

Albemarle Corporation First Quarter 2021 Earnings

Conference Call/Webcast

Thursday, May 6, 2021

9:00am ET



Forward-Looking Statements

Some of the information presented in this presentation, the conference call and discussions that follow, including, without limitation, statements with respect to product development, market trends, price, expected growth and earnings, demand for our products, capital projects, tax rates, stock repurchases, dividends, cash flow generation, economic trends, outlook, guidance, and all other information relating to matters that are not historical facts may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the views expressed.

Factors that could cause actual results to differ materially from the outlook expressed or implied in any forward-looking statement include, without limitation: changes in economic and business conditions; changes in financial and operating performance of our major customers and industries and markets served by us; the timing of orders received from customers; the gain or loss of significant customers; competition from other manufacturers; changes in the demand for our products or the end-user markets in which our products are sold; limitations or prohibitions on the manufacture and sale of our products; availability of raw materials; increases in the cost of raw materials and energy, and our ability to pass through such increases to our customers; changes in our markets in general; fluctuations in foreign currencies; changes in laws and government regulation impacting our operations or our products; the occurrence of regulatory actions, proceedings, claims or litigation; the occurrence of cyber-security breaches, terrorist attacks, industrial accidents, natural disasters or climate change; hazards associated with chemicals manufacturing; the inability to maintain current levels of product or premises liability insurance or the denial of such coverage; political unrest affecting the global economy, including adverse effects from terrorism or hostilities; political instability affecting our manufacturing operations or joint ventures; changes in accounting standards; the inability to achieve results from our global manufacturing cost reduction initiatives as well as our ongoing continuous improvement and rationalization programs; changes in the jurisdictional mix of our earnings and changes in tax laws and rates; changes in monetary policies, inflation or interest rates that may impact our ability to raise capital or increase our cost of funds, impact the performance of our pension fund investments and increase our pension expense and funding obligations; volatility and uncertainties in the debt and equity markets; technology or intellectual property infringement, including cyber-security breaches, and other innovation risks; decisions we may make in the future; the ability to successfully execute, operate and integrate acquisitions and divestitures; uncertainties as to the duration and impact of the coronavirus (COVID-19) pandemic; and the other factors detailed from time to time in the reports we file with the SEC, including those described under “Risk Factors” in our most recent Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q. These forward-looking statements speak only as of the date of this presentation. We assume no obligation to provide any revisions to any forward-looking statements should circumstances change, except as otherwise required by securities and other applicable laws.

Non-GAAP Financial Measures

It should be noted that adjusted net income attributable to Albemarle Corporation (“adjusted earnings”), adjusted diluted earnings per share attributable to Albemarle Corporation, adjusted effective income tax rates, segment operating profit, segment income, pro-forma net sales, net sales excluding the impact of foreign exchange translation (“ex FX”), EBITDA, adjusted EBITDA, adjusted EBITDA by operating segment, EBITDA margin, adjusted EBITDA margin, pro-forma adjusted EBITDA, pro-forma adjusted EBITDA margin, adjusted EBITDA ex FX, adjusted EBITDA margin ex FX, net debt to adjusted EBITDA, and gross debt to adjusted EBITDA are financial measures that are not required by, or presented in accordance with, accounting principles generally accepted in the United States, or GAAP. These measures are presented here to provide additional useful measurements to review our operations, provide transparency to investors and enable period-to-period comparability of financial performance. The Company’s chief operating decision makers use these measures to assess the ongoing performance of the Company and its segments, as well as for business and enterprise planning purposes.

A description of these and other non-GAAP financial measures that we use to evaluate our operations and financial performance, and reconciliation of these non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, can be found in the Appendix to this presentation. The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable financial measures calculated and reported in accordance with GAAP, as the Company is unable to estimate significant non-recurring or unusual items without unreasonable effort. The amounts and timing of these items are uncertain and could be material to the Company’s results calculated in accordance with GAAP.

