Genuine Parts 2Q20 Earnings Presentation

July 30, 2020

Genuine Parts Company Snapshot (NYSE: GPC)

KEY STATISTICS[1]

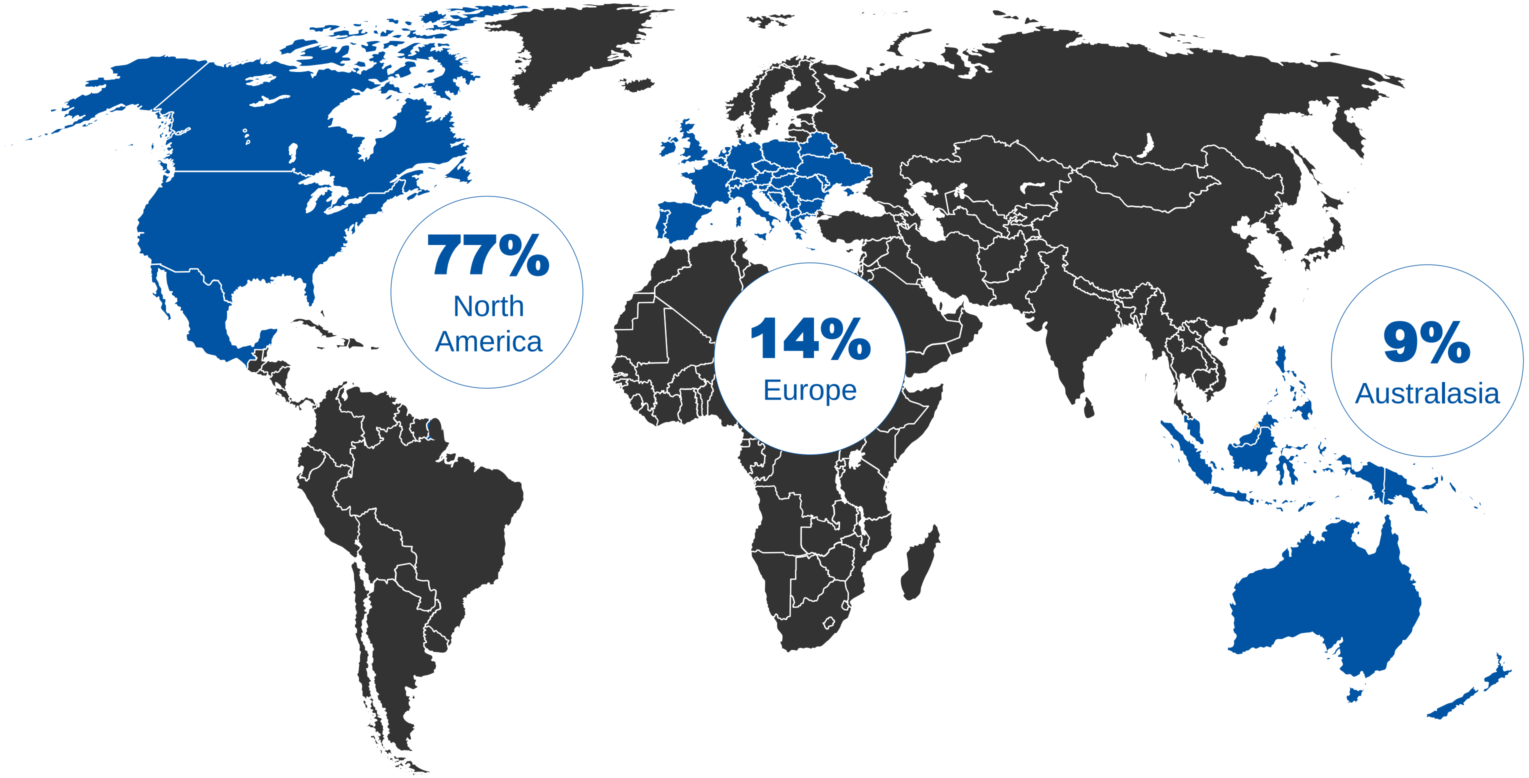
Founded	1928
Headquarters	Atlanta, GA
Countries Served	14
Locations	10,575
• Warehouses	900
• Distribution Facilities	174
• Retail (Owned/Independent)	9,500
Employees	~50,000
Market Capitalization	~$12.5B

TTM 2020 FINANCIAL HIGHLIGHTS[1]

Revenue[2]	$16.5B
• Automotive	65%
• Industrial	35%
Segment Profit Margin[2]	7.7%
Free Cash Flow[3]	~$1.3B
Dividend Yield[4]	3.6%

GLOBAL FOOTPRINT

TTM 2020 Revenue by Region[1,2]



Leading Global Distributor in Diversified End Markets

[1] As of 6/30/20, [2] Estimates, excluding divested and discontinued operations [3] Refer to Reconciliation of Non-GAAP measures [4] Calculated based on estimated annual dividend per share divided by share price as of 6/30/20

