



Chart Industries, Inc.  
Investor Presentation  
February 2019

# Forward Looking Statements



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Certain statements made in this news release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning the Company's business plans, including statements regarding the recent VRV acquisition, cost synergies and efficiency savings, objectives, future orders, revenues, margins, earnings or performance, liquidity and cash flow, capital expenditures, business trends, and other information that is not historical in nature. Forward-looking statements may be identified by terminology such as "may," "will," "should," "could," "expects," "anticipates," "believes," "projects," "forecasts," "outlook," "guidance," "continue," or the negative of such terms or comparable terminology.

Forward-looking statements contained in this presentation or in other statements made by the Company are made based on management's expectations and beliefs concerning future events impacting the Company and are subject to uncertainties and factors relating to the Company's operations and business environment, all of which are difficult to predict and many of which are beyond the Company's control, that could cause the Company's actual results to differ materially from those matters expressed or implied by forward-looking statements. Factors that could cause the Company's actual results to differ materially from those described in the forward-looking statements include: those found in Item 1A (Risk Factors) in the Company's most recent Annual Report on Form 10-K filed with the SEC, which should be reviewed carefully; and Chart's ability to successfully integrate VRV, and achieve anticipated revenue, earnings and accretion. The Company undertakes no obligation to update or revise any forward-looking statement.

Chart is a leading diversified global manufacturer of highly engineered equipment for the industrial gas, energy, and biomedical industries. The majority of Chart's products are used throughout the liquid gas supply chain for purification, liquefaction, distribution, storage and end-use applications, a large portion of which are energy-related. Chart has domestic operations located across the United States and an international presence in Asia, Australia, Europe and Latin America. For more information, visit: <http://www.chartindustries.com>.

# Leading Supplier of Mission Critical Equipment



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## 1 Energy & Chemical



- Supply Brazed Aluminum Heat Exchangers (BAHX), Air Cooled Heat Exchangers (ACHX) and Cold Boxes
- Provide integrated systems and aftermarket services for gas processing, LNG and petrochemical applications
- Lead in technological advancements

## 2 Distribution & Storage



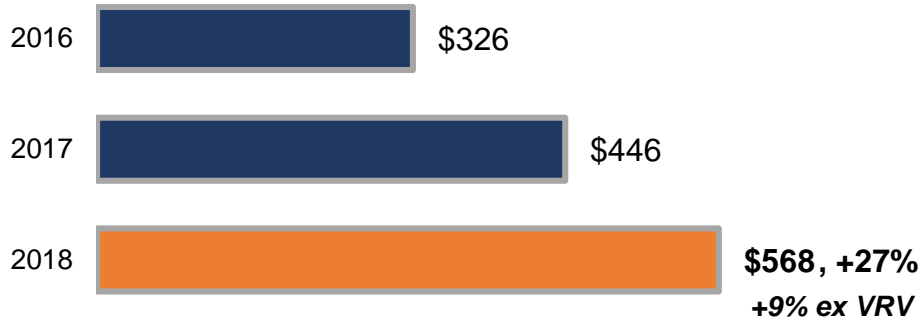
- Offer a complete portfolio of cryogenic distribution and storage equipment
- Spearhead innovation in cryogenic packaged gas and MicroBulk systems
- Excel with over 20 years of experience in LNG applications
- Set the standard for storage of biological materials at low temperatures