Recent Accomplishments Support Long-term Growth

Q1 2021 net income of \$96M or \$0.84 per diluted share; adjusted EBITDA of \$230M, up 17% Y/Y

Total company FY 2021 guidance unchanged; Lithium performing better than expected

Advancing growth plans; Lithium Wave 2 on track and progressing Wave 3 plans

Strengthened balance sheet with \$1.5B equity raise to accelerate growth

Signed UN Global Compact, joining global efforts to improve sustainability

On Track to Deliver Wave 2 Commercial Volume in 2022

La Negra III / IV



- Conversion of low-cost, high-quality Chilean brine
- 40ktpa nameplate capacity – lithium carbonate
- 100% owned and 100% marketed by ALB
- Construction expected to be completed mid-2021, followed by ~6-month commissioning and qualification process

Kemerton I / II



- Conversion of low-cost, high-quality Australian spodumene
- 50ktpa nameplate capacity – lithium hydroxide
- 60% owned and 100% marketed by ALB
- Construction expected to be completed late 2021, followed by ~6-month commissioning and qualification process

Wave 2 Projects increase nameplate conversion capacity to 175ktpa LCE

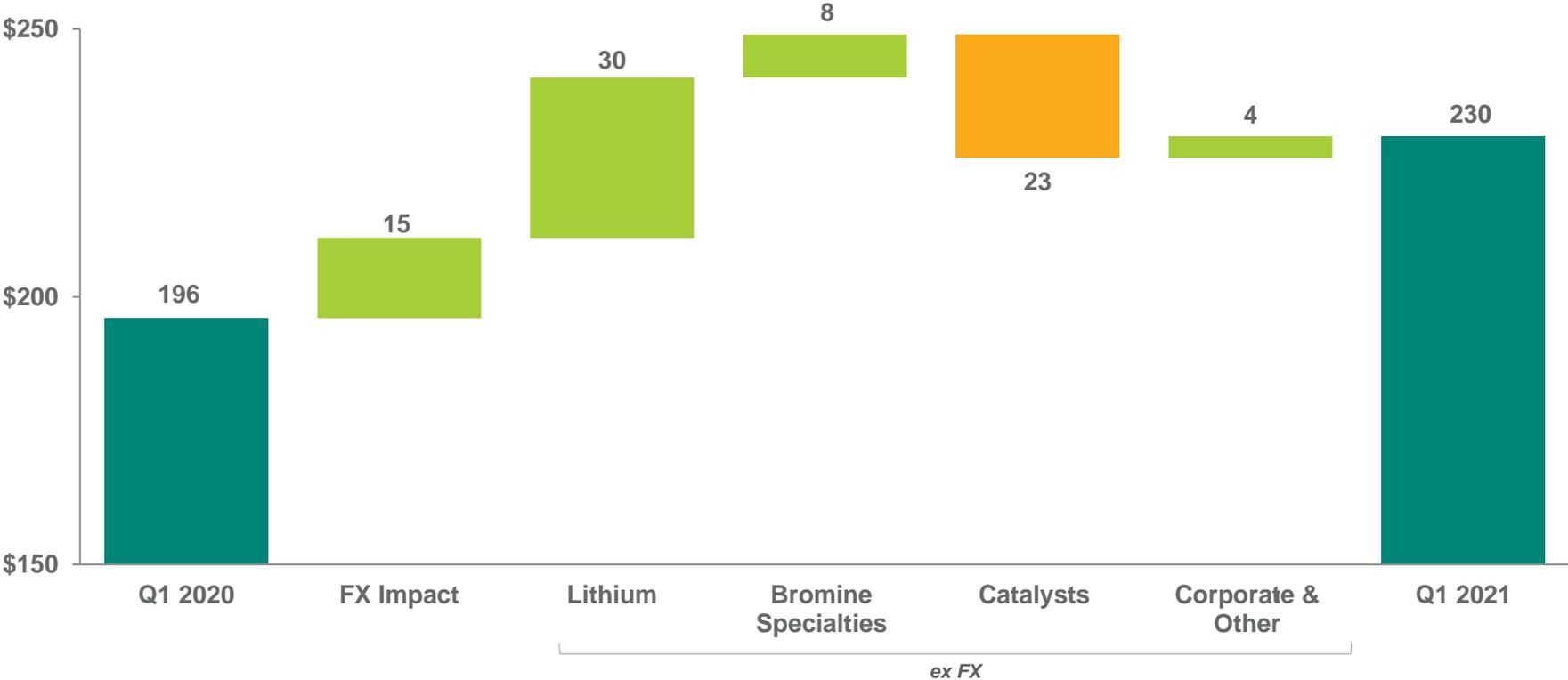
First Quarter 2021 Financial Summary

(in millions, except per share amounts)