Safe Harbor Statement

FORWARD-LOOKING STATEMENTS: Some of the comments made during this conference call and information contained in our presentation constitutes forward-looking statements that are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements in the future tense and all statements accompanied by words such as “expect,” “likely,” “outlook,” “forecast,” “preliminary,” “would,” “could,” “should,”, “position”, “will,” “project,” “intend,” “plan,” “on track,” “anticipate,” “to come,” “may,” “possible,” “assume,” and variations of such words and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, our expected ability to operate and protect our workforce during the COVID-19 pandemic, our strategy to grow our higher-margin automotive and industrial businesses, the execution and effect of our cost savings initiatives, our efforts and initiatives to help us emerge from the pandemic well-positioned, our ongoing efforts to maintain compliance and flexibility under our debt covenants, our liquidity position and actions to maximize cash flow to continue to operate during these highly uncertain times and plans for future cost savings. The Company cautions that its forward-looking statements involve risks and uncertainties, and while we believe that our expectations for the future are reasonable in view of currently available information, you are cautioned not to place undue reliance on our forward-looking statements. Actual results or events may differ materially from those indicated as a result of various important factors. Such factors may include, among other things, the extent and duration of the disruption to our business operations caused by the global health crisis associated with the COVID-19 outbreak, including the effects on the financial health of our business partners and customers, on supply chains and our suppliers, on vehicle miles driven as well as other metrics that affect our business, and on access to capital and liquidity provided by the financial and capital markets; the Company’s ability to maintain compliance with its debt covenants; the Company's ability to successfully integrate acquired businesses into the Company and to realize the anticipated synergies and benefits; the Company's ability to successfully divest businesses; the Company's ability to successfully implement its business initiatives in its two business segments; slowing demand for the Company's products; the ability to maintain favorable supplier arrangements and relationships; disruptions in our suppliers' operations, including the impact of COVID-19 on our suppliers as well as our supply chain; changes in national and international legislation or government regulations or policies, including changes to import tariffs, short term government subsidies, and the unpredictability of such changes and their impact to the Company and its suppliers and customers, data security policies and requirements as well as privacy legislation; changes in general economic conditions, including unemployment, inflation (including the impact of tariffs) or deflation and the United Kingdom's exit from the European Union, commonly known as Brexit, and the unpredictability of the impact following such exit from the European Union; changes in tax policies; volatile exchange rates; volatility in oil prices; significant cost increases, such as rising fuel and freight expenses; the Company's ability to successfully attract and retain employees in the current labor market; uncertain credit markets and other macroeconomic conditions; competitive product, service and pricing pressures; failure or weakness in our disclosure controls and procedures and internal controls over financial reporting; including as a result of the work from home environment; the uncertainties and costs of litigation; disruptions caused by a failure or breach of the Company's information systems, as well as other risks and uncertainties discussed in the Company’s latest SEC filings. The statements are only as of the date they are made, and the Company undertakes no duty to update its forward-looking statements made during this presentation or in these materials except as required by law. Actual results may vary materially and, as such, you are cautioned not to place undue reliance on these forward-looking statements.

NON-GAAP MEASURES: This presentation contains adjusted net income from continuing operations, adjusted diluted earnings per share from continuing operations, adjusted tax rate, adjusted gross profit, adjusted operating and non-operating expenses, net sales excluding divestitures, segment profit excluding divestitures, segment profit margin excluding divestitures, and free cash flow, which are financial measures that are not derived in accordance with United States generally accepted accounting principles ("GAAP"). The Company considers these non-GAAP measures useful to investors because they provide greater transparency into management’s view and assessment of the Company’s core operating performance. These measures are widely used by analysts, investors and competitors in our industry, although our calculation of the measure may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate these measures in the same manner. The Company does not, nor does it suggest investors should, consider non-GAAP financial measures superior to, in isolation from, or as a substitute for, GAAP financial information. The Company has included reconciliations of this additional information to the most comparable GAAP measure in the appendix of this presentation.

2Q20 Highlights & COVID-19 Update

Paul Donahue

Chairman & CEO

2Q20 Key Messages

01 Successfully operating through the challenges of COVID-19; positioned for economic recovery and beyond

02 Delivered strong quarterly results, executing our transformation strategy and omni-channel initiatives

03 Streamlined portfolio with the sale of S.P. Richards; now focused on maximizing the full potential of our automotive and industrial segments

04 Strengthened our financial position by reducing our debt, generating stronger free cash flow and enhancing our liquidity position

Focus on Core Automotive and Industrial Segments

Operating Through the Challenges of COVID-19

- Focused on **prioritizing the safety and well-being of our employees** and their families, customers, suppliers and communities
- **Remained fully operational** to fulfill critical customer needs
- **Executed with agility** through the pandemic, working as one team to quickly and effectively adopt new safety protocols to ensure a safe work environment
- Intensified approach to managing operations enabled us to enhance **balance sheet flexibility**, achieve **meaningful cost savings** and advance operational excellence
- **Advanced ESG initiatives**, including commitment to diversity and inclusion
- Sale of S.P. Richards marks a culmination of a **multi-year series of acquisitions and divestitures** as part of our strategy **to simplify and optimize our portfolio**

Working Together As One GPC Team

2Q20 Highlights and Business Environment[1]

Financial Update

- $3.8B Total Sales, Down 10% Excluding Divestitures
  - ✓ Monthly daily sales trends: (22)% in April, (5%) in May, (5%) in June, Flat in July (est)
  - ✓ Improving sales trends primarily in automotive due to re-opening of economies
- Operating Margin Expansion of 40 bps including Gross Margin Expansion and Significant Cost Savings
- Adjusted Net Income of $191M; $1.32 Adjusted Diluted EPS, a decrease of 10%

Balance Sheet and Cash Flow

- Strengthened Balance Sheet and Improved Liquidity
  - ✓ Improved working capital by 22%
  - ✓ Lowered debt position by 17% YOY; have $2.6B in liquidity
- Cash from Operations of $921 million, +271%
  - ✓ Driven by working capital initiatives, including sale of accounts receivables

Improving Momentum in Monthly Sales Trends

[1]For Continuing Operations Only; See Appendix A for Sales and EPS bridge

2Q20 Segment Highlights/ Macro Trends

	Automotive Total sales down 10.1%	Industrial Total sales down 10.2%[1]
Comp Sales	• Comp sales down 12.6%[2]	• Comp sales down 16.7%[2]

