TriMas

Fourth Quarter and Full Year 2019 Earnings Presentation

February 27, 2020

Disclaimer

Forward-Looking Statement

Any "forward-looking" statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, contained herein, including those relating to the TriMas' business, financial condition or future results, involve risks and uncertainties with respect to, including, but not limited to: general economic and currency conditions; material and energy costs; risks and uncertainties associated with intangible assets, including goodwill or other intangible asset impairment charges; competitive factors; future trends; the Company's ability to realize its business strategies; the Company's ability to identify attractive acquisition candidates, successfully integrate acquired operations or realize the intended benefits of such acquisitions; information technology and other cyber-related risks; the performance of subcontractors and suppliers; supply constraints; market demand; intellectual property factors; litigation; government and regulatory actions, including, but not limited to, the impact of tariffs, quotas and surcharges; the Company's leverage; liabilities imposed by debt instruments; labor disputes; changes to fiscal and tax policies; contingent liabilities relating to acquisition activities; the disruption of operations from catastrophic or extraordinary events, including natural disasters and public health crises; the potential impact of Brexit; tax considerations relating to the Cequent spin-off; the Company's future prospects; and other risks that are detailed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019. These risks and uncertainties may cause actual results to differ materially from those indicated by the forward-looking statements. All forward-looking statements made herein are based on information currently available, and the Company assumes no obligation to update any forward-looking statements, except as required by law.

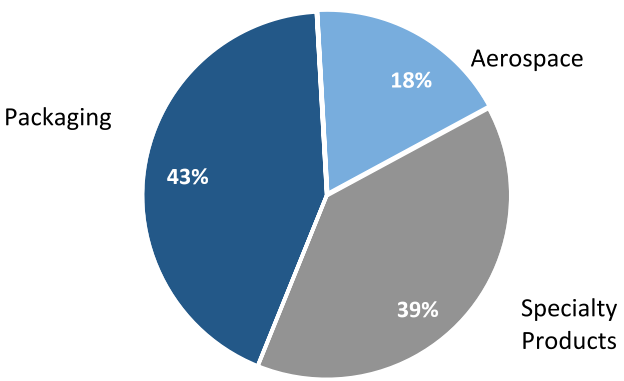
Non-GAAP Financial Measures

In this presentation, certain non-GAAP financial measures may be used. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measure may be found in the Appendix at the end of this presentation or in the earnings releases available on the Company's website. Additional information is available at www.trimascorp.com under the "Investors" section.

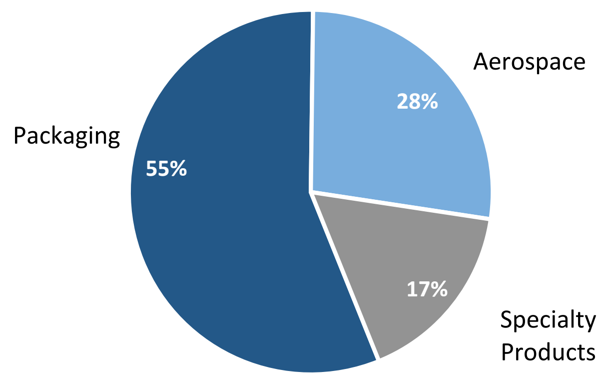
Please see the Appendix for details regarding certain costs, expenses and other amounts or charges, collectively described as "Special Items," that are included in the determination of net income, earnings per share and/or cash flows from operating activities under GAAP, but that management believes should be separately considered when evaluating the quality of the Company's core operating results, given they may not reflect the ongoing activities of the business. Management believes that presenting these non-GAAP financial measures, adjusting for Special Items, provides useful information to investors by helping them identify underlying trends in the Company's businesses and facilitating comparisons of performance with prior and future periods. These non-GAAP financial measures should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP financial measures.

Strategic Repositioning

Sales(1) by Segment



Pro Forma(2) Sales by Segment



- **Annualized Sales: ~$800 million**
- > 80% of sales in Packaging and Aerospace end markets
- **Adj. EBITDA(3) Margin: ~20%**
- Net Leverage < 1.5x

Per Management Estimates

- ✓ Divested Lamons business, reducing Oil & Gas market exposure to < 5% of sales
- ✓ Acquired Plastic Srl and Taplast in 2019, adding ~$45 million of annualized sales to the Packaging segment
- ✓ Announced acquisitions of:
    - ✓ Rapak, which upon closing will add ~$30 million of annualized sales to the Packaging segment
    - ✓ RSA Engineered Products, which upon closing will add ~$32 million of annualized sales to the Aerospace segment
- ✓ Balance sheet, even after considering planned acquisition investments, remains strong

(1) 2019 sales including Lamons through date of sale.
(2) Pro Forma sales include the annualized amount of announced acquisitions, the move of Martinic Engineering to the Aerospace segment and the disposition of Lamons.
(3) Adjusted EBITDA is defined as income (loss) from continuing operations plus expense (benefit) for interest, taxes, depreciation, amortization and non-cash stock compensation, all as adjusted for the impact of Special Items.