	Q1 2021	Q1 2020	Variance
Net Sales	\$829	\$739	12%
Net income attributable to Albemarle Corporation	\$96	\$107	-11%
Adjusted EBITDA	\$230	\$196	17%
Adjusted EBITDA Margin	28%	27%	
Diluted EPS	\$0.84	\$1.01	-17%
Non-operating pension and OPEB items	(0.04)	(0.02)	
Non-recurring and other unusual items	0.29	0.01	
Adjusted Diluted EPS	\$1.10	\$1.00	10%

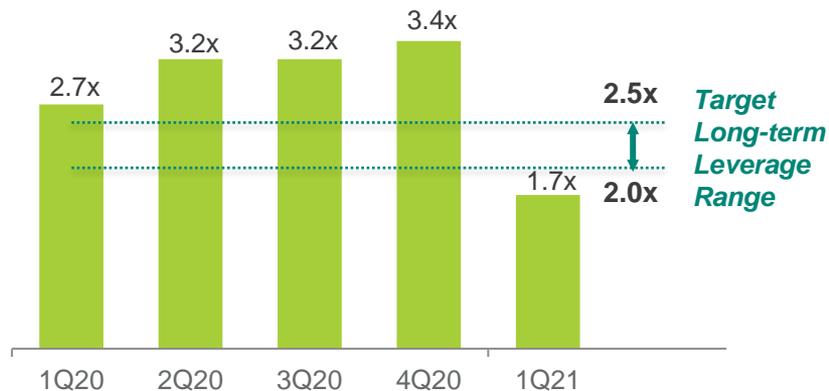
Q1 2021 Adjusted EBITDA Bridge¹

(\$ in millions)



Strong Balance Sheet to Support Accelerated Growth

Net Debt to Adjusted EBITDA¹



- \$1.5B equity raise completed in February to accelerate growth
- Higher adjusted EBITDA and debt reduction has improved leverage ratio
- Intend to retain target long-term leverage ratio range of 2.0x – 2.5x
- Increased annual dividend for 27th consecutive year

Selected Financial Metrics

(\$ in millions)

(as of 3/31/2021)

Dividends Paid (TTM)	\$164
Dividend Growth (TTM Y/Y)	5%
Cash Balance	\$570
Gross Debt ²	\$2,031

Maintaining 2021 Guidance

	FY 2021 Guidance (Includes FCS) ¹	2H 2021 FCS Guidance ¹
Net Sales	\$3.2B – \$3.3B	\$70M – \$90M
Adjusted EBITDA	\$810M – \$860M	\$25M – \$35M
Adjusted EBITDA Margin	25% – 26%	-
Adjusted Diluted EPS	\$3.25 – \$3.65	\$0.15 – \$0.25
Net Cash from Operations	\$475M – \$575M	\$30M – \$40M
Capital Expenditures	\$850M – \$950M	\$4M – \$8M

Additional inputs for 2021: depreciation and amortization \$260M - \$280M; adjusted effective tax rate 16.0%-17.0%; Corporate costs \$100M - \$110M; interest and financing expenses \$50M - \$60M; weighted-average common shares outstanding – diluted 116.5M. FY 2021 guidance includes full year of FCS performance.

Improving Trends in Lithium Offset Weakness in Catalysts

As of May 5, 2021



- Lithium outlook stronger than previously anticipated – FY 2021 adj. EBITDA up high single digits Y/Y
- Higher volumes due to North American plant restarts, productivity improvements, and tolling
- Average realized pricing expected to increase sequentially during the year, but to be flat on Y/Y basis
- Higher costs related to project start-ups, partially offset by productivity improvements



- Outlook for Catalysts is weaker than originally anticipated – FY 2021 adj. EBITDA down 30 - 40% Y/Y
- Revised outlook due to US Gulf Coast winter storm headwinds and FCC order delays, as well as product mix
- As previously announced, refining catalyst volumes down Y/Y due to a change in customer order patterns in North America



- Bromine outlook unchanged – FY 2021 adj. EBITDA up mid to high single digits Y/Y
- Expecting continued economic recovery and strength in flame retardants
- Q1 favorable customer mix not expected to continue; winter storm impact to be felt in Q2 - Q3
- On-going saving initiatives and pricing offset inflation