NORTH AMERICA	• U.S. comp sales down mid-teens[2]
	  • Positive DIY sales / DIFM still pressured
	  • Continued strong on-line sales growth, +100%
	  • Segment profit margin expansion +60 bps
	• Canada comp sales down mid-teens[2]
	  • Segment profit margin expansion +400 bps
	• No independent store owners in U.S. or Canada have closed due to COVID-19 slowdown
		• Maintained flat segment profit margin
		• Stabilizing industrial economy in June
		• Safety products outperforming with high teens sales growth
		• Significant industry diversification
		• Most industry sectors are pressured
		  • Equipment & Machinery, Iron & Steel, Auto, O&G
		• Stronger, more resilient sectors
		  • Food Products, Chemicals & Allied Products

EUROPE	• Comp sales down mid-teens although positive in June[2]
	  • UK & France lockdown significantly impacted results in April & May
	  • Total YoY sales growth in May & June
		NA

AUSTRALASIA	• LSD comp growth[2]
	  • Strong DIY/DIFM sales growth in May & June
	    • While demand pressured by NZ lockdown
	  • Strong on-line sales in DIY, +300% YOY
	• Segment profit margin expansion +300 bps
		• Inenco performed well in 2Q / positive sales in June
		  • Demand pressured by NZ/SE Asia lockdown
		• Steady operational performance since July 2019 acquisition

MACRO	• Strong long-term industry fundamentals • Growing and older car parc, low gas prices • Following miles driven & consumer spending as aftermarket demand indicators	• Strong growth outlook for Robotics and Automation • Following manufacturing PMI and industrial production as industrial demand indicators

[1]Sales exclude divestitures. These amounts are non-GAAP measures (See Reconciliation of Non-GAAP Measures). [2] See Appendix B for definition

Strategic Growth Framework

01 Capture more wallet share with existing customers / Acquire new customers

- Maximize the value of global branding opportunities
- Continued enhancement of omnichannel capabilities
- Retail store remodel and enhancements
- Leverage NAPA Rewards Program

02 Introduce new products and services

- Continued introduction of new omnichannel offerings
- Further development of commercial programs and technology solutions for customers
- Innovate ways to serve customers with digital tools

03 Strategic expansion into new geographies

- NAPA brand expansion into Europe and Australasia
- Strategic acquisitions to complement existing operations and expand footprint
- Introduction of Mi Asia Pacific

A Consistent Framework to Coordinate Growth Plans – Supported by Operational Excellence

2Q20 Financial Performance

Carol Yancey

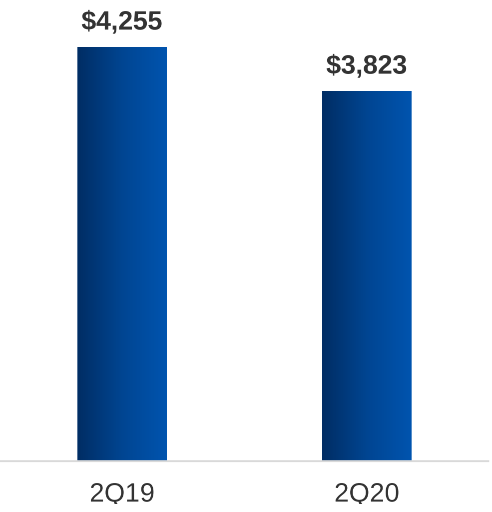
EVP and CFO

2Q20 Financial Results

($M, except per share data)

Sales[1]

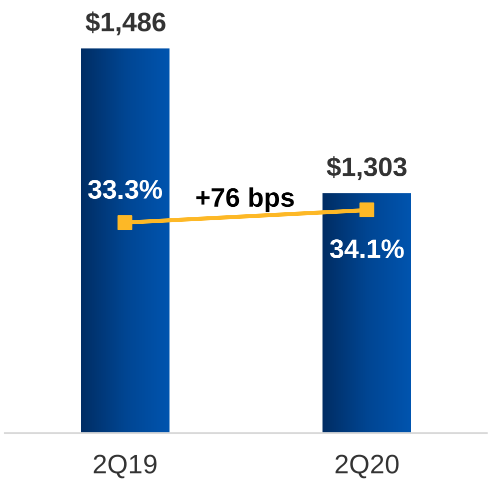
(10.1%)



- Reported sales down 14.2%
  - 4.1% impact from divestitures
- (13.7%) comp sales
  - Pressured by COVID-19
- +4.2% acquisitions
  - Auto – PPG & Todd
  - Ind. – Inenco, FPH & Axis
- (0.9%) foreign currency
- Improving trends through the quarter
  - Positive comps in Europe and Australasia in June

Adj Gross Profit[1]

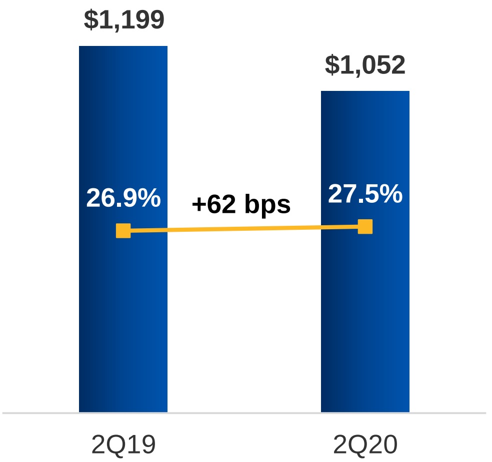
(12.3%)



- 11 consecutive quarterly increases in Gross Margin
- Driven by benefits of:
  - Divestitures
  - Acquisitions
  - Strategic Category Mgmt
  - Pricing initiatives
  - Global sourcing
  - Product mix shifts

Adj Op/Non-Op Expenses[1]

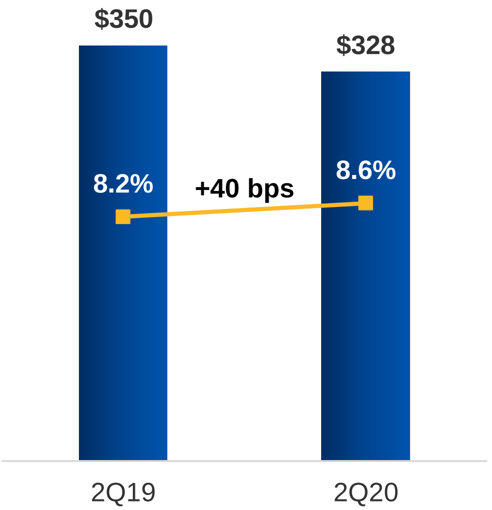
(12.3%)



