think part of that effort is commercial excellence and to perceive value, you have to give value and provide value. And, when we amplify the value we bring to our customers through business leadership, our sales effort, research and development, and seamless supply chain, in an uncompromising teamwork sort of way, we will be successful over the long term.

Margins are very important to me. There's three ways, in my mind, you can improve our margins. And, that is through improving pricing, reducing cost, and selling higher value products. I believe everything that I have learned about the Tredegar technology and service that we bring to our customers is worthy of an above average margin.

I also believe that as our team's focus on driving the selling of our products, constantly ascending up the value chain in our customers' eyes, we'll be successful. And, also one thing I have learned over the last six weeks at the helm here is that we need to constantly work on improving our processes, our cost position, and the yields that we generate at our plant sites. Leadership and core competency and quality and manufacturing is vital important--vitaly important to leadership.

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The efficient use of working capital, I view working capital as kind of the blood flowing through the veins of a company. And, the efficient use of that working capital drives cash generation. We must be nimble and responsive to our customers. We must have precise supply chain planning, to make sure that we are efficient in the use of our raw materials and manufacturing plants. We must make sure we do not--or we constantly eliminate idle costs and wastes. And, by doing this, with efficient focus on working capital, this efficiency will drive greater cash generation over the long term.

If we're successful at these three aspects in our business, we can drive and earn the opportunity for new investment. New investment is frequently needed to support topline growth. New opportunities, cost reduction, safety improvement, very important to us, health improvement of our employees, and protection of our environment.

Acquisitions are very important to me also. And, as we earn that right to acquire additional businesses in our portfolios, it's important to us to drive accretion in our earnings in year one, accretion in our margins. Meaning, that the margins that we buy into are better than the existing margins of our businesses and that we can continue to drive that cash generation, strong focus on cash. And, in doing that, we can drive total shareholder return.

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I believe this is all done through a motivated, engaged team of leaders at every level. They must have a winning attitude, and that's what I see with our team. They must have the ability to execute, driving down with the power specificity, with great attention to detail, and I've seen that and experienced that. And, I think by focusing on critical priorities, with accountability and the metrics backed up from our finance team, we can continue to drive successful business ownership. And, I also believe that the incentives and rewards across our company should be aligned with our shareholders.

So, in conclusion, you will see us drive topline growth, improve pricing and lower cost, frequent working capital turns to drive cash through this term I call velocity, all driving a solid and accretive picture of new investments and capital expenditures, all through a fired up team of engaged, committed, and dedicated employees. So, on that note, thank you for your attention. I'm happy to take any questions and otherwise, we'll all get back to work. So, thank you all.

Going once. Going twice. We've always had some good questions. Three times. Well, thank you all very much. Have a great day and thank you. Look forward to seeing you again next year.

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**2019**

**ANNUAL  
MEETING**



# Annual Meeting Business Report

Bill Gottwald  
Chairman of the Board of Directors

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## Agenda

- Annual Meeting Business Report
- Meet John Steitz, President and Chief Executive Officer
- Tredegar Financial Report  
Drew Edwards, Vice President and Chief Financial Officer
- The Tredegar Way, John Steitz
- Questions

## Forward Looking Statements & Non-GAAP Measures

Certain statements contained in this presentation are forward-looking statements. Pursuant to federal securities regulations, we have set forth cautionary statements relating to those forward-looking statements in our Annual Report on Form 10-K for the year ended December 31, 2018 and in other filings with the Securities and Exchange Commission. We urge readers to review and carefully consider these cautionary statements and the other disclosures we make in our filings with the SEC.

This presentation contains non-GAAP financial measures that are not determined in accordance with United States GAAP. These non-GAAP financial measures should not be considered in isolation, as an alternative to, or more meaningful than measures of financial performance determined in accordance with United States GAAP. A reconciliation of those financial measures to United States GAAP financial measures is included under "Supplemental Information" in this presentation and is available on the company's website at [www.tredgar.com](http://www.tredgar.com) under "Investors".

*The presentation speaks as of the date thereof. Tredgar is not, and should not be deemed to be, updating or reaffirming any information contained therein. We do not undertake, and expressly disclaim any duty, to update any forward-looking statements made in this presentation to reflect any change in management's expectations or any change in conditions, assumptions or circumstances on which such statements are based.*

**Meet John Steitz**



CEO, Addivant Corporation (2015-2019)

Director, Tredegar Corporation (2017-present)

COO, Albemarle Corporation (2007-2012)