Aligning Our Sustainability Framework with UN SDGs

	3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION
People, Workplace & Community We are committed to building an inclusive and diverse workplace. We promote collaboration and engage in the communities where we work and live.	✓	✓	✓		✓		✓		✓
Natural Resource Management We responsibly manage our use of resources and materials.			✓	✓		✓	✓	✓	✓
Sustainable Shareholder Value We foster the conditions that create sustainable, long-term value for our shareholders and stakeholders.	✓		✓	✓	✓	✓	✓	✓	✓

In April 2021, we signed the United Nations (UN) Global Compact; Committed to advancing UN Sustainable Development Goals (SDGs)

Well-Positioned to Drive Sustainable Growth

2021 OBJECTIVES

Grow Profitably

- Complete LAN III/IV (mid-2021) and Kemerton I/II (late-2021)
 - Investment decisions on new expansion projects in Lithium and Bromine
-

Maximize Productivity

- Achieve \$75M productivity improvements versus 2020¹
 - Preserve margins with best-in-class cost discipline and continuous improvement
 - Build project execution expertise to accelerate highest return growth projects
-

Invest with Discipline

- Align growth with commercial agreements to support economic returns
 - Continue to actively evaluate portfolio; complete FCS divestiture
 - Maintain Investment Grade credit rating and support our dividend
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Advance Sustainability

- Set near-term sustainability targets; explore science-based target options
- Partner with automotive OEMs to enable sustainable supply chains

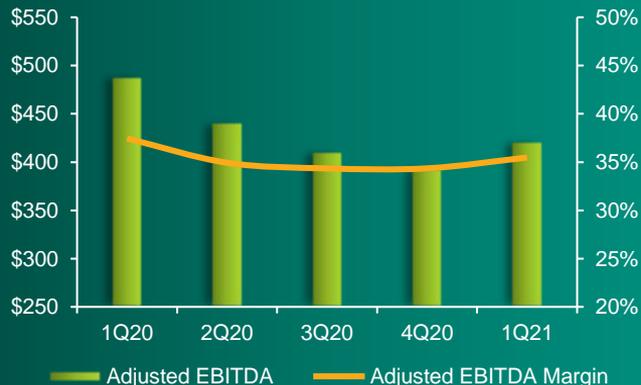
Lithium Overview

As of May 5, 2021

Q1 2021 PERFORMANCE

(\$M)	Q1 2021	ΔQ1 2020
Net Sales	\$279	18%
Net Sales ex FX ¹	\$271	15%
Adj. EBITDA	\$106	35%
Adj. EBITDA ex FX ¹	\$109	39%
Adj. EBITDA Margin	38%	495 bps
Adj. EBITDA Margin ex FX ¹	40%	693 bps

HISTORICAL TREND (TTM)



Note: Numbers may not reconcile due to rounding.
¹ Net of FX impacts. ² Sales based on historical average.

YoY Q1 Performance Drivers

- Net sales up 18% (price -10%, volume +28%); adjusted EBITDA up 35%
- Stronger volumes as customers accelerated orders, drew down inventory to meet demand
- Strong Q1 EBITDA margin on sales of lower cost 2020 inventory

FY 2021 Outlook

- FY 2021 adjusted EBITDA up high single digits Y/Y, above previous outlook
- Average realized pricing expected to improve sequentially due to tightening market conditions, but will be flat compared to 2020
- Higher volumes due to North American plant restarts, productivity improvements, tolling
- Full year outlook assumes operation at current capacity - Kemerton and La Negra expansions add commercial volume starting in 2022
- Higher lithium costs related to project start-ups partially offset by efficiency improvements; FY 2021 average margin expected to remain below 35%

Drivers/Sensitivities

- Energy storage (~60% of Li sales²): Primary driver - EV sales in Europe and China
 - Potentially 1 to 2 quarter lag behind EV production
- Specialties and TG (~40% of Li sales²): Primary driver - consumer spending and industrial production - less than 1 quarter lag
- Starting to see higher prices in the contract market, outside of China