# December 31, 2018 Backlog

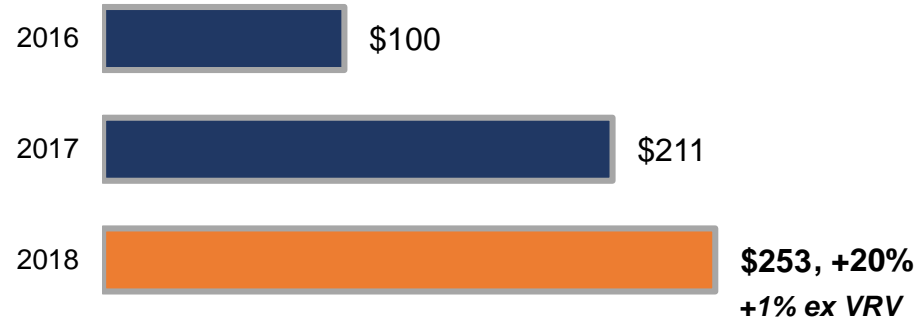


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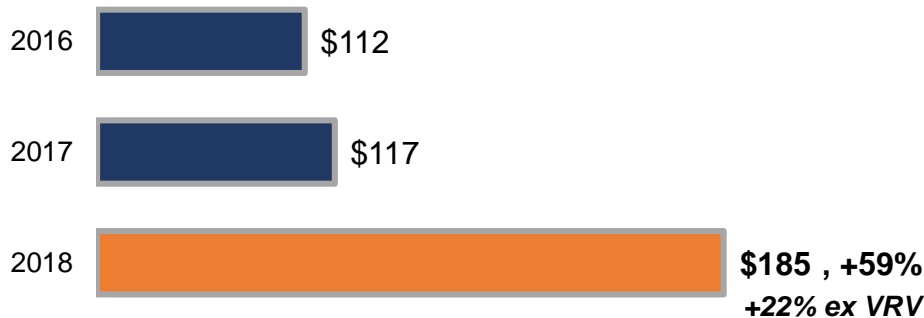
## Chart Industries<sup>1,2,3</sup>



## Energy & Chemicals<sup>2,3</sup>



## Distribution & Storage East<sup>3</sup>



## Distribution & Storage West



1. All results reflect Continuing Operations

2. 2016 excludes Hudson (acquired Sept 2017)

3. Includes VRV backlog of \$81.6 (E&C: \$39.3, D&S East: \$42.3) as of December 31, 2018

# Base Business Growth Levers



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## 2018 by Segment

## Growth Areas

## 2019 Expectation

### E&C

2018 Sales: \$390M  
2018 Gross Margin: 22.8%

- Big LNG (+\$500M)
- Petrochemical
- Fans
- ACHX
- Repair and Service

### E&C

Organic Sales + 8 - 12%  
Gross Margin +50 - 100 bps

### D&S East

2018 Sales: \$246M  
2018 Gross Margin: 21.3%

- IMO 2020 / Marine
- Leveraging VRV
- Over the road LNG trucking / LNG fueling systems
- China growth in LNG and IG

### D&S East

Organic Sales + 5 - 7%  
Gross Margin +100 - 150 bps

### D&S West

2018 Sales: \$456M  
2018 Gross Margin: 34.4%

- Industrial gas core customers / LTAs
- Specialty markets
  - Food & beverage
  - Cannabis
  - Space launch

### D&S West

Organic Sales + 5 - 7%  
Gross Margin +100 - 125 bps

# Where do we play in LNG?



Upstream	Liquefaction	Shipping	Regasification	Downstream
<p>Natural gas is produced from hydrocarbon reservoirs, either onshore or offshore</p> <p>Natural gas is processed (if necessary) and transported via pipeline to a liquefaction facility</p>	<p>Liquefaction plants cool natural gas to subzero temperatures, creating LNG</p> <p>A liquefaction plant can be either onshore or offshore (floating liquefaction plants, or FLNGs)</p> <p>In addition to liquefaction facilities, LNG export terminals maintain storage and loading berths (jetties)</p>	<p>Specially equipped LNG carriers (LNGCs) transport LNG in its liquid form in highly efficient, well-insulated storage tanks</p>	<p>Regasification (regas) terminals unload LNG into their storage tanks. Regas facilities then warm LNG until it reaches its gaseous state and can then enter the pipeline network for transmission/distribution</p> <p>As with liquefaction plants, regas plants can be onshore or offshore (floating storage regasification units, or FSRUs)</p>	<p>Natural gas is distributed to end users, such as power generators, gas utilities, and industrial consumers</p>