- SG&A down 13.8% from PY, driven by cost savings initiatives
  - ~$200M total savings
  - Includes ~$40M of $100M original cost savings plan
  - Includes ~$150M+ in COVID-19 savings
  - Cost headwinds include impact of divestitures and higher cost models of acquisitions

Segment Profit[1]

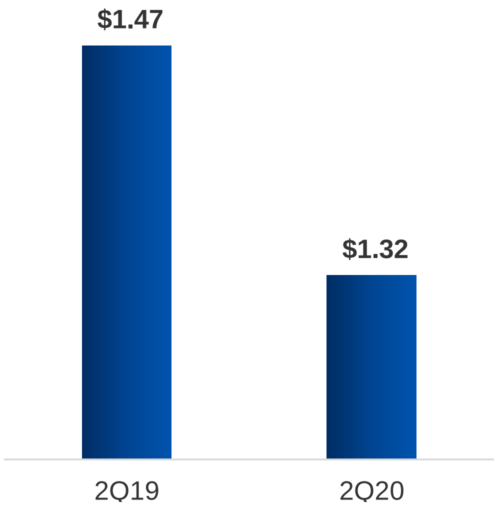
(6.2%)



- Gross margin rate expansion
- Significant SG&A cost savings
- Automotive margin +60 bps
  - Strength in U.S., Canada and Australasia
- Industrial margin flat (+10 bps YTD)
- Profit dollars pressured by challenging sales environment related to COVID-19
  - Lower sales and gross profit

Adj EPS[1]

(10.2%)



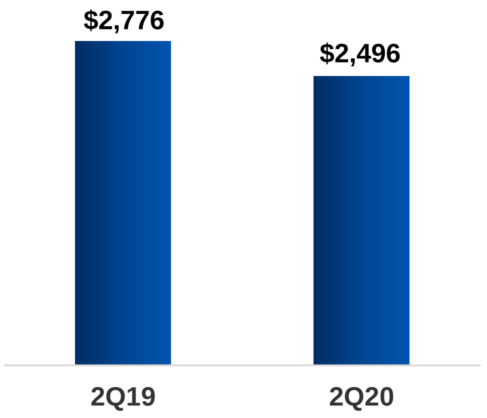
- Reported net loss per diluted share $2.52
  - Includes $3.84 in after-tax adjustments for goodwill impairment, restructuring, transaction and other costs and income
- Adj. tax rate[1] was 24.1% compared to 24.8% in 2Q19

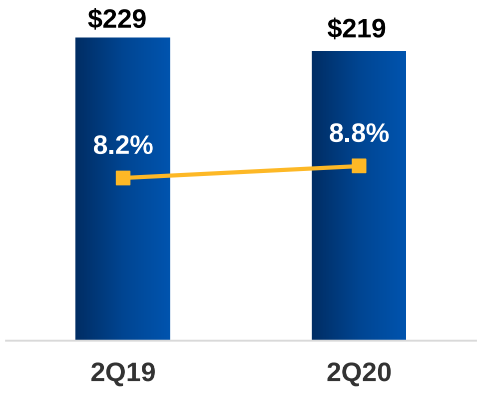
Note: All comparisons are YoY unless otherwise stated [1] Sales and Segment Profit exclude divestitures and discontinued operations. Adjusted Gross Profit, adjusted Operating / Non-Operating expenses, adjusted EPS and adjusted tax rate excludes goodwill, transaction and other certain costs. These amounts are non-GAAP measures (See Reconciliation of Non-GAAP Measures)

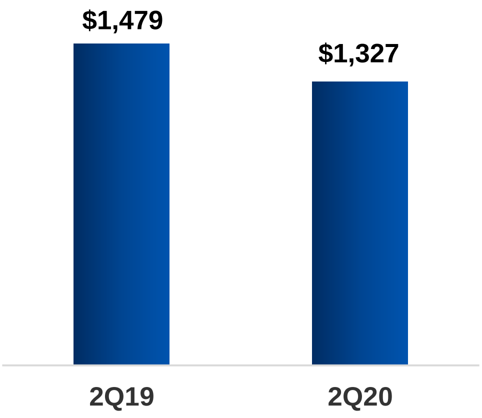
2Q20 Segment Performance

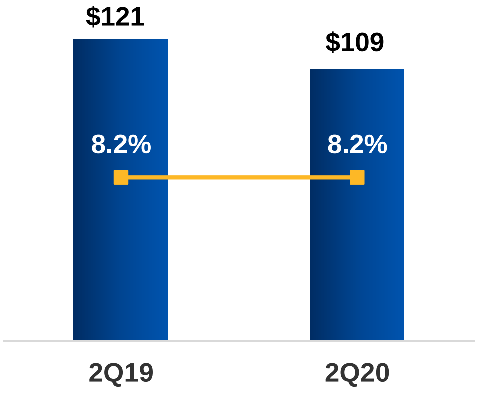
($M)

Automotive		Industrial	
Sales[1]	**Segment Profit[1]**	**Sales[1]**	**Segment Profit[1]**
(10.1%)	(4.3%)	(10.2%)	(9.8%)









Automotive Highlights

- Reported sales (10.1%)
- Sales significantly impacted by COVID-19
- Improving sales trends with positive comps in Europe and Australasia in June
- Improved profit margin in the U.S., Canada & Australasia
- Foreign currency a continued headwind
  - Estimated July daily sales +6%