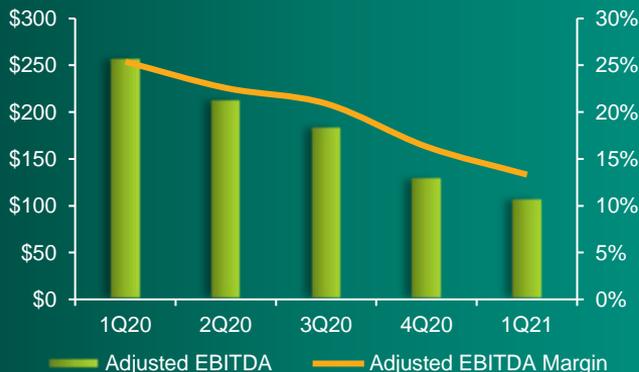
Catalysts Overview

As of May 5, 2021

Q1 2021 PERFORMANCE

(\$M)	Q1 2021	ΔQ1 2020
Net Sales	\$220	6%
Net Sales ex FX ¹	\$215	4%
Adj. EBITDA	\$25	-46%
Adj. EBITDA ex FX ¹	\$25	-48%
Adj. EBITDA Margin	12%	(1,136) bps
Adj. EBITDA Margin ex FX ¹	12%	(1,138) bps

HISTORICAL TREND (TTM)



Note: Numbers may not reconcile due to rounding.

¹ Net of FX impacts. ² Sales based on a 5-year average excluding PCS.

YoY Q1 Performance Drivers

- Net sales up 6% (price 0%, volume +6%); adjusted EBITDA down 46%
- US Gulf Coast winter storm had \$26 million cost impact on our two Houston-based sites
- HPC volume up due to timing; FCC volume down versus a pre-COVID Q1 2020 due to the impact of the winter storm on our customers' requirements
- Q1 2020 results were overstated by \$12 million due to incorrect cost of goods sold for inventory values which were corrected the following quarter

FY 2021 Outlook

- Outlook for Catalysts is weaker than originally anticipated – FY 2021 adjusted EBITDA down 30 - 40% Y/Y
- Revised outlook due to winter storm headwinds, FCC order delays, product mix
- As previously announced, refining catalyst volumes down Y/Y due to a change in customer order patterns in North America
- Results are not expected to return to pre-pandemic levels before late FY 2022-23

Drivers/Sensitivities

- FCC (~ 60% of sales²): Primary drivers - miles driven/transportation fuel consumption
 - Very little lag time with changes in fuel consumption
- HPC (~ 40% of sales²): Primary driver - environmental sulfur regulations and miles driven/transportation fuel consumption

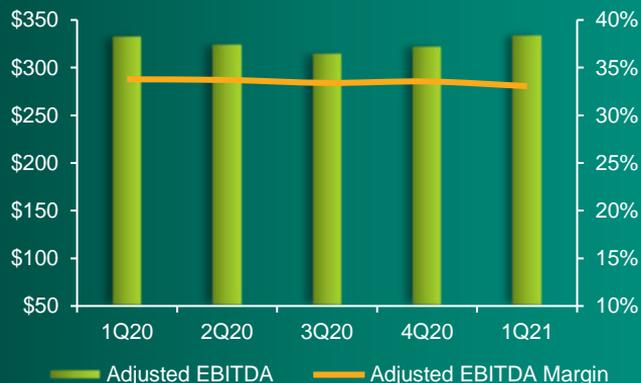
Bromine Specialties Overview

As of May 5, 2021

Q1 2021 PERFORMANCE

(\$M)	Q1 2021	ΔQ1 2020
Net Sales	\$280	21%
Net Sales ex FX ¹	\$277	19%
Adj. EBITDA	\$95	14%
Adj. EBITDA ex FX ¹	\$91	9%
Adj. EBITDA Margin	34%	221 bps
Adj. EBITDA Margin ex FX ¹	33%	301 bps

HISTORICAL TREND (TTM)



Note: Numbers may not reconcile due to rounding.

¹ Net of FX impacts. ² Based on historical average.