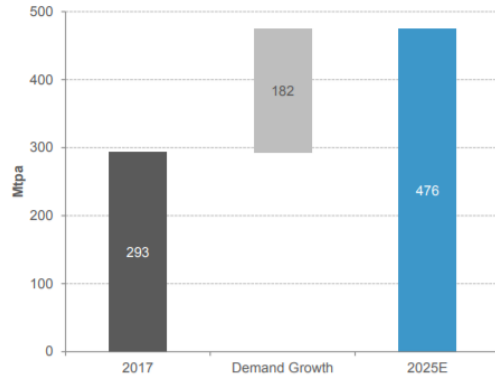
\*Source: Scotia Howard Weil

# LNG Supply / Demand



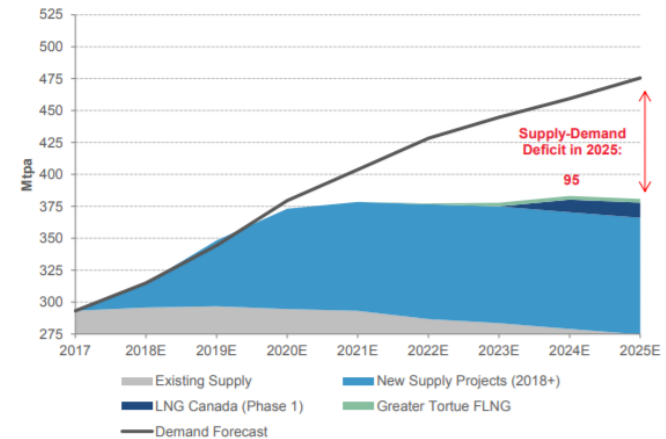
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## Demand forecast to 2025

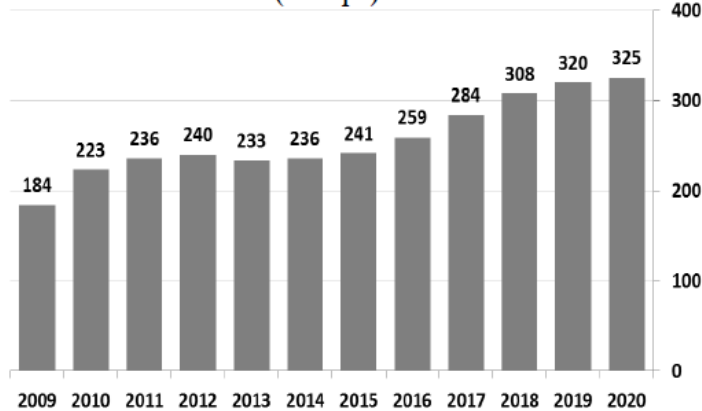


Source: Wood Mackenzie; 2018 World LNG Report, published by IGU and HIS Market; Scotia Howard Weil estimates.

## Supply/Demand Deficit Forecast



## Global LNG Demand (MMtpa)



Source: Evercore

- Current buildout cycle serving upcoming 2022-2023 supply-demand deficit
- Expect ~100 MTPA of related orders in 2019 into the market

# Big LNG Order Opportunities: 2019



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Number	Project	Chart Customer	Operator	Size	Chart Content	Expected Timing of Chart orders
1	Calcasieu Pass	BHGE	Venture Global	10 MTPA	18 cold boxes, BAHX	Throughout 2019
2	Driftwood	Bechtel	Tellurian	27 MTPA	IPSMR, cold boxes, BAHX, ACHX	Q2/Q3 2019 for 1 <sup>st</sup> phase
3	Gimi (Tortue)	Black & Veatch	Golar	3.75 MTPA	4x Cold boxes, BAHX	1H 2019
4	Magnolia	LNG Ltd	LNG Ltd	8 MTPA	Cold boxes, BAHX, core-in kettles	1H 2019
5	Corpus Christi Stage Three	KBR	Cheniere	9.5 MTPA	IPSMR, cold boxes, BAHX, ACHX	2H 2019 -1H 2020
6	Pointe LNG	EPC TBD	Pointe LNG	6 MTPA	IPSMR, cold boxes, BAHX, ACHX	2020
7	FL small scale LNG Expansion	EPC TBD	Confidential	250,000 gpd	C250N, Cold boxes, BAHX, ACHX	2H 2019
8	FL ssLNG	EPC TBD	Confidential	500,000 gpd	C500 IPSMR, cold boxes, BAHX, ACHX, tanks	2H2019-1H 2020
9	SE Asia LNG (+expansion)	EPC TBD	Confidential	3 MTPA (+8MTPA expansion)	IPSMR, cold boxes, BAHX, ACHX	2H 2019-1H 2020
10	Liquefaction and distribution project	Black & Veatch	Confidential	Confidential	BAHX, loadout systems, coolers and trailers	2H 2019

