

Q4 2018 Earnings Presentation

2.12.19

Safe Harbor Statement

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Non-GAAP Financial Terms

These slides contain certain non-GAAP financial terms. We have provided on our website at www.livent.com reconciliations of non-GAAP terms to the most directly comparable GAAP term, including adjusted earnings per share, Adjusted EBITDA and adjusted cash from operations.

Although we provide forecasts for adjusted earnings per share, Adjusted EBITDA and adjusted cash from operations, we are not able to forecast the most directly comparable measures calculated and presented in accordance with GAAP. Certain elements of the composition of the GAAP amounts are not predictable, making it impractical for us to forecast. Such elements include, but are not limited to restructuring, transaction related charges and related cash activity. As a result, no GAAP outlook is provided.

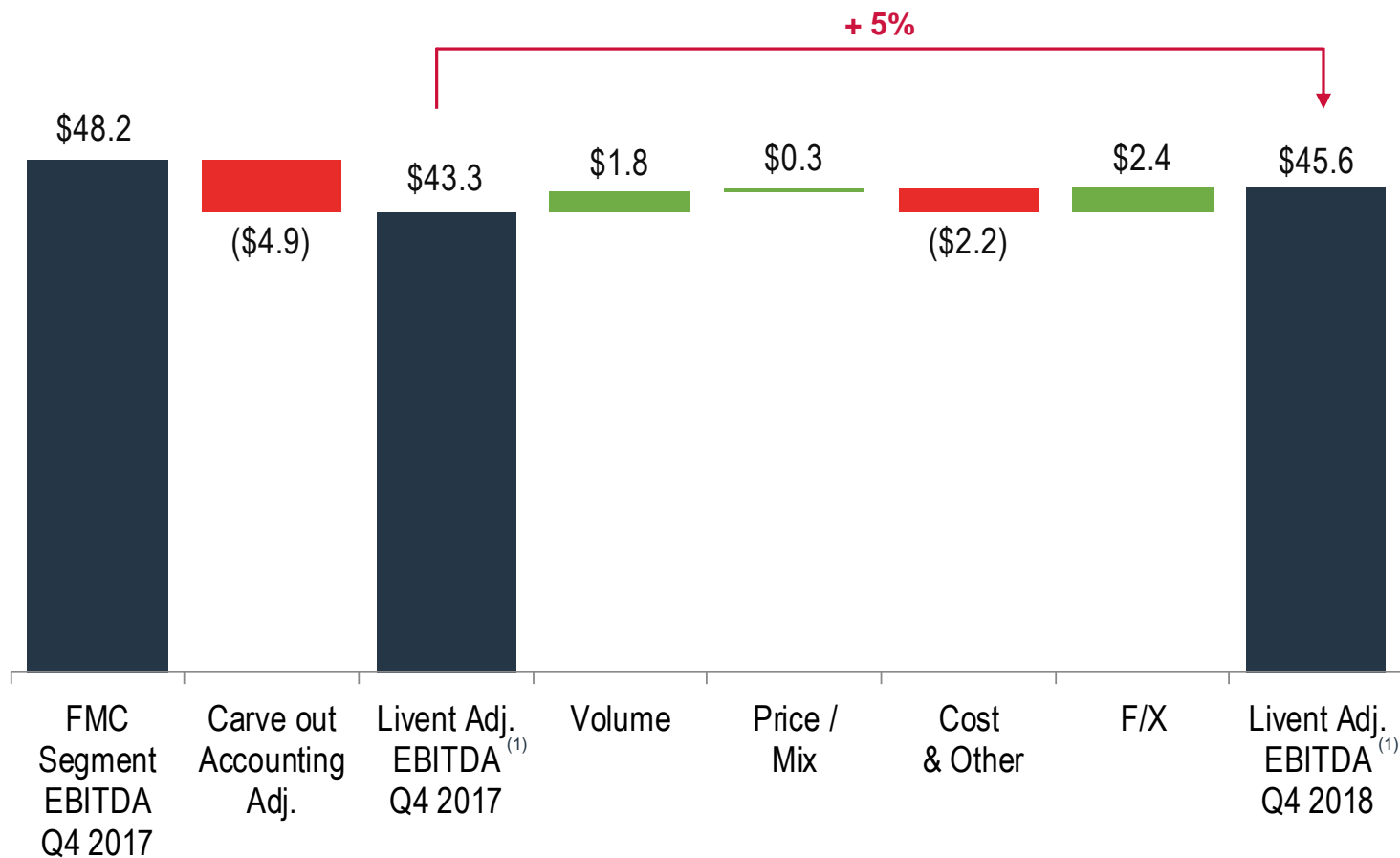
Reported Financial Results

	Q4		
	2018	2017	'18 vs. '17
Revenue	\$120	\$113	6%
	Volume: 7%	F/X: (1%)	Price/Mix: 0%
GAAP Net Income (Loss)	\$26	(\$11)	NM

	Full Year		
	2018	2017	'18 vs. '17
Revenue	\$443	\$347	27%
	Volume: 21%	F/X: (2%)	Price/Mix: 8%
GAAP Net Income (Loss)	\$126	\$42	199%

Note: Amounts in millions of USD.