Share Repurchases – Investing in TriMas

- ✓ Increased share repurchase authorization in November 2019 to enable purchases up to $150 million
  - ✓ ~$92 million remains available under the authorization as of February 27, 2020
- ✓ Repurchased ~2.7% of shares outstanding in 2019
- ✓ Repurchased an additional ~0.7% to date in Q1 2020
- ✓ Since initiating repurchases in May 2018, repurchased 4.3% of shares outstanding
- ✓ Balance sheet, even after share repurchases and M&A, remains strong

In addition to increasing TriMas' focus in the Packaging and Aerospace end markets,
we remain committed to allocating a portion of Free Cash Flow to return capital to shareholders.

Acquisition of RSA Engineered Products

TriMas

- Highly-engineered and proprietary components for aerospace air management systems
  - Air ducting, connectors and flexible joints
  - Used in hot engine bleed air, anti-icing and environmental control system applications

- Serves aerospace and defense markets out of Simi Valley, CA facility

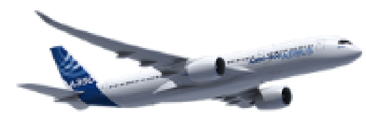
- *Building out TriMas' aerospace platform*:
  - ✓ Adds engineered components with product and process intellectual property
  - ✓ Increases position in defense and business jet markets, and adds aftermarket supply
  - ✓ Attractive market with opportunity to enhance RSA's growth as part of TriMas Aerospace

- 2019 revenue of approximately $32 million with an Adjusted EBITDA margin greater than 21%
  - Identified procurement, infrastructure and planned growth synergies
  - Closing expected in Q1

RSA ENGINEERED PRODUCTS

Key Markets

Regional



Commercial

Defense

Key Products

Aircraft Ducting

Connectors

Expansion Joints

Acquisition of Rapak

- Provider of bag-in-box (BIB) product lines and filling equipment
  - Ready-to-fill polyethylene bags with attached injection molded closure and dispenser assemblies
  - Provides products to the North American dairy, soda, smoothie and wine end markets
  - Acquired brands: Rapak®, Mustang®, Autokap™, Sterikap™ and IntaSept™
- Serves customers through: Indianapolis, IN; Union City, CA; and new Chicago, IL, facilities
- *Building out TriMas' packaging platform*:
  - ✓ Broadens packaging product line to include BIB and related dispensing innovations
  - ✓ Further expands into beverage and quick-service markets, including aseptic applications, for blue-chip customer base
  - ✓ Supports sustainability trends for BIB applications
- Required carve-out from Liqui-Box's acquisition of DS Smith Plastics
- 2019 revenue of approximately $30 million
  - Identified procurement and infrastructure support synergies
  - Closing expected in Q2 after equipment and inventory relocation

Rapak

Key Products

Dairy BIB

Wine BIB

Wine Dispenser

Autokap™ Filling Machine

Q4 2019 Results

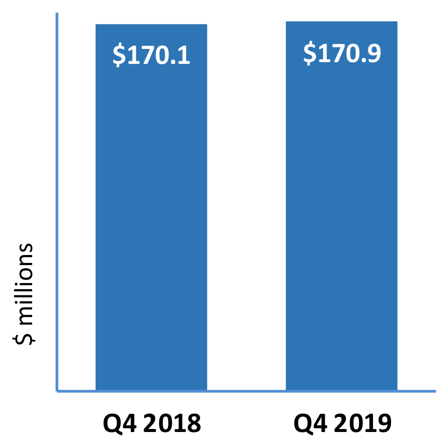
Q4 Highlights

- Net sales were relatively flat, as the impact of acquisitions was offset by softness in the North American industrial and Asian consumer end markets, capacity constraints in certain packaging product lines and less favorable currency exchange
- Operating profit declined due to a less favorable product sales mix, temporary expedited freight costs, and the direct and indirect impacts related to tariffs
- Achieved Q4 EPS of $0.31 per share, as the impact of sales pressure was offset to hold expected earnings

Net Sales

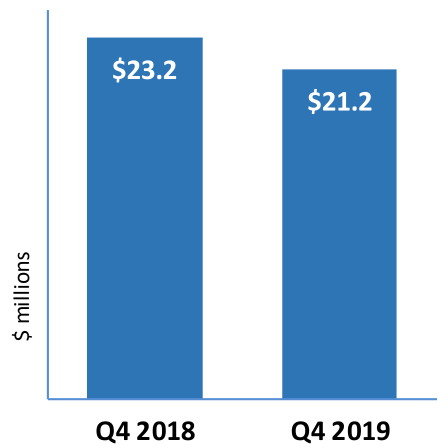
+0.5%

- Organic -5.9%
- Acquisitions +6.7%
- Fx -0.3%



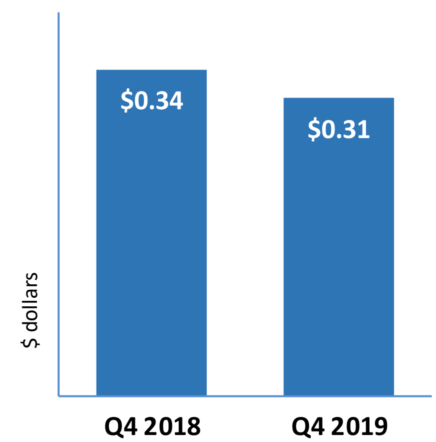
Operating Profit

-8.7%



EPS, diluted

-8.8%



Note: All items are from continuing operations and adjusted for Special Items. Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions, except per share amounts.