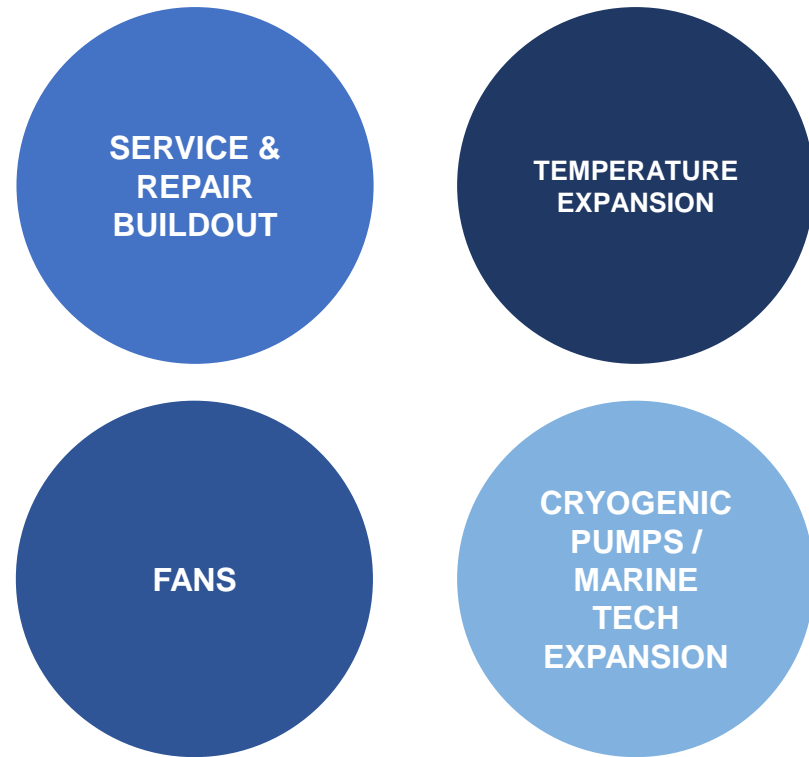
- Includes Hudson content where applicable
- Does not include full list of project opportunities
- Opportunities represent possible large projects based on current status of discussions with customers. Ultimate realization of these projects depends upon status of project and on the execution / delivery of definite documentation with customers.



## Acquisition Criteria:

- Strong level of strategic fit
- High degree of leveragability (*specific and attainable synergies*)
- Proven growth and profitability
- Reasonable price expectations
- Management bench strength
- Ownership that's willing to assist in the transition