Industrial Highlights

- Reported sales (21.1%)
  - 10.9% impact from divestiture
- Sales significantly impacted by COVID-19
- Motion profit margin flat due to cost savings
- Inenco business performed well
  - Estimated July daily sales, excluding divestitures (12%)

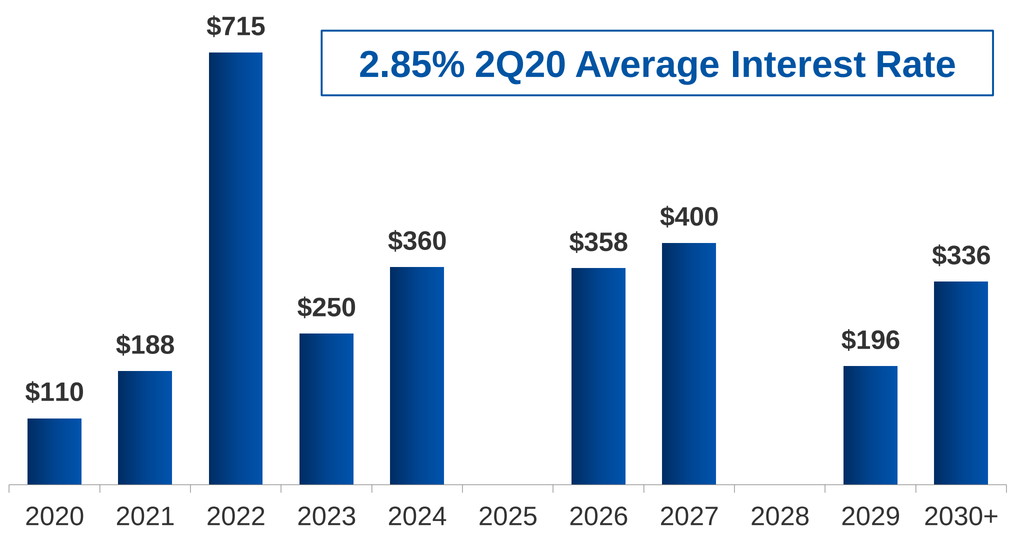
Note: Figures are in $M. All comparisons are YoY unless otherwise stated. [1]Sales and Segment Profit and Margin exclude divestitures. These amounts are non-GAAP measures (See Reconciliation of Non-GAAP Measures)

Durable Balance Sheet and Ample Liquidity

Balance Sheet Highlights[1]	($B)
Cash / Cash Equivalents	$1.0
Accounts Receivable	$1.8
Inventory	$3.4
Total Assets	**$13.3**
Accounts Payable	$3.7
Total Debt	$3.2
Total Liabilities	**$10.4**
Working Capital[4]	$1.3

LIQUIDITY PROFILE[1]	($B)
Total Credit Capacity[5]	$4.8
Less Total Debt:	($3.2)
Unused Credit Capacity	$1.6
Cash	$1.0
Total Available Liquidity	**$2.6**
Total Debt to EBITDA[6]	**3.2x**

DEBT MATURITY SCHEDULE[2,3] *($M)*



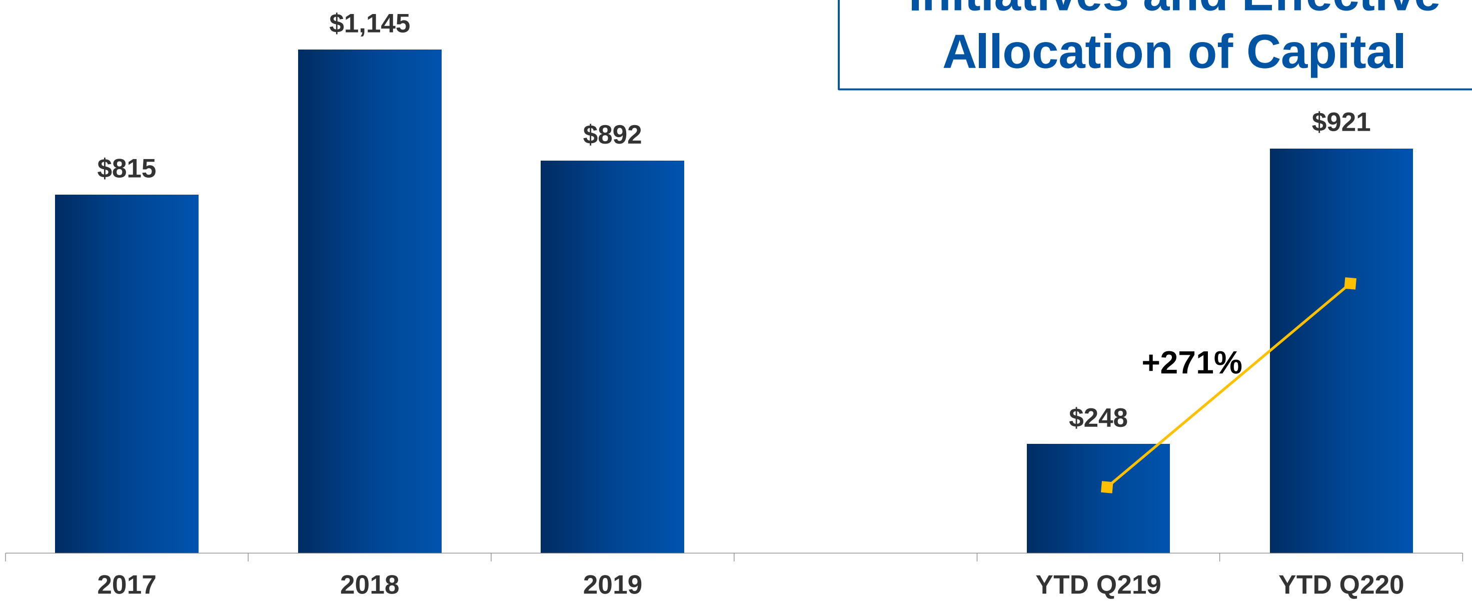
- Fixed and variable-rate debt maturing 2021-2034
- In compliance with debt covenants as of June 30, 2020; **negotiated more favorable covenants, effective May 1, 2020**
- Liquidity strengthened in Q2; **~$2.6 billion available liquidity entering July**
  - $500 million A/R Sales Program; $500 million additional international debt; $400 million SPR proceeds