Full Year 2019 Results

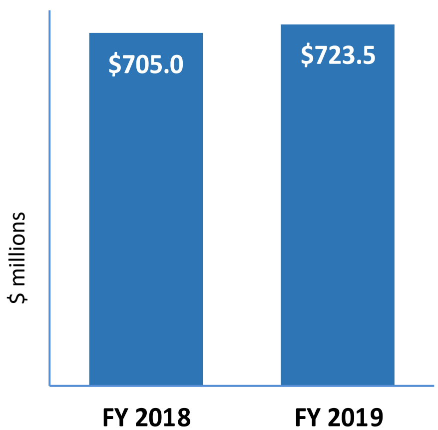
Full Year Highlights

- Net sales were up 2.6%, as the impact of acquisitions was partially offset by continued softness in the North American industrial end market, capacity constraints in certain packaging product lines and less favorable currency exchange
- Operating profit declined due to a less favorable product sales mix, second half expedited freight costs, and the direct and indirect impacts related to tariffs
- Despite above noted challenges, achieved 2019 EPS of $1.45, at the higher end of the previously provided outlook range
- Performance of acquisitions "on plan"

Net Sales

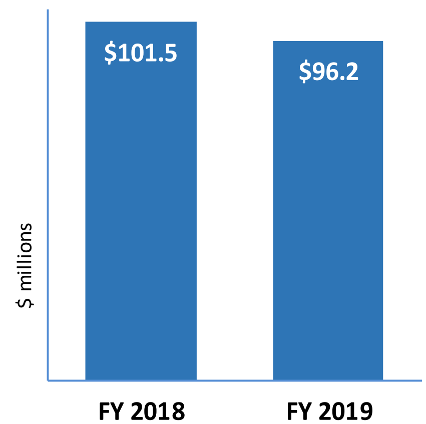
+2.6%

- Organic -1.6%
- Acquisitions +5.0%
- Fx -0.8%



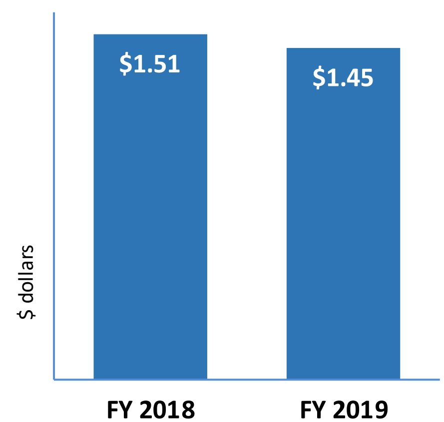
Operating Profit

-5.2%



EPS, diluted

-4.0%



Note: All items are from continuing operations and adjusted for Special Items. Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions, except per share amounts.

Cash Flow and Segment Results

Strong Balance Sheet and Available Liquidity

Continued Strong Financial Position

- Free Cash Flow[1] conversion greater than 100% of income from continuing operations
- Bank leverage well below 2.0x, even after investing $67.1 million in acquisitions and $36.7 million in share buybacks during 2019
- Strong balance sheet, cash conversion and available liquidity position TriMas for additional share repurchases and continued investment in strategic M&A for the Packaging and Aerospace segments

	Q4 2019	v. Q4 2018	*Change*
Q4 Free Cash Flow[1]	$28.3	$26.9	*$1.4*
FY Free Cash Flow[1]	$71.0	$89.2	*($18.2)*
Total Debt	$294.7	$293.6	*$1.1*
Less: Cash	$172.5	$108.2	*$64.3*
Net Debt	$122.2	$185.4	*($63.2)*
LTM Adjusted EBITDA[2]	$146.5	$149.5	*($2.9)*
Bank Leverage Ratio[3]	1.3x	1.3x	
Cash & Available Liquidity	$456.4	$393.1	*$63.3*

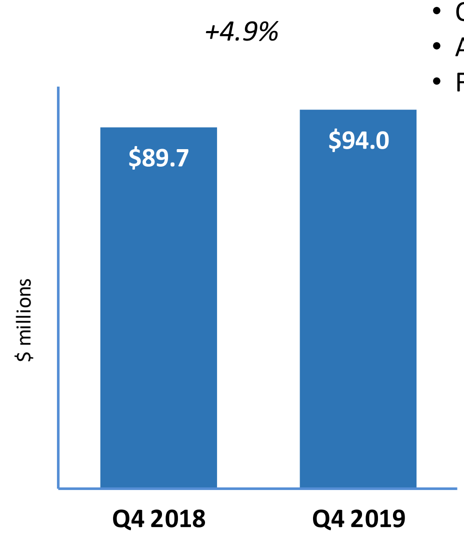
Strong balance sheet even after consideration of recent M&A and share repurchases.