## Prioritize Key Market Opportunities:

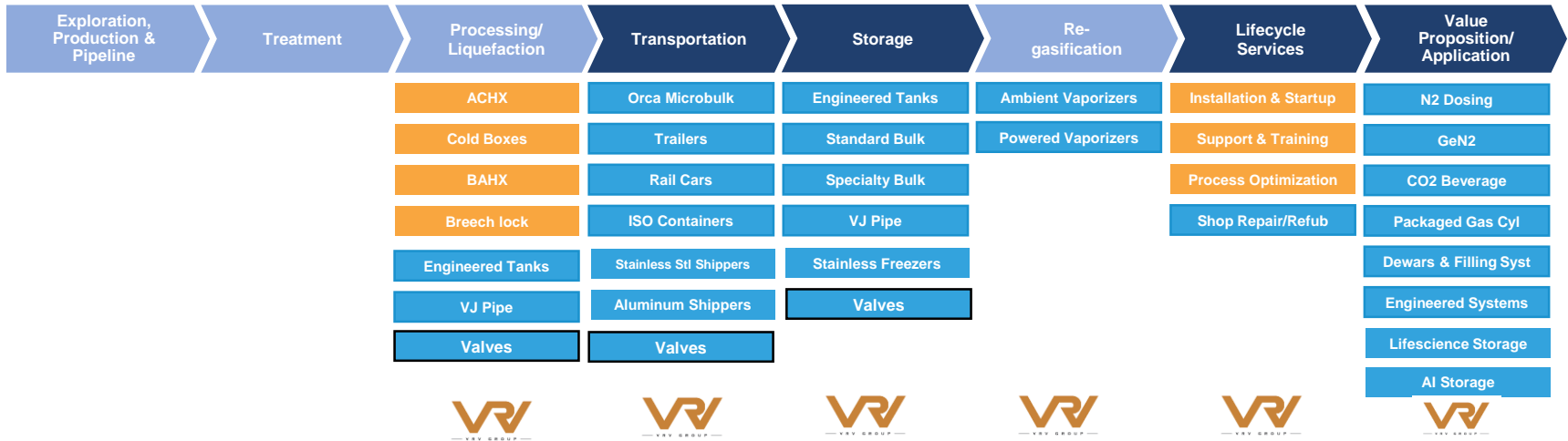


# Focused Gas to Liquids Offerings

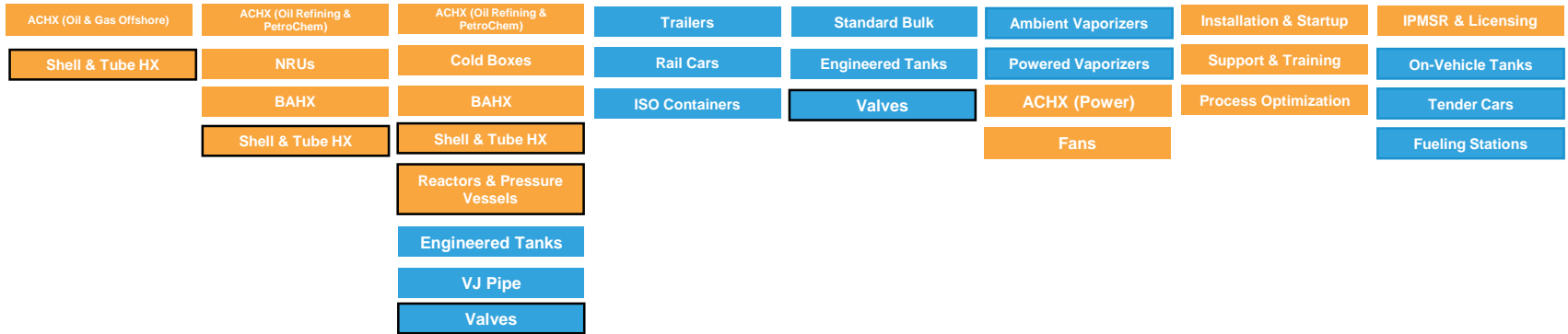


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Industrial Gas



Energy



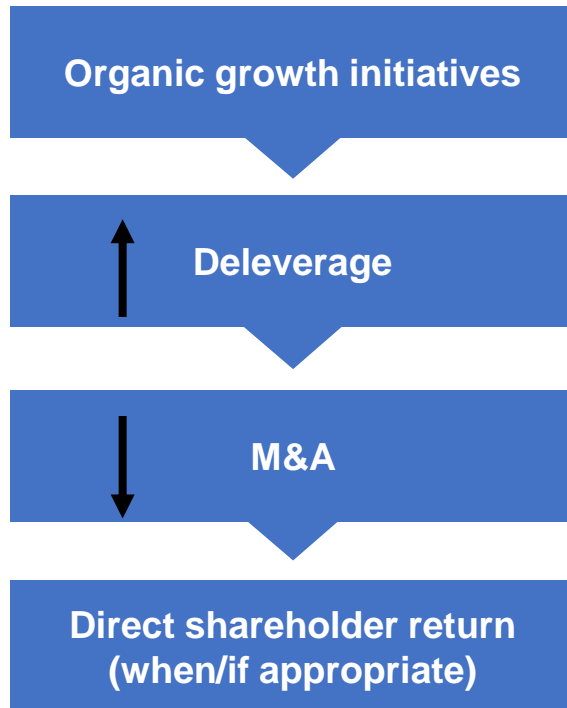
E&C D&S West & East

New with VRV acquisition

# Capital Allocation Strategy



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- Expect \$250M Free Cash Flow<sup>1</sup> over the next 3 years
- Long-term leverage target of 2x – 3x
- Capital allocated to position the company for growth and maintain a strong balance sheet