YoY Q1 Performance Drivers

- Net sales up 21% (price +6%, volume +15%); adjusted EBITDA up 14%
- Sales enabled by drawing down inventory
- Winter storm impact dampened results in an otherwise strong quarter
- Robust market demand across majority of product portfolio
- Favorable volume and customer mix contributed to strong margins, not expected to continue

FY 2021 Outlook

- Bromine outlook unchanged – FY 2021 adjusted EBITDA up mid to high single digits Y/Y
- New technology trends like 5G, EVs, Internet of Things (IoT), and autonomous cars drive growth opportunities
- Lost production volumes related to US Gulf Coast winter storm will be felt in Q2 - Q3
- On-going saving initiatives and pricing offset inflation

Drivers/Sensitivities

- GDP driven business - electronics, automotive, construction, appliances
- Flame retardants (~60% of sales²): Primary driver - consumer spending / GDP
- Oilfield (<10% of sales²): Primary driver - oil price
 - Deep water and off-shore drilling
- ~1 to 3 quarter lag in supply chain

Upcoming Investor Events

Second Quarter 2021 Investor Relations Events

Date	Event – All Virtual
May 12 th - 13 th	Goldman Sachs – Industrials & Materials Conference
June 9 th - 10 th	Non-deal Roadshow
June 23 rd	BMO Chemicals & Packaging Conference

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Appendix

Non-GAAP Reconciliations

Definitions of Non-GAAP Measures

NON-GAAP MEASURE	DESCRIPTION
Adjusted Net Income	Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted Net Income	Net income attributable to Albemarle Corporation before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.
Adjusted Diluted EPS	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted Diluted EPS	Diluted EPS before non-recurring, other unusual and non-operating pension and OPEB items, and the net impact of the divested business.
EBITDA	Net income attributable to Albemarle Corporation before interest and financing expenses, income taxes, and depreciation and amortization.
Adjusted EBITDA	EBITDA before non-recurring, other unusual and non-operating pension and OPEB.
Pro-forma Adjusted EBITDA	Adjusted EBITDA before the net impact of EBITDA of the divested business.
Pro-forma Net Sales	Net Sales before the impact of Net Sales from the divested business.
Adjusted Effective Income Tax Rate	Reported effective income tax rate before the tax impact of non-recurring, other unusual and non-operating pension and OPEB items.

Adjusted Net Income

<i>(\$ in thousands)</i>	Three Months Ended March 31,	
	2021	2020
Net income attributable to Albemarle Corporation	\$ 95,677	\$ 107,204
Add back:		
Non-operating pension and OPEB items (net of tax)	(4,267)	(2,311)
Non-recurring and other unusual items (net of tax)	32,761	1,493
Adjusted net income attributable to Albemarle Corporation	\$ 124,171	\$ 106,386
Adjusted diluted earnings per share	\$ 1.10	\$ 1.00
Weighted-average common shares outstanding – diluted	113,330	106,512

EBITDA and Adjusted EBITDA

	Three Months Ended	
	March 31,	
	2021	2020
<i>(\$ in thousands)</i>		
Net income attributable to Albemarle Corporation	\$ 95,677	\$ 107,204
Add back:		
Interest and financing expenses	43,882	16,885
Income tax expense	22,107	18,442
Depreciation and amortization	62,260	53,694
EBITDA	223,926	196,225
Non-operating pension and OPEB items	(5,465)	(2,908)
Non-recurring and other unusual items	39,391	3,048
Adjusted EBITDA	\$ 257,852	\$ 196,365
Net sales	\$ 829,291	\$ 738,845
EBITDA margin	27.0 %	26.6 %
Adjusted EBITDA margin	31.1 %	26.6 %

Adjusted EBITDA – by Segment *(three months ended)*

(\$ in thousands)

	Lithium	Bromine Specialties	Catalysts	Reportable Segments Total	All Other	Corporate	Consolidated Total
Three months ended March 31, 2021							
Net income (loss) attributable to Albemarle Corporation	\$ 74,630	\$ 82,113	\$ 12,916	\$ 169,659	\$ 20,016	\$ (93,998)	\$ 95,677
Depreciation and amortization	31,806	12,527	12,511	56,844	1,463	3,953	62,260
Non-recurring and other unusual items	—	—	—	—	—	11,593	11,593
Interest and financing expenses	—	—	—	—	—	43,882	43,882
Income tax expense	—	—	—	—	—	22,107	22,107
Non-operating pension and OPEB items	—	—	—	—	—	(5,465)	(5,465)
Adjusted EBITDA	\$ 106,436	\$ 94,640	\$ 25,427	\$ 226,503	\$ 21,479	\$ (17,928)	\$ 230,054
Three months ended March 31, 2020							
Net income (loss) attributable to Albemarle Corporation	\$ 53,240	\$ 71,665	\$ 34,892	\$ 159,797	\$ 20,846	\$ (73,439)	\$ 107,204
Depreciation and amortization	25,397	11,597	12,578	49,572	1,978	2,144	53,694
Non-recurring and other unusual items	—	—	—	—	—	3,048	3,048
Interest and financing expenses	—	—	—	—	—	16,885	16,885
Income tax expense	—	—	—	—	—	18,442	18,442
Non-operating pension and OPEB items	—	—	—	—	—	(2,908)	(2,908)
Adjusted EBITDA	\$ 78,637	\$ 83,262	\$ 47,470	\$ 209,369	\$ 22,824	\$ (35,828)	\$ 196,365