Note: Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions. Amounts are from continuing operations.
(1) Free Cash Flow is defined as Net Cash Provided by/(Used for) Operating Activities from continuing operations, excluding the cash impact of Special Items, less capital expenditures.
(2) Adjusted EBITDA is defined as income (loss) from continuing operations plus expense (benefit) for interest, taxes, depreciation, amortization and non-cash stock compensation, all as adjusted for the impact of Special Items.
(3) As defined in the Company's credit agreement.

TriMas Packaging Segment

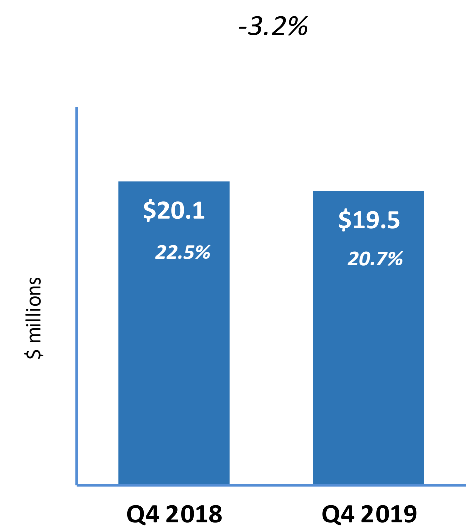
Net Sales

- Organic -7.2%
- Acquisitions +12.7%
- Fx -0.6%



Operating Profit

- NA Industrial
- Product mix
- Expedited freight



Quarterly Takeaways

- Impact of acquisitions drove sales increase
- U.S. import tariffs added direct and indirect dynamics to Packaging segment which we continue to work through
- Additionally, margins impacted by less favorable product mix resulting from lower industrial sales, capacity challenges and expedited freight costs

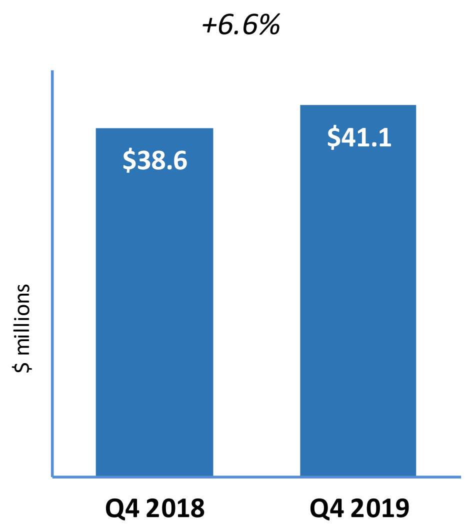
Brands & Applications

rieke taplast makes the difference STOLZ

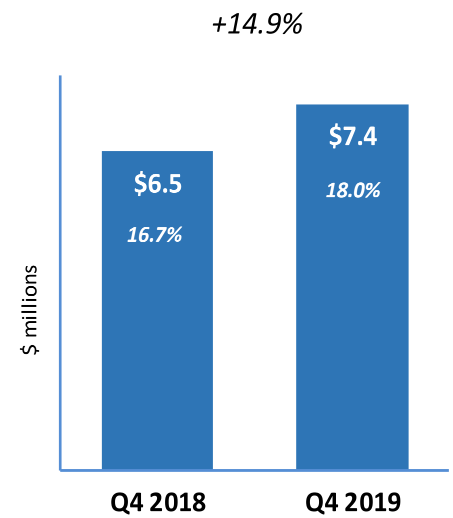
Note: All items are adjusted for Special Items. Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions.

TriMas Aerospace Segment

Net Sales



Operating Profit



- Robust sales
- Factory floor improvement

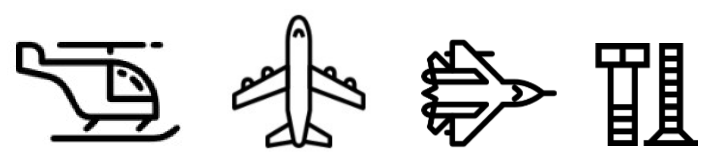
Quarterly Takeaways

- Sales increased due to higher demand levels and production throughput from factory floor investments
- Operating profit increased due to solid conversion of higher sales levels and improved sales mix
- Robust quoting, order intake and new business wins continue