Ample Liquidity to Withstand Challenging Economic Environment

[1] As of 6/30/2020. [2] Excludes revolver. [3] As of 12/31/2019. [4] Working capital is defined as current assets less current liabilities. [5] Total credit capacity represents total committed capacity under the revolving credit facility plus the amount of all other debt outstanding [6] As defined in our credit agreements

Operating Cash Flows

($M)



Continued Strong Cash Flows to Support Growth Initiatives and Effective Allocation of Capital

Drivers:

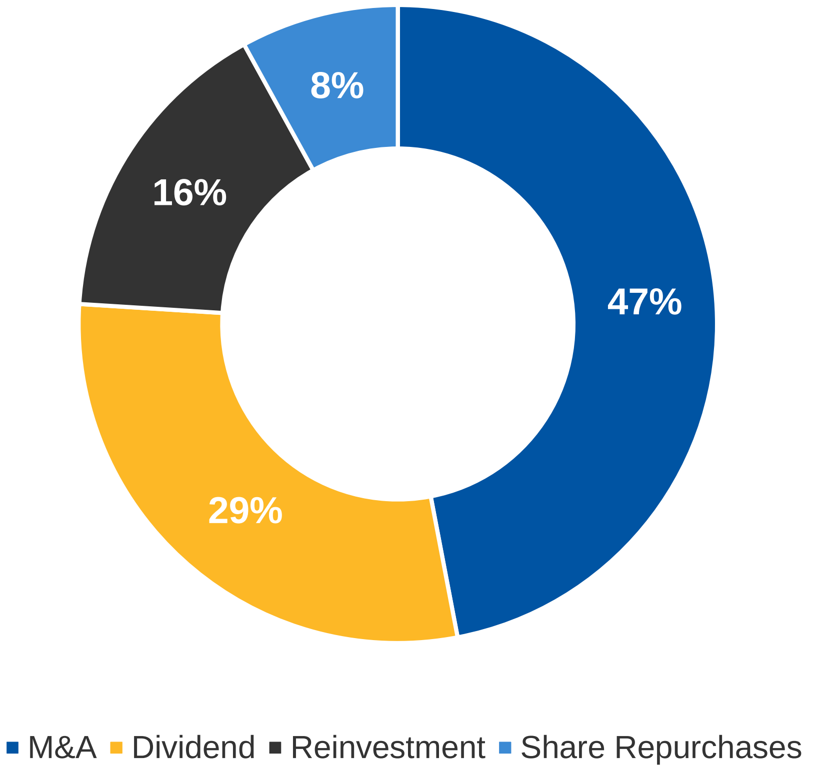
- Earnings
- Working Capital
- Sale of receivables
- Cost Savings

Driving Continued Strong Cash Flows

Disciplined Capital Allocation

2017-2019 Capital Deployment

~$4.3B[1]



Current Priorities

Reinvestment

- 2020 CapEx of $150M-$200M (35-50% reduction from original expectation)

M&A

- Limited to small, bolt-ons, for balance of 2020

Share Repurchases

- Temporarily suspended share repurchases

Dividend

- $0.79 per share, representing a 4% increase from 2019
- Dividend yield[2] of 3.6%

Taking Necessary Steps to Preserve Cash

[1] Includes proceeds from divestitures. [2] As of 6/30/2020.

Closing Comments

- Continued focus on the safety and well-being of our GPC associates and customers, while executing on our growth initiatives with speed and agility
- Improving sales trends in Automotive
- Operating margin expansion, gross margin expansion, and transformative cost actions
- Stronger, more flexible balance sheet and strong cash flows
- Simplified and optimized portfolio
- Streamlined organization focused on Automotive and Industrial operations