# Tredegar Financial Report

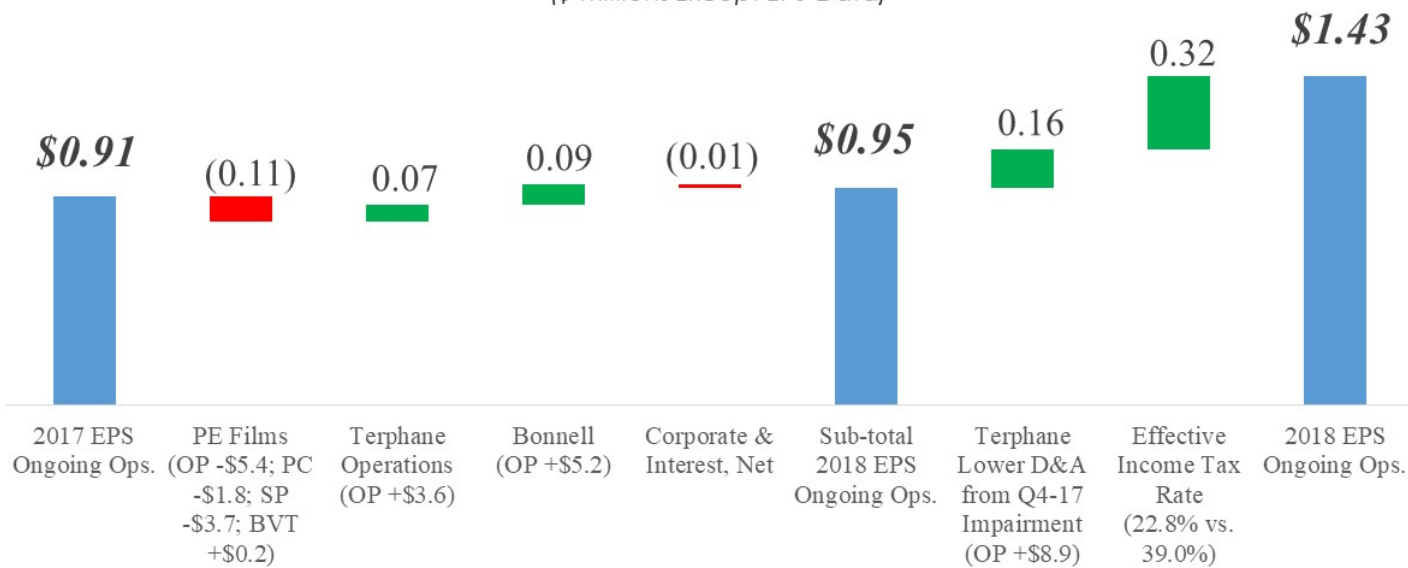


Drew Edwards  
Vice President and Chief Financial Officer

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## Bridge of Tredegar 2017 to 2018 EPS from Ongoing Operations

(\$ Millions Except EPS Data)