Brands & Applications

TriMas Aerospace™

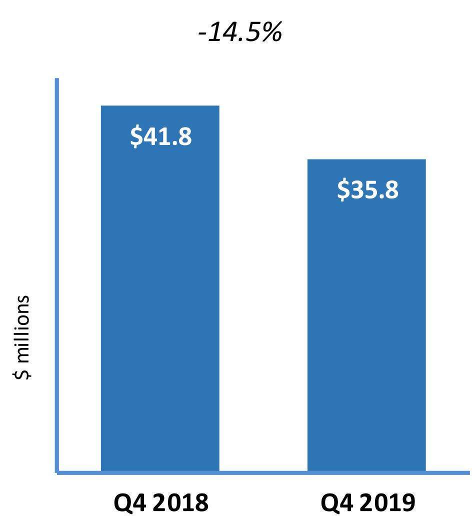
Monogram Aerospace Fasteners Allfast Fastening Systems Mac Fasteners



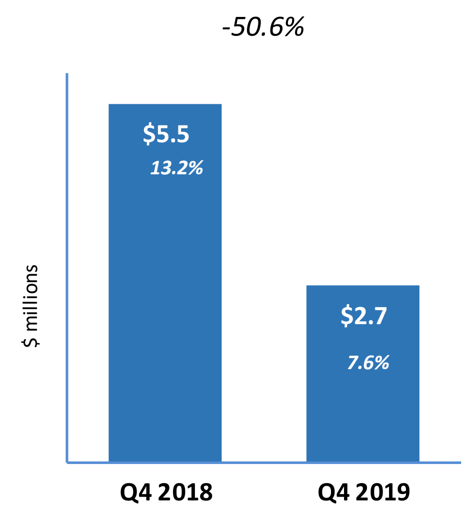
Note: All items are adjusted for Special Items. Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions.
In 2020, Martinic Engineering will be reported within the Aerospace segment.

TriMas Specialty Products Segment

Net Sales



Operating Profit



- Soft sales
- Lower absorption
- Product mix

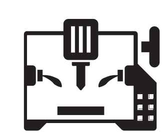
Quarterly Takeaways

- Sales pressure from customer consolidation and continued oil & gas end market weakness
- Operating profit and margin levels driven by lower absorption of fixed costs and less favorable sales mix
- Continued focus on managing operational cost structures in response to more challenging end markets

Brands & Applications

Norris Cylinder | Arrow Engine Company | Martinic Engineering (1)





Note: All items are adjusted for Special Items. Please see the Appendix for a detailed reconciliation to GAAP results. Unaudited, dollars in millions. Amounts are from continuing operations.
(1) In 2020, Martinic Engineering will be reported within the Aerospace segment.

Outlook

2020 Updates

TriMas

1 Reportable Segment Modification

- In light of the planned RSA Engineered Products acquisition closing, reorganized Martinic Engineering from the Specialty Products to the Aerospace segment
- Facilitates seamless approach to achieving anticipated synergies with RSA and related manufacturing opportunities
- Change is effective first quarter of 2020
- Martinic Engineering generates ~$30 million in sales with a mid single-digit Adjusted EBITDA[(1)] margin
  - Expect improved performance in 2020

2 Other Assumptions

- Direct and indirect impacts of U.S. tariffs on imported finished and subcomponent supply has increased customers' demand for localized capacity
  - Increased investment to support North American capacity enhancements
  - Planning reduction in certain Packaging product sales as customers continue to balance their supply base
- Assume $6 million reduction in sales based on current lower 737 Max build rate projections
- Impact of coronavirus outbreak is currently unknown, therefore, not reflected in our outlook

(1) Adjusted EBITDA is defined as income (loss) from continuing operations plus expense (benefit) for interest, taxes, depreciation, amortization and non-cash stock compensation, all as adjusted for the impact of Special Items.

TriMas 2020 Outlook

As of 2/27/20

TriMas 2020 Outlook	
Annual Sales Growth[1]	**9.0% to 11.0%**
- Organic Sales Growth	1.5% to 2.5%
Diluted EPS	**$1.50 to $1.60**
Free Cash Flow[2]	**> 100% of Net Income**
Enterprise-wide:	
- Effective Tax Rate	22% to 23%
- Capital Expenditures as a % of Sales	~4.5%
- Interest Expense	~$14M
- Corporate Expenses including Legacy Costs	~$22M
- Non-cash Stock Compensation	~$7M

Segment Outlook	Packaging	Aerospace[3]	Specialty Products[3]
Annual Sales Growth[1]	4.5% to 7%	16% to 17%	2% to 3.5%
- Organic Sales Growth	0.5% to 2%	2% to 3.5%	2% to 3.5%
Operating Margin Percentage	19% to 20%	14% to 15%	12% to 13%

EPS range midpoint represents a year-over-year increase of ~7%.

Note: All of the figures on this slide are adjusted for any current and future Special Items.

(1) Excludes any impact of currency and assumes the acquisitions of RSA Engineered Products and Rapak close during the first half of 2020.

(2) Free Cash Flow is defined as Net Cash Provided by/(Used for) Operating Activities from continuing operations, excluding the cash impact of Special Items, less capital expenditures.

(3) Martinic Engineering is part of the Aerospace segment effective in 2020.