Well-Defined Strategic Framework to Maximize Growth and Create Shareholder Value

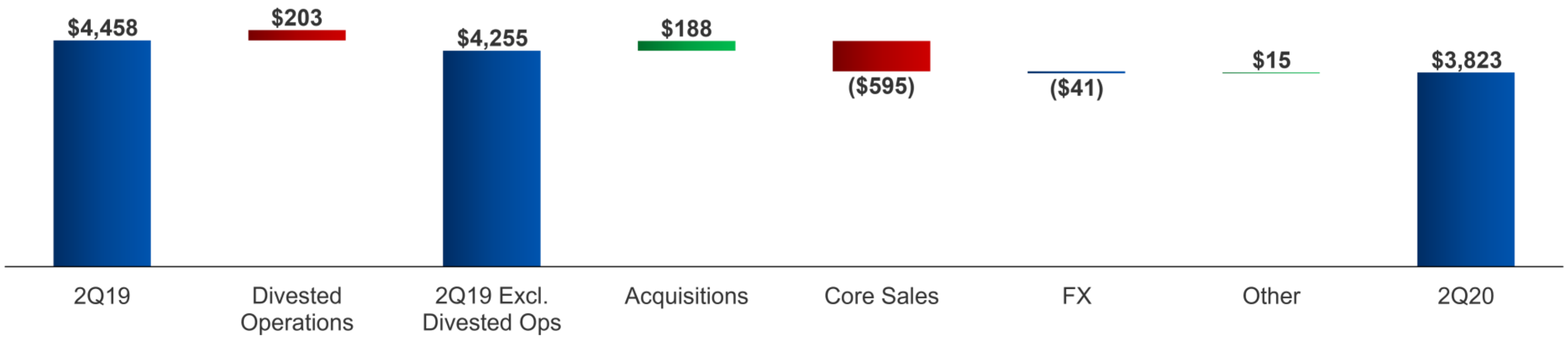
Q&A

Appendix

Consolidated Sales and EPS Bridge

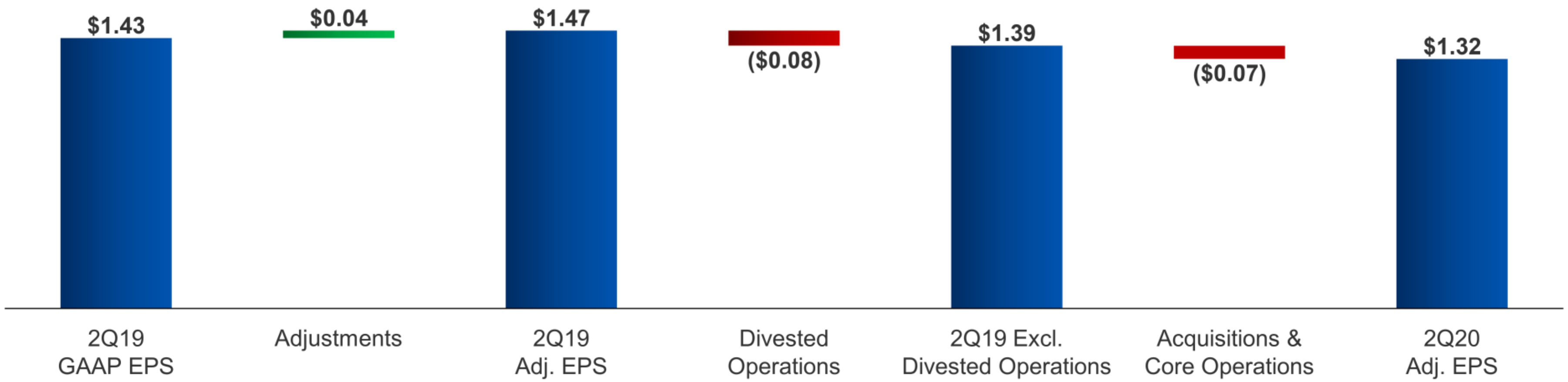
Appendix A

SALES[1] ($M)



Reported Sales	**(14.2%)**
Divested Operations	**+4.1%**
Sales Excl. Divestitures[2]	**(10.1%)**

EPS[1,2]



Adjusted Diluted EPS[2]	**$1.32**
Adjustments	**($3.84)**
GAAP Diluted EPS	**($2.52)**

[1]Sales excluding divestitures and discontinued operations and adjusted earnings per share are non-GAAP measures (See Reconciliation of Non-GAAP Financial Measures). [2] All earnings per share amounts assume dilution.

Other Information

Appendix B

Comparable Sales: Comparable sales refer to period-over-period comparisons of our sales excluding the impact of acquisitions, divestitures and foreign currency. The Company considers this metric useful to investors because it provides greater transparency into management's view and assessment of the Company's core ongoing operations. This is a metric that is widely used by analysts, investors and competitors in our industry, although our calculation of the metric may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate this metric in the same manner.

Daily Sales: Daily sales is a key metric that represents the amounts invoiced to the Company's customers each day. Daily sales do not represent GAAP-based sales because, among other things, invoices are not always generated at the same time goods and services are delivered to customers and the amounts do not include adjustments for estimates of returns, rebates or other forms of variable consideration. Management uses this metric to monitor demand trends at each of its subsidiaries throughout each month for the purposes of monitoring performance against forecasts and to make operational decisions. The Company considers this metric useful to investors because it provides greater transparency into management's view and assessment of the Company's core ongoing operations. The calculation of this metric may not be comparable to similar measures disclosed by other companies, because not all companies and analysts calculate this metric in the same manner.

Reconciliation of Non-GAAP Financial Measures (Cont.)

Appendix C

Adjusted Net Income from Continuing Operations

(in thousands, except per share data)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
GAAP net (loss) income from continuing operations	$ (363,501)	$ 209,519	$ (241,155)	$ 355,203
Adjustments:				
Goodwill impairment charge (1)	506,721	—	506,721	—
Restructuring costs (2)	25,059	—	28,041	—
Realized currency loss (3)	11,356	—	11,356	27,037
Gain on insurance proceeds related to SPR Fire (4)	(1,166)	—	(13,448)	—
Transaction and other costs (5)	13,555	4,108	21,104	10,185
Total adjustments	555,525	4,108	553,774	37,222
Tax impact of adjustments	(1,500)	1,727	(5,310)	(5,140)
Adjusted net income from continuing operations	$ 190,524	$ 215,354	$ 307,309	$ 387,285
Weighted average common shares outstanding – assuming dilution	144,262	146,736	144,657	146,713

(1) Adjustment reflects the second quarter goodwill impairment charge related to our European reporting unit.

(2) Adjustment reflects restructuring costs related to the ongoing execution of the 2019 Cost Savings Plan announced in the fourth quarter of 2019. The costs are primarily associated with severance and other employee costs, including a voluntary retirement program, and facility and closure costs related to the consolidation of operations.

(3) Adjustment reflects realized currency losses related to divestitures.

(4) Adjustment reflects insurance recoveries in excess of losses incurred on inventory, property, plant and equipment and other fire-related costs related to the S.P. Richards Headquarters and Distribution Center.

(5) Adjustment reflects (i) $2.5 million and $8.5 million of incremental costs associated with COVID-19 for the three and six months ended June 30, 2020, respectively, and (ii) costs associated with divestitures. COVID-19 related costs include incremental costs incurred relating to fees to cancel marketing events and increased cleaning and sanitization materials, among other things.