***Focused on long-term shareholder value creation***

1) "Free Cash Flow" is not a measure of financial performance under U.S. GAAP and should not be considered as an alternative to net cash provided by (used in) operating activities in accordance with U.S. GAAP. The Company believes this figure is of interest to investors and facilitates useful period to period comparisons of the Company's operating results.

# 2019 Guidance



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## FY 2018 Results

### Sales

**\$1.08B**

28.6% growth

13.4% organic growth

### Adjusted EPS

**\$2.02**

### Capital Expenditures

**\$36M**

## Prior FY 2019 Guidance

### Sales

**\$1.24B - \$1.30B**

16% - 18% growth

6% - 7% organic growth

### Adjusted EPS

**\$2.40 - \$2.75**

*Assumes 22-23% full year tax rate  
Excludes large LNG related revenue  
Includes full year of VRV, s.p.a.*

### Capital Expenditures

**\$30M - \$40M**

## Full Year 2019



### Sales

**\$1.26B - \$1.31B**

17% - 22% growth

7%-9% organic growth



### Adjusted EPS

**\$2.50 - \$2.85**

*Assumes 22-23% full year tax rate  
Excludes large LNG related revenue  
Includes full year of VRV, s.p.a.*

### Capital Expenditures

**\$35M - \$40M**

# 2021 Financial Targets



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**40**<sub>+</sub>%

Revenue Growth to \$1.7B

**~700**<sub>bps</sub>

Operating Margin Expansion to ~17%

**21** %

of Sales from Aftermarket from 13%



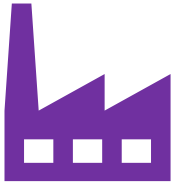
- **Leading Positions Across the Portfolio**
- **Well-Balanced Portfolio of Long-Cycle and Short-Cycle Products**
- **Consistent Growth in Operating Income, EPS and FCF**

***Predictable, Disciplined and Profitable Growth***

# Chart Investment Highlights



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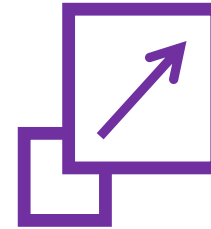
Leading diversified industrial global manufacturer with **diverse and broad product offering**



Operate in attractive, growing **markets**



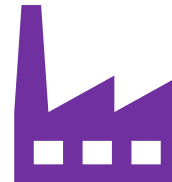
Innovative technical **expertise and reputation**



Cross-operating segment **scale and collaboration**



Longstanding **relationships** with industry leading and global customers



Industry leading **global manufacturing** capability



# Appendix

# Financial Results by Segment



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Energy & Chemicals <small>SM</small>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Sales	\$39.9	\$40.0	\$46.6	\$99.1	\$225.6
Gross Margin	8.4	5.4	8.6	22.7	45.1
GM %	21.1%	13.5%	18.5%	22.9%	20.0%
SG&A	7.8	7.4	7.4	11.7	34.3
% / Sales	19.5%	18.5%	15.9%	11.8%	15.2%
<b>Operating Income</b>	<b>\$(0.2)</b>	<b>\$(2.5)</b>	<b>\$0.3</b>	<b>\$7.5</b>	<b>\$5.1</b>
% / Sales	-0.5%	-6.3%	0.6%	7.6%	2.3%

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
Sales	\$89.9	\$100.8	\$98.1	\$101.7	\$390.5
Gross Margin	19.4	21.3	26.9	21.6	89.2
GM %	21.6%	21.1%	27.4%	21.2%	22.8%
SG&A	12.6	11.7	11.3	12.5	48.1
% / Sales	14.0%	11.6%	11.5%	12.3%	12.3%
<b>Operating Income</b>	<b>\$2.8</b>	<b>\$5.9</b>	<b>\$12.1</b>	<b>\$4.7</b>	<b>\$25.5</b>
% / Sales	3.1%	5.9%	12.3%	4.6%	6.5%