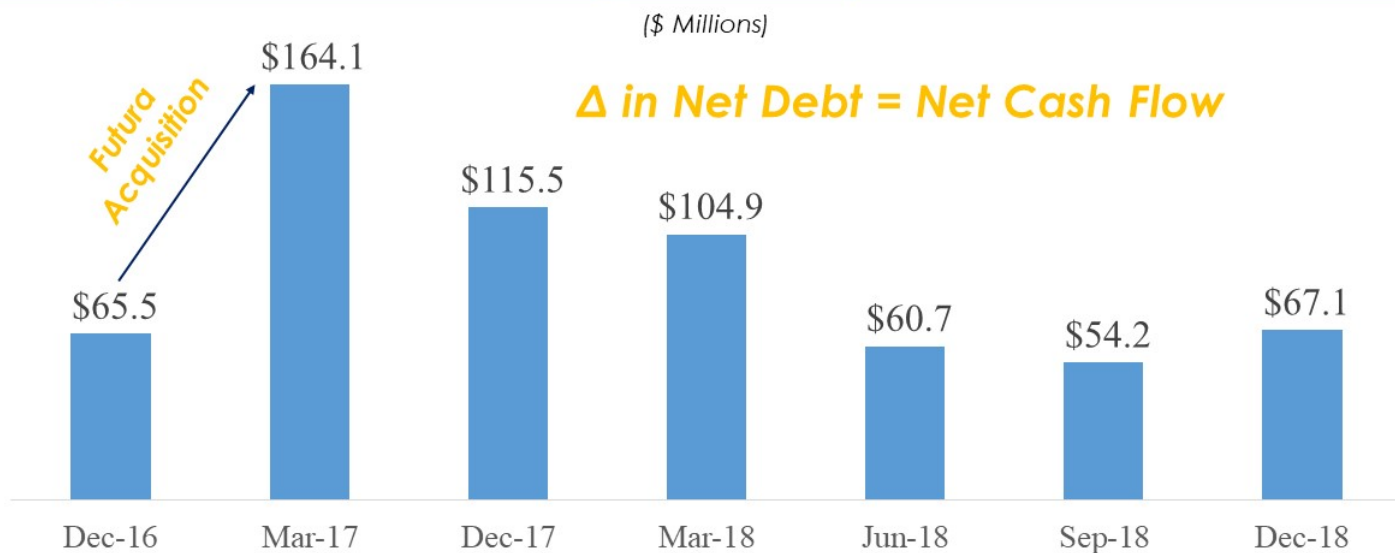


## 2019 Outlook

- PE Films
  - Personal Care: Quarterly profit decline after Q4-18 from customer product transition expected of ~\$3.5 million
    - Sales growth from investments in new products plus cost optimization key to improvements
  - Surface Protection: Customer product transition that could have adverse impact on annual profit of \$11 million continues to be delayed
    - Making progress with new products, applications and customers supporting long-term profit growth
- Terphane: Continued uncertainty and volatility expected with industry excess capacity but improved performance in 2018 encouraging for 2019
- Bonnell: Volume growth of ~4% achieved in first quarter of 2019 but Niles, MI plant inefficiencies still a challenge; continue to watch for indications of cyclical downturn



**Tredgar Debt, Net of Cash (“Net Debt”)**



**Net debt at 3/31/19 of \$74 million. Cash dividend from kaléo of \$17.6 million received 4/30/19.**

## **Internal Control Over Financial Reporting (“SOX Compliance”)**

- Prior auditor's 2017 audit of Tredegar inspected by the Public Company Accounting Oversight Board (the “PCAOB”)
- Following the PCAOB's inspection, auditor and Tredegar found material weaknesses in internal controls
  - ***But no changes to financial statements were required***
- Significant remediation required to achieve SOX Compliance in the future
  - Progress towards remediation to be reported in each quarterly or annual filing
  - One-time remediation cost estimated of \$1.5 million and likely higher annual ongoing SOX compliance costs estimated at \$500,000

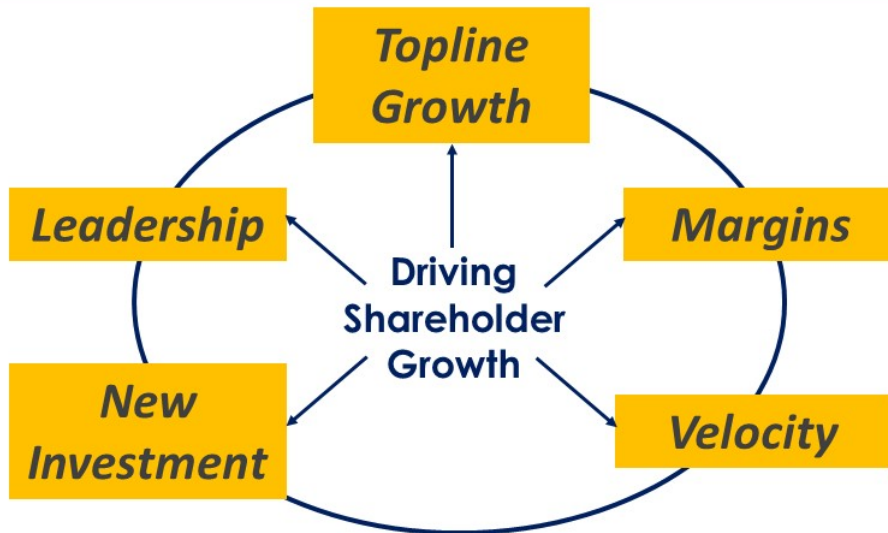
# The Tredegar Way



John Steitz  
President and Chief Executive Officer

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# The Tredgar Way



## Five Principles for Driving Shareholder Value

## **Topline Growth**

- Taking care of customer needs - the right product in the right place at the right time
  - *Market share growth and new product innovation*
- Broadening definition of customer needs to adjacent market opportunities
  - *What are customers working on that is new and exciting?*
- Driving commercial excellence
  - *Amplify the value we bring to our customers through business leadership, sales, R&D and supply chain with uncompromised teamwork*

## Margins

- Strategic pricing
  - *Achieving value for Tredegar technology and service*
- Optimal product mix
  - *Higher margins ascending the value chain*
- Continuous improvement of processes, costs and yields
  - *Leadership and core competency in quality and manufacturing*

## Velocity

- Speed-to-market
  - *Must be nimble and responsive*
- Critical operational tasks
  - *Precise supply chain planning*
- Machinery, equipment and plant utilization
  - *Eliminate idle costs and waste*
- Working capital management
  - *The higher our efficiency the greater our CASH generation*