Adjusted EBITDA – Margin by Segment *(three months ended)*

(\$ in thousands)

	Lithium	Bromine Specialties	Catalysts	Reportable Segments Total	All Other	Consolidated Total
Three months ended March 31, 2021						
Net sales	\$ 278,976	\$ 280,447	\$ 220,243	\$ 779,666	\$ 49,625	\$ 829,291
Net income (loss) attributable to Albemarle Corporation	26.8 %	29.3 %	5.9 %	21.8 %	40.3 %	11.5 %
Depreciation and amortization	11.4 %	4.5 %	5.7 %	7.3 %	2.9 %	7.5 %
Non-recurring and other unusual items	— %	— %	— %	— %	— %	1.4 %
Interest and financing expenses	— %	— %	— %	— %	— %	5.3 %
Income tax expense	— %	— %	— %	— %	— %	2.7 %
Non-operating pension and OPEB items	— %	— %	— %	— %	— %	(0.7)%
Adjusted EBITDA Margin	38.2 %	33.7 %	11.5 %	29.1 %	43.3 %	27.7 %
Three months ended March 31, 2020						
Net sales	\$ 236,818	\$ 231,592	\$ 207,207	\$ 675,617	\$ 63,228	\$ 738,845
Net income (loss) attributable to Albemarle Corporation	22.5 %	30.9 %	16.8 %	23.7 %	33.0 %	14.5 %
Depreciation and amortization	10.7 %	5.0 %	6.1 %	7.3 %	3.1 %	7.3 %
Non-recurring and other unusual items	— %	— %	— %	— %	— %	0.4 %
Interest and financing expenses	— %	— %	— %	— %	— %	2.3 %
Income tax expense	— %	— %	— %	— %	— %	2.5 %
Non-operating pension and OPEB items	— %	— %	— %	— %	— %	(0.4)%
Adjusted EBITDA Margin	33.2 %	36.0 %	22.9 %	31.0 %	36.1 %	26.6 %

Adjusted EBITDA – (twelve months ended)

(\$ in thousands)	Twelve Months Ended				
	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	Mar 31, 2021
Net income attributable to Albemarle Corporation	\$ 506,863	\$ 438,289	\$ 381,520	\$ 375,764	\$ 364,237
Depreciation and amortization	217,895	222,788	226,980	231,984	240,550
Non-recurring and other unusual items (excluding items associated with interest expense)	126,793	124,715	127,915	42,781	51,326
Interest and financing expenses	61,994	68,245	76,364	73,116	100,113
Income tax expense	69,089	54,109	59,421	54,425	58,090
Non-operating pension and OPEB items	24,645	22,426	20,076	40,668	38,111
Adjusted EBITDA	\$ 1,007,279	\$ 930,572	\$ 892,276	\$ 818,738	\$ 852,427
Net Sales	\$ 3,496,208	\$ 3,375,205	\$ 3,242,326	\$ 3,128,909	\$ 3,219,355
Adjusted EBITDA Margin	29 %	28 %	28 %	26 %	26 %