Levers for Long-term Share Appreciation

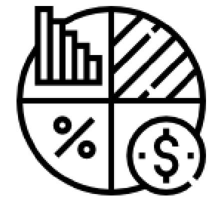
TriMas

Performance under the TriMas Business Model has allowed us to focus on all four value drivers.

1 Continuous Improvement

2 Innovation

3 Capital Allocation



4 Shaping TriMas

EXAMPLES

Continuous Improvement

- TriMas Business Model
- Championing a culture of Kaizen
- Continued footprint optimization

Innovation

- Investing in growth through innovative products
- Seeking to provide solutions to address customers' challenges
- Leveraging existing channels to further increase customer penetration

Capital Allocation

- Reinvesting in factory floor improvements
- Bolt-on acquisitions
- Share buyback

Shaping TriMas

- Accelerating the focus of TriMas on its highest value proposition products and businesses
- Investing in higher margin and return products
- Portfolio optimization

TriMas has multiple levers available to continue to unleash shareholder value.

Q & A

Appendix

Condensed Consolidated Balance Sheet

	December 31, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 172,470	$ 108,150
Receivables, net	108,860	97,170
Inventories	132,660	127,160
Prepaid expenses and other current assets	20,050	6,900
Current assets, discontinued operations	-	72,430
Total current assets	434,040	411,810
Property and equipment, net	214,330	171,950
Operating lease right-of-use assets	27,850	-
Goodwill	334,640	316,650
Other intangibles, net	161,390	167,890
Deferred income taxes	500	1,080
Other assets	19,950	8,200
Non-current assets, discontinued operations	-	22,940
Total assets	$ 1,192,700	$ 1,100,520
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 72,670	$ 67,420
Accrued liabilities	42,020	43,890
Operating lease liabilities, current portion	5,100	-
Current liabilities, discontinued operations	-	30,420
Total current liabilities	119,790	141,730
Long-term debt, net	294,690	293,560
Operating lease liabilities	23,100	-
Deferred income taxes	16,830	3,330
Other long-term liabilities	40,810	39,220
Non-current liabilities, discontinued operations	-	2,230
Total liabilities	495,220	480,070
Total shareholders' equity	697,480	620,450
Total liabilities and shareholders' equity	$ 1,192,700	$ 1,100,520

Dollars in thousands.

Consolidated Statement of Income

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
	(unaudited)			
Net sales	$ 170,920	$ 170,090	$ 723,530	$ 705,030
Cost of sales	(126,590)	(122,420)	(529,630)	(504,920)
Gross profit	44,330	47,670	193,900	200,110
Selling, general and administrative expenses	(23,440)	(24,700)	(102,530)	(91,210)
Net loss on dispositions of assets	(100)	(20)	(150)	(90)
Operating profit	20,790	22,950	91,220	108,810
Other expense, net:				
Interest expense	(3,500)	(3,250)	(13,950)	(13,910)
Other income (expense), net	(260)	80	990	(2,540)
Other expense, net	(3,760)	(3,170)	(12,960)	(16,450)
Income before income tax expense	17,030	19,780	78,260	92,360
Income tax expense	(3,600)	(4,840)	(16,320)	(18,650)
Income from continuing operations	13,430	14,940	61,940	73,710
Income from discontinued operations, net of tax	24,970	1,770	36,680	9,590
Net income	$ 38,400	$ 16,710	$ 98,620	$ 83,300
Earnings per share - basic:				
Continuing operations	$ 0.30	$ 0.33	$ 1.37	$ 1.61
Discontinued operations	0.56	0.04	0.81	0.21
Net income per share	$ 0.86	$ 0.37	$ 2.18	$ 1.82
Weighted average common shares - basic	44,868,503	45,747,659	45,303,659	45,824,555
Earnings per share - diluted:				
Continuing operations	$ 0.30	$ 0.32	$ 1.36	$ 1.60
Discontinued operations	0.55	0.04	0.80	0.20
Net income per share	$ 0.85	$ 0.36	$ 2.16	$ 1.80
Weighted average common shares - diluted	45,144,353	46,085,202	45,595,154	46,170,464

Dollars in thousands, except for share and per share amounts.