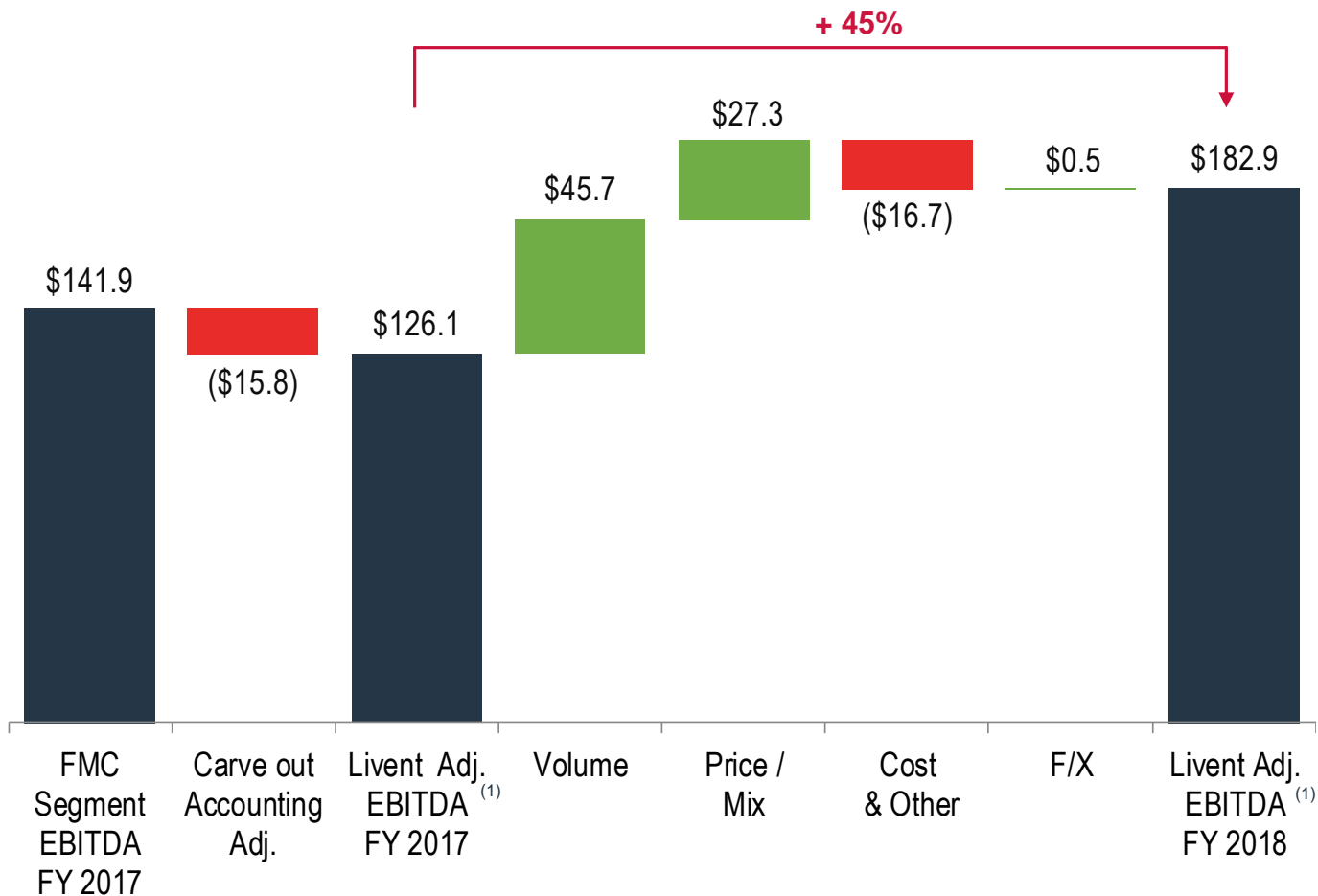
Q4 Adj. EBITDA ⁽¹⁾ Bridge



Note: Amounts in millions of USD.

(1) Denotes non-GAAP financial term.

Full Year 2018 Adj. EBITDA ⁽¹⁾ Bridge



Note: Amounts in millions of USD.

(1) Denotes non-GAAP financial term.

Full Year and Q1 2019 Outlook

	Full Year 2019	Q1 2019
Revenue	\$495 - \$525	\$95 - \$105
Adj. EBITDA ⁽¹⁾	\$190 - \$200	\$26 - \$30
Adj. EPS ⁽¹⁾⁽²⁾	92¢ - 98¢	11¢ - 14¢

Note: Amounts in millions of USD.

(1) Denotes non-GAAP financial term.

(2) Adjusted EPS calculated using 146 million shares outstanding.