Distribution & Storage Western Hemisphere <small>SM</small>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Sales	\$91.1	\$104.9	\$99.6	\$105.0	\$400.6
Gross Margin	32.2	36.1	37.0	36.5	141.8
GM %	35.3%	34.4%	37.1%	34.9%	35.4%
SG&A	13.9	12.5	13.0	12.6	52.0
% / Sales	15.3%	11.9%	13.1%	12.0%	13.0%
<b>Operating Income</b>	<b>\$17.0</b>	<b>\$22.2</b>	<b>\$23.1</b>	<b>\$22.9</b>	<b>\$85.2</b>
% / Sales	18.7%	21.2%	23.2%	21.8%	21.3%

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
Sales	\$100.6	\$117.6	\$119.0	\$118.3	\$455.5
Gross Margin	36.1	38.2	44.7	37.8	156.8
GM %	35.9%	32.5%	37.6%	32.0%	34.4%
SG&A	12.7	13.4	11.6	13.3	51.0
% / Sales	12.6%	11.4%	9.7%	11.2%	11.2%
<b>Operating Income</b>	<b>\$22.2</b>	<b>\$23.6</b>	<b>\$31.9</b>	<b>\$23.5</b>	<b>\$101.2</b>
% / Sales	22.1%	20.1%	26.8%	19.9%	22.2%

Distribution & Storage Eastern Hemisphere <small>SM</small>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Sales	\$45.2	\$58.3	\$63.2	\$65.6	\$232.3
Gross Margin	9.1	11.6	13.7	13.9	48.3
GM %	20.1%	19.9%	21.7%	21.2%	20.8%
SG&A	6.4	7.8	7.8	11.0	33.0
% / Sales	14.2%	13.4%	12.3%	16.8%	14.2%
<b>Operating Income</b>	<b>\$2.5</b>	<b>\$3.7</b>	<b>\$5.6</b>	<b>\$2.4</b>	<b>\$14.2</b>
% / Sales	5.5%	6.3%	8.9%	3.7%	6.1%

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
Sales	\$55.1	\$62.4	\$56.8	\$72.0	\$246.3
Gross Margin	11.8	14.1	11.2	15.3	52.4
GM %	21.4%	22.6%	19.7%	21.3%	21.3%
SG&A	7.8	7.3	7.7	8.8	31.6
% / Sales	14.2%	11.7%	13.6%	12.2%	12.8%
<b>Operating Income</b>	<b>\$3.6</b>	<b>\$6.6</b>	<b>\$3.3</b>	<b>\$5.8</b>	<b>\$19.3</b>
% / Sales	6.5%	10.6%	5.8%	8.1%	7.8%

Chart Industries - Total <small>SM</small>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017
Sales	\$171.0	\$199.8	\$202.7	\$269.4	\$842.9
Gross Margin	48.3	52.3	57.9	73.1	231.6
GM %	28.2%	26.2%	28.6%	27.1%	27.5%
SG&A	44.1	41.7	48.1	47.0	180.9
% / Sales	25.8%	20.9%	23.7%	17.4%	21.5%
<b>Operating Income</b>	<b>\$1.8</b>	<b>\$8.6</b>	<b>\$7.2</b>	<b>\$20.9</b>	<b>\$38.5</b>
% / Sales	1.1%	4.3%	3.6%	7.8%	4.6%

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018
Sales	\$244.1	\$277.9	\$272.2	\$290.1	\$1,084.3
Gross Margin	66.9	72.8	82.3	73.9	295.9
GM %	27.4%	26.2%	30.2%	25.5%	27.3%
SG&A	46.6	48.1	45.8	41.4	181.9
% / Sales	19.1%	17.3%	16.8%	14.3%	16.8%
<b>Operating Income</b>	<b>\$14.7</b>	<b>\$19.6</b>	<b>\$31.5</b>	<b>\$26.3</b>	<b>\$92.1</b>
% / Sales	6.0%	7.1%	11.6%	9.1%	8.5%





[www.chartindustries.com](http://www.chartindustries.com)