## **New Investment**

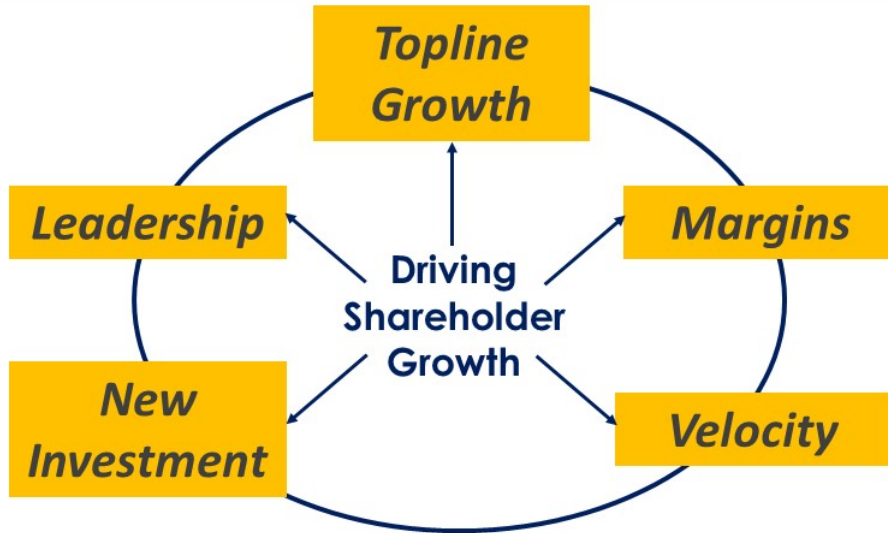
- Needed to support topline growth, new opportunities, cost reduction, safety improvement and protection of our environment
- Acquisitions
  - *Earn the right to invest in businesses we understand and are accretive to our earnings, margins and CASH generation*
- Total return to shareholders



## *Leadership*

- Winning attitude
- Execute, execute, execute
  - *Power of specificity*
  - *Follow-through with attention to detail*
  - *Focus on critical priorities, accountability and metrics*
- Incentives and rewards aligned with Tredgar shareholders

# The Tredgar Way



Achieving shareholder value and excellence in all that we do

# Questions



# GAAP to Non-GAAP Reconciliations



# GAAP to Non-GAAP Reconciliations

1. The after-tax effects of losses associated with plant shutdowns, asset impairments and restructurings and gains or losses from the sale of assets and other items (which includes unrealized gains and losses on non-operating investments) have been presented separately and removed from earnings per share as reported under generally accepted accounting principles in the United States (GAAP) to determine Tredagar's presentation of earnings per share from ongoing operations. Earnings per share from ongoing operations is a key financial and analytical measure used by Tredagar to gauge the operating performance of its ongoing operations. It is not intended to represent the stand-alone results for Tredagar's ongoing operations under GAAP and should not be considered as an alternative to earnings per share as defined by GAAP. It excludes items that Tredagar believes do not relate to its ongoing operations. Reconciliations of net income as reported under GAAP to net income from ongoing operations and diluted earnings per share under GAAP to diluted earnings per share from ongoing operations are shown below:

(In millions)	Years Ended December 31,	
	2018	2017
Net income	\$ 24.8	\$ 38.3
After-tax effects of:		
Terphane asset impairment loss	-	87.2
Tax benefit from Terphane worthless stock deductions	-	(61.4)
Unrealized gain associated with the investment in kaléo	(23.9)	(24.0)
(Gains) losses associated with plant shutdowns, asset impairments and restructurings	3.8	1.3
(Gains) losses from sale of assets and other	4.4	(11.5)
Goodwill impairment charge	38.2	-
Net income from ongoing operations	\$ 47.3	\$ 30.1

	Years Ended December 31,	
	2018	2017
Diluted earnings per share as reported	\$ 0.75	\$ 1.16
After tax effects per diluted share of:		
Terphane asset impairment loss	-	2.65
Tax benefit from Terphane worthless stock deductions	-	(1.86)
Unrealized gain associated with investment in kaléo	(0.72)	(0.73)
(Gains) losses associated with plant shutdowns, other asset impairments and restructurings	0.12	0.04
(Gains) losses from sale of assets and other	0.13	(0.35)
Goodwill impairment charge	1.15	-
Diluted earnings per share from ongoing operations	\$ 1.43	\$ 0.91

## GAAP to Non-GAAP Reconciliations

2. Net debt is a non-GAAP financial measure that is not intended to represent debt as defined by [GAAP](#), but is utilized by management in evaluating financial leverage and equity valuation. A calculation of net debt is shown below:

(In millions)	December 31, September 30,		June 30,	March 31,	December 31,	March 31,	December 31,
	2018	2018	2018	2018	2017	2017	2016
Debt	\$ 101.5	\$ 91.0	\$ 123.0	\$ 141.0	\$ 152.0	\$ 193.0	\$ 95.0
Less: Cash and cash equivalents	34.4	36.8	62.3	36.1	36.5	28.9	29.5
Net debt	\$ 67.1	\$ 54.2	\$ 60.7	\$ 104.9	\$ 115.5	\$ 164.1	\$ 65.5

3. Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.