Adjusted EBITDA – by Segment *(twelve months ended)*

(\$ in thousands)	Twelve Months Ended				
	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020	Mar 31, 2021
Lithium					
Net income attributable to Albemarle Corporation	\$ 301,837	\$ 250,572	\$ 217,538	\$ 277,711	\$ 299,101
Depreciation and amortization	102,729	106,862	110,337	112,854	119,263
Non-recurring and other unusual items	83,389	83,278	83,167	2,528	2,528
Adjusted EBITDA	487,955	440,712	411,042	393,093	420,892
Net Sales	1,303,102	1,262,066	1,197,326	1,144,778	1,186,936
Adjusted EBITDA Margin	37 %	35 %	34 %	34 %	35 %
Bromine Specialties					
Net income attributable to Albemarle Corporation	\$ 284,130	\$ 275,206	\$ 266,530	\$ 274,495	\$ 284,943
Depreciation and amortization	48,091	48,724	49,176	50,310	51,240
Non-recurring and other unusual items	901	901	(241)	(1,200)	(1,200)
Adjusted EBITDA	333,122	324,831	315,465	323,605	334,983
Net Sales	986,756	964,102	945,028	964,962	1,013,817
Adjusted EBITDA Margin	34 %	34 %	33 %	34 %	33 %
Catalysts					
Net income attributable to Albemarle Corporation	\$ 206,719	\$ 163,297	\$ 134,128	\$ 80,149	\$ 58,173
Depreciation and amortization	50,510	49,834	49,893	49,985	49,918
Non-recurring and other unusual items	794	794	794	—	—
Adjusted EBITDA	258,023	213,925	184,815	130,134	108,091
Net Sales	1,017,376	948,128	884,701	797,914	810,950
Adjusted EBITDA Margin	25 %	23 %	21 %	16 %	13 %

Adjusted EBITDA supplemental¹

(\$ in thousands)

	Twelve Months Ended	Three Months Ended			
	Mar 31, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Adjusted EBITDA	\$ 852,427	\$ 230,054	\$ 221,125	\$ 216,055	\$ 185,193
Net income attributable to noncontrolling interests	76,441	22,021	17,542	18,744	18,134
Equity in net income of unconsolidated investments (net of tax)	(117,428)	(16,511)	(43,649)	(26,154)	(31,114)
Dividends received from unconsolidated investments	93,111	4,950	26,852	48,325	12,984
Consolidated EBITDA	\$ 904,551	\$ 240,514	\$ 221,870	\$ 256,970	\$ 185,197
Total Long Term Debt (as reported)	\$ 2,030,648				
Off balance sheet obligations and other	86,900				
Consolidated Funded Debt	\$ 2,117,548				
Less Cash	569,859				
Consolidated Funded Net Debt	\$ 1,547,689				
Consolidated Funded Debt to Consolidated EBITDA Ratio	2.3				
Consolidated Funded Net Debt to Consolidated EBITDA Ratio	1.7				

Diluted EPS

	Three Months Ended	
	March 31,	
	2021	2020
Diluted earnings per share attributable to Albemarle Corporation	\$ 0.84	\$ 1.01
Add back:		
Non-operating pension and OPEB items (net of tax)	(0.04)	(0.02)
Non-recurring and other unusual items (net of tax)		
Restructuring and other	—	0.01
Acquisition and integration related costs	0.02	0.02
Loss on extinguishment of debt	0.20	—
Other	0.06	(0.01)
Discrete tax items	0.01	(0.01)
Total non-recurring and other unusual items	0.29	0.01
Adjusted diluted earnings per share ¹	\$ 1.10	\$ 1.00

Effective Tax Rate

(\$ in thousands)

	Income before income taxes and equity in net income of unconsolidated investments	Income tax expense	Effective income tax rate
Three months ended March 31, 2021			
As reported	\$ 123,294	\$ 22,107	17.9 %
Non-recurring, other unusual and non-operating pension and OPEB items	33,926	5,432	
As adjusted	\$ 157,220	\$ 27,539	17.5 %
Three months ended March 31, 2020			
As reported	\$ 115,473	\$ 18,442	16.0 %
Non-recurring, other unusual and non-operating pension and OPEB items	461	958	
As adjusted	\$ 115,934	\$ 19,400	16.7 %

Equity Income and Noncontrolling Interest

	Three Months Ended March 31,			
	2021		2020	
	Equity Income	Noncontrolling Interest	Equity Income	Noncontrolling Interest
<i>(\$ in thousands)</i>				
Lithium	\$ 16,020	\$ —	\$ 33,507	\$ —
Bromine Specialties	—	(21,970)	—	(16,433)
Catalysts	2,653	—	5,662	—
Corporate	(2,162)	(51)	(12,565)	2
Total Company	\$ 16,511	\$ (22,021)	\$ 26,604	\$ (16,431)

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