Full Year Manufacturing Balance

(000 kT)

	2018A		2019E	
	Production	Sales	Production	Sales
Hydroxide (product tons) ⁽¹⁾	15.9	15.0	21 - 22	20.5 - 21.5
<i>Carbonate required</i>	14.0	--	18.5 - 19.5	--
Carbonate produced internally	17.2		17.5 - 18.5	
Purchased Carbonate for Hydroxide production	--		1.0 - 1.5	
Net Carbonate Surplus (Deficit)	3.2	3.6 ⁽²⁾	0.0	--
Plus: Chloride (LCE basis) ⁽³⁾	3.8	0.2	3.8	0.2
Total LCE's available	21.0		22 - 23	
			Low	High
Revenue generated excl. 3rd party carbonate sales (in mm)	\$443		\$460	\$485
<i>Implied Revenue / Total LCE's available (\$/kilo)</i>	<i>\$21.1</i>		<i>\$20.9</i>	<i>\$21.1</i>

(1) A portion of Lithium Hydroxide production is consumed internally.

(2) Additional Lithium Carbonate sourced from inventory.

(3) Lithium Chloride is consumed internally for production of Performance Compounds, primarily Butyllithium.

Full Year 2019 Revenue Guidance Breakdown

Product Category	2018A	2019E		
		Low	High	% (Mid)
Lithium Hydroxide	\$223	\$290	\$305	34%
Butyllithium	99	105	110	9%
High Purity Lithium Metal & Other	63	65	70	8%
Total Performance Compound Revenue	\$384	\$460	\$485	23%
Plus: Lithium Carbonate	58 ⁽¹⁾	35	40	(36%)
Total Revenue	\$443	\$495	\$525	15%

Note: Amounts in millions of USD.

(1) Includes Lithium Carbonate and Lithium Chloride.

Full Year 2019 Adj. EBITDA Guidance Reconciliation

	Low	High	Commentary
2018A Adj. EBITDA ⁽¹⁾	\$183		
Volume / Product Mix	24	- 30	<ul style="list-style-type: none"> • Higher total LCE's sold • Higher margin on Hydroxide sales vs. Carbonate • Higher Butyllithium and High Purity Lithium Metal volumes
Price / Customer Mix	(8)	- (5)	<ul style="list-style-type: none"> • Hydroxide customer mix offsetting price increases • Butyllithium and High Purity Lithium Metal price increases • FX headwind (RMB)
Costs	(9)	- (8)	<ul style="list-style-type: none"> • VAT incurred on exports out of China • Higher raw material costs (metal and solvents) • FX benefit (ARS)
2019E Adj. EBITDA ⁽¹⁾ Guidance	\$190	\$200	

Note: Amounts in millions of USD.

(1) Denotes non-GAAP financial term.

Full Year 2019 Guidance Key Takeaways

	2018	2019
Revenue by Compound		
• Performance	87%	90% - 95%
• Base	13%	5% - 10%
Total Volume Under Contract (<i>as at 1/1/2019</i>)		
• Contract Duration \geq 2 Years		~70%
• 2019 Firm Price		~80%
Pricing and Mix: Lithium Hydroxide		
• Proportion of volume sold to high-growth and strategic customers		~80%
• Proportion of customers contracted at same or higher price vs. 2018		~80%

Q1 2019 Adj. EBITDA Guidance Reconciliation

	Low	High	Commentary
Q1 2018A Adj. EBITDA ⁽¹⁾	\$47		
Volume / Product Mix	3	- 4	<ul style="list-style-type: none"> • Shift of Carbonate to Hydroxide • Slightly higher total LCEs
Price / Customer Mix	(16)	- (14)	<ul style="list-style-type: none"> • Significant volume shift to lower priced customer in Q1 • Will reverse in future quarters
Costs	(8)	- (7)	<ul style="list-style-type: none"> • Raw materials • VAT • No FX benefit • Impact of outages
Q1 2019E Adj. EBITDA ⁽¹⁾ Guidance	\$26	- \$30	

Note: Amounts in millions of USD.

(1) Denotes non-GAAP financial term.

Cash Flow and Capital Spending





	Full Year			Outlook
	2018	2017	'18 vs. '17	2019
Cash From Operations (GAAP)	\$92	\$58	\$34	
Adjusted Cash from Operations ⁽¹⁾	\$99	\$58	\$41	\$105 - \$135
Capital Spending ⁽¹⁾⁽²⁾	(\$78)	(\$53)	(\$26)	(\$235) - (\$265)
<i>Of which:</i>				
Argentina	(\$36)	(\$21)	(\$16)	(~\$175)
Hydroxide expansion & other	(\$42)	(\$32)	(\$10)	(~\$75)

Note: Amounts in millions of USD. Numbers may not tie due to rounding.

(1) Denotes non-GAAP financial term.

(2) Includes capital expenditures and other investing activities.

Key Strategic Priorities Remain Unchanged

-  *Grow lithium hydroxide capacity to meet customer shift towards high nickel cathode chemistry*
-  *Deliver on plans to triple carbonate production by the end of 2025*
-  *Diversify sources of supply*
-  *Collaborate with customers to develop next generation lithium applications*



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