Consolidated Statement of Cash Flows

	Twelve months ended December 31, 2019	2018
Cash Flows from Operating Activities:		
Net income	$ 98,620	$ 83,300
Income from discontinued operations	36,680	9,590
Income from continuing operations	61,940	73,710
Adjustments to reconcile income from continuing operations to net cash provided by operating activities, net of acquisition impact:		
Loss on dispositions of assets	150	90
Depreciation	24,870	22,230
Amortization of intangible assets	18,630	18,260
Amortization of debt issue costs	1,130	1,290
Deferred income taxes	2,100	5,810
Non-cash compensation expense	6,450	7,170
(Increase) decrease in receivables	3,280	(9,570)
(Increase) decrease in inventories	740	(14,680)
(Increase) decrease in prepaid expenses and other assets	(6,930)	8,790
Decrease in accounts payable and accrued liabilities	(12,780)	(2,330)
Other operating activities	(3,870)	10
Net cash provided by operating activities of continuing operations	95,710	110,780
Net cash provided by (used for) operating activities of discontinued operations	(20,110)	18,540
Net cash provided by operating activities, net of acquisition impact	75,600	129,320
Cash Flows from Investing Activities:		
Capital expenditures	(29,670)	(23,420)
Acquisition of businesses, net of cash acquired	(67,090)	-
Net proceeds from disposition of property and equipment	128,080	60
Net cash provided by (used for) investing activities of continuing operations	31,320	(23,360)
Net cash used for investing activities of discontinued operations	(2,240)	(1,440)
Net cash provided by (used for) investing activities	29,080	(24,800)
Cash Flows from Financing Activities:		
Proceeds from borrowings on revolving credit facilities	189,060	59,060
Repayments of borrowings on revolving credit facilities	(189,340)	(68,490)
Payments to purchase common stock	(36,740)	(12,140)
Shares surrendered upon exercise and vesting of equity awards to cover taxes	(3,340)	(2,380)
Net cash used for financing activities of continuing operations	(40,360)	(23,950)
Net cash provided by financing activities of discontinued operations	-	-
Net cash used for financing activities	(40,360)	(23,950)
Cash and Cash Equivalents:		
Increase for the period	64,320	80,570
At beginning of period	108,150	27,580
At end of period	$ 172,470	$ 108,150
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 12,430	$ 13,800
Cash paid for taxes	$ 44,020	$ 7,380

Dollars in thousands.

Company and Segment Financial Information

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Packaging				
Net sales	$ 94,030	$ 89,660	$ 392,340	$ 368,200
Operating profit	$ 20,750	$ 20,140	$ 80,770	$ 84,590
Special Items to consider in evaluating operating profit:				
Reversal of a contingent deferred purchase price liability	(3,950)	-	(3,950)	-
Purchase accounting costs	-	-	1,280	-
Business restructuring and severance costs	2,700	-	3,060	-
Adjusted operating profit	$ 19,500	$ 20,140	$ 81,160	$ 84,590
Aerospace				
Net sales	$ 41,130	$ 38,600	$ 164,840	$ 156,380
Operating profit	$ 7,420	$ 6,210	$ 28,400	$ 24,930
Special Items to consider in evaluating operating profit:				
Business restructuring and severance costs	-	250	440	250
Adjusted operating profit	$ 7,420	$ 6,460	$ 28,840	$ 25,180
Specialty Products				
Net sales	$ 35,760	$ 41,830	$ 166,350	$ 180,450
Operating profit	$ 2,530	$ 5,530	$ 16,550	$ 23,350
Special Items to consider in evaluating operating profit:				
Business restructuring and severance costs	200	-	200	560
Adjusted operating profit	$ 2,730	$ 5,530	$ 16,750	$ 23,910
Corporate Expenses				
Operating loss	$ (9,910)	$ (8,930)	$ (34,500)	$ (24,060)
Special Items to consider in evaluating operating loss:				
M&A diligence and transaction costs	1,440	-	3,960	-
Reversal of legacy related party liability	-	-	-	(8,150)
Adjusted operating loss	$ (8,470)	$ (8,930)	$ (30,540)	$ (32,210)
Total Company				
Net sales	$ 170,920	$ 170,090	$ 723,530	$ 705,030
Operating profit	$ 20,790	$ 22,950	$ 91,220	$ 108,810
Total Special Items to consider in evaluating operating profit	390	250	4,990	(7,340)
Adjusted operating profit	$ 21,180	$ 23,200	$ 96,210	$ 101,470

Unaudited, dollars in thousands, from continuing operations.

Additional Information on Non-GAAP Measures

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Income from continuing operations, as reported	$ 13,430	$ 14,940	$ 61,940	$ 73,710
Special Items to consider in evaluating quality of net income from continuing operations:				
M&A diligence and transaction costs	1,440	-	3,960	-
Business restructuring and severance costs	2,900	160	3,700	1,180
Purchase accounting costs	-	-	1,280	-
Reversal of a contingent deferred purchase price liability	(3,950)	-	(3,950)	-
Reversal of legacy related party liability	-	-	-	(8,150)
Defined benefit pension plan settlement charge	-	-	-	2,500
Tax reform adjustments(1)	-	700	-	(400)
Income tax effect of Special Items(2)	120	(90)	(740)	960
Adjusted income from continuing operations	$ 13,940	$ 15,710	$ 66,190	$ 69,800