Reconciliation of Non-GAAP Financial Measures (Cont.) Appendix C

Adjusted Net Income Per Diluted Share from Continuing Operations

	Three Months Ended June 30,		Six Months Ended June 30,	
(in thousands, except per share data)	2020	2019	2020	2019
GAAP net (loss) income from continuing operations	$ (2.52)	$ 1.43	$ (1.67)	$ 2.42
Adjustments:				
Goodwill impairment charge (1)	3.51	—	3.50	—
Restructuring costs (2)	0.17	—	0.19	—
Realized currency loss (3)	0.08	—	0.08	0.18
Gain on insurance proceeds related to SPR Fire (4)	(0.01)	—	(0.09)	—
Transaction and other costs (5)	0.10	0.03	0.15	0.07
Total adjustments	3.85	0.03	3.83	0.25
Tax impact of adjustments	(0.01)	0.01	(0.04)	(0.04)
Adjusted net income from continuing operations	$ 1.32	$ 1.47	$ 2.12	$ 2.63
Weighted average common shares outstanding – assuming dilution	144,262	146,736	145,236	146,713

(1) Adjustment reflects the second quarter goodwill impairment charge related to our European reporting unit.

(2) Adjustment reflects restructuring costs related to the ongoing execution of the 2019 Cost Savings Plan announced in the fourth quarter of 2019. The costs are primarily associated with severance and other employee costs, including a voluntary retirement program, and facility and closure costs related to the consolidation of operations.

(3) Adjustment reflects realized currency losses related to divestitures.

(4) Adjustment reflects insurance recoveries in excess of losses incurred on inventory, property, plant and equipment and other fire-related costs related to the S.P. Richards Headquarters and Distribution Center.

(5) Adjustment reflects (i) $2.5 million and $8.5 million of incremental costs associated with COVID-19 for the three and six months ended June 30, 2020, respectively, and (ii) costs associated with divestitures. COVID-19 related costs include incremental costs incurred relating to fees to cancel marketing events and increased cleaning and sanitization materials, among other things.

Reconciliation of Non-GAAP Financial Measures (Cont.) Appendix C

Adjusted Gross Profit

(in thousands)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	QTD Change $ Change	QTD Change % Change
GAAP Gross Profit	$ 1,290,487	$ 1,482,704	$ (192,217)	(13.0)%
Adjustments:				
Transaction and other costs	12,891	2,960	9,931	335.5%
Total Adjustments (2)	12,891	2,960	9,931	335.5%
Adjusted Gross Profit	$ 1,303,378	$ 1,485,664	$ (182,286)	(12.3)%
Adjusted Gross Profit as a Percent of GAAP Net Sales	34.1%	33.3%		76 bps

Adjusted Operating and Non-Operating Expenses

(in thousands)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	QTD Change $ Change	QTD Change % Change
GAAP Operating and Non-Operating Expenses	$ 1,594,923	$ 1,200,505	$ 394,418	32.9%
Adjustments:				
Goodwill impairment charge	506,721	—	506,721	100.0%
Restructuring costs	25,059	—	25,059	100.0%
Realized currency loss	11,356	—	11,356	100.0%
Gain on insurance proceeds related to SPR Fire	(1,166)	—	(1,166)	100.0%
Transaction and other costs	663	1,148	(485)	(42.2)%
Less: Total Adjustments (2)	542,633	1,148	541,485	NM
Adjusted Operating and Non-Operating Expenses	$ 1,052,290	$ 1,199,357	$ 147,067	(12.3)%
Adjusted Operating and Non-Operating Expenses as a Percent of GAAP Net Sales	27.5%	26.9%		62 bps

NM - Not Meaningful

(2) Refer to adjusted net income from continuing operations and adjusted diluted earnings per share from continuing operations reconciliation for explananation of pre-tax adjustments

Reconciliation of Non-GAAP Financial Measures (Cont.) **Appendix C**

Change in Net Sales Excluding Divestitures

For the three months ended June 30, 2019 and June 30, 2020

	2019			2020		
(in thousands)	GAAP Total Net Sales	Net Sales of Businesses Divested in 2019 & 2020 (1)	Net Sales Excluding Divestitures	GAAP Total Net Sales	$ Change	% Change
Automotive	2,776,210	—	2,776,210	2,495,799	(280)	(10.1)%
Industrial	1,681,721	202,987	1,478,734	1,327,428	(151)	(10.2)%
Total Net Sales	4,457,931	202,987	4,254,944	3,823,227	(432)	(10.1)%

Change in Segment Profit Excluding Divestitures

For the three months ended June 30, 2019 and June 30, 2020

	2019			2020		
(in thousands)	Segment Profit	Segment Profit of Businesses Divested in 2019 & 2020 (1)	Segment Profit Excluding Divestitures	Segment Profit	$ Change	% Change
Automotive	228,736	—	228,736	218,906	(10)	(4.3)%
Industrial	136,334	15,544	120,790	108,928	(12)	(9.8)%
Total Segment Profit	365,070	15,544	349,526	327,834	(22)	(6.2)%

(1) Refer to the acquisitions and divestitures footnote in the Notes to the Consolidated Financial Statements on Form 10-K filed with the SEC on February 21, 2020 for additional information on divested businesses

Reconciliation of Non-GAAP Financial Measures

Appendix C

Adjusted Tax Rate

(in thousands)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019
(Loss) income before income taxes	$ (304,436)	$ 282,199
Total adjustments	555,525	4,108
Adjusted Income before income taxes	$ 251,089	$ 286,307
Income taxes	$ 59,065	$ 72,680
Tax impact of adjustments	1,500	(1,727)
Adjusted income taxes	$ 60,565	$ 70,953
Adjusted Tax Rate	*24.1%*	*24.8%*

Free Cash Flow

(in thousands)	Trailing Twelve Months June 30, 2020
Net cash provided by operating activities	$ 1,564,765
Less: Purchases of property, plant and equipment	(270,047)
Free Cash Flow	$ 1,294,718