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Diluted earnings per share from continuing operations, as reported	$ 0.30	$ 0.32	$ 1.36	$ 1.60
Special Items to consider in evaluating quality of diluted EPS from continuing operations:				
M&A diligence and transaction costs	0.03	-	0.09	-
Business restructuring and severance costs	0.07	-	0.08	0.03
Purchase accounting costs	-	-	0.03	-
Reversal of a contingent deferred purchase price liability	(0.09)	-	(0.09)	-
Reversal of legacy related party liability	-	-	-	(0.18)
Defined benefit pension plan settlement charge	-	-	-	0.05
Tax reform adjustments(1)	-	0.02	-	(0.01)
Income tax effect of Special Items(2)	-	-	(0.02)	0.02
Adjusted diluted EPS from continuing operations	$ 0.31	$ 0.34	$ 1.45	$ 1.51
Weighted-average shares outstanding	45,144,353	46,085,202	45,595,154	46,170,464

(1) In 2018, the Company finalized its accounting related to foreign earnings and recognized approximately $0.7 million of additional tax obligation in the three months ended December 31, 2018. In the twelve months ended December 31, 2018, the Company recognized a net tax benefit of $0.4 million associated with finalizing its estimates of the impact of the Tax Cuts and Jobs Act of 2017.

(2) Income tax effect of Special Items is calculated on an item-by-item basis, utilizing the tax rate in the jurisdiction where the Special Item occurred. For the three and twelve month periods ended December 31, 2019 and 2018, the income tax effect of Special Items varied from the tax rate inherent in the Company's reported GAAP results, primarily as a result of certain discrete items that occurred during the period for GAAP reporting purposes.

Unaudited, dollars in thousands, except for share and per share amounts.

Additional Information on Non-GAAP Measures

	Three months ended December 31,					
	2019			2018		
	As reported	Special Items	As adjusted	As reported	Special Items	As adjusted
Net cash provided by operating activities from continuing operations	$ 35,100	830	$ 35,930	$ 35,450	$ 80	$ 35,530
Less: Capital expenditures	(7,670)	-	(7,670)	(8,680)	-	(8,680)
Free Cash Flow	27,430	830	28,260	26,770	80	26,850
Income from continuing operations	13,430	510	13,940	14,940	770	15,710
Free Cash Flow as a percentage of income from continuing operations	204%		203%	179%		171%

	Twelve months ended December 31,					
	2019			2018		
	As reported	Special Items	As adjusted	As reported	Special Items	As adjusted
Net cash provided by operating activities from continuing operations	$ 95,710	$ 4,960	$ 100,670	$ 110,780	$ 1,810	$ 112,590
Less: Capital expenditures	(29,670)	-	(29,670)	(23,420)	-	(23,420)
Free Cash Flow	66,040	4,960	71,000	87,360	1,810	89,170
Income from continuing operations	61,940	4,250	66,190	73,710	(3,910)	69,800
Free Cash Flow as a percentage of income from continuing operations	107%		107%	119%		128%

	December 31, 2019	December 31, 2018
Long-term debt, net	$ 294,690	$ 293,560
Less: Cash and cash equivalents	172,470	108,150
Net Debt	$ 122,220	$ 185,410

Unaudited, dollars in thousands.

Additional Information on Non-GAAP Measures

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Income from continuing operations, as reported	$ 13,430	$ 14,940	$ 61,940	$ 73,710
Depreciation expense	6,540	5,380	24,870	22,230
Amortization expense	4,600	4,550	18,630	18,260
Interest expense	3,500	3,250	13,950	13,910
Income tax expense	3,600	4,840	16,320	18,650
Non-cash compensation expense	2,320	2,770	6,450	7,170
Adjusted EBITDA, before Special Items	$ 33,990	$ 35,730	$ 142,160	$ 153,930
Adjusted EBITDA impact of Special Items	(80)	70	4,330	(4,430)
Adjusted EBITDA[(1)]	$ 33,910	$ 35,800	$ 146,490	$ 149,500
Adjusted EBITDA as a percentage of net sales	19.8%	21.0%	20.3%	20.5%
Other Corporate expenses	(6,120)	(6,170)	(23,520)	(25,350)
Segment Adjusted EBITDA	$ 40,030	$ 41,970	$ 170,010	$ 174,850
Segment Adjusted EBITDA as a percentage of net sales	23.4%	24.7%	23.5%	23.9%

	Three months ended December 31, 2019	Three months ended December 31, 2018	Twelve months ended December 31, 2019	Twelve months ended December 31, 2018
Adjusted operating profit	$ 21,180	$ 23,200	$ 96,210	$ 101,470
Corporate operating expenses (adjusted)	6,610	5,430	21,500	22,300
Non-cash stock compensation	1,650	2,770	5,780	7,170
Legacy expenses (adjusted)	210	730	3,260	2,740
Corporate expenses	8,470	8,930	30,540	32,210
Adjusted segment operating profit	$ 29,650	$ 32,130	$ 126,750	$ 133,680
Adjusted segment operating profit margin	17.3%	18.9%	17.5%	19.0%

Unaudited, dollars in thousands, except for per share amounts.

[(1)] Adjusted EBITDA is defined as income (loss) from continuing operations plus expense (benefit) for interest, taxes, depreciation, amortization and non-cash compensation, all as adjusted for the impact of Special Items.