Forward Looking Statements
MPM Holdings Inc. (“Momentive”)

Forward-Looking Statements
Certain statements in this presentation are forward-looking statements within the meaning of and made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements related to our transformation and restructuring activities, growth and productivity initiatives, anticipated cost savings, growth, and market recovery, and competitiveness. In addition, our management may from time to time make oral forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. Forward-looking statements may be identified by the words “believe,” “expect,” “anticipate,” “project,” “plan,” “estimate,” “may,” “will,” “could,” “should,” “seek” or “intend” and similar expressions. Forward-looking statements reflect our current expectations and assumptions regarding our business, the economy and other future events and conditions and are based on currently available financial, economic and competitive data and our current business plans. Actual results could vary materially depending on risks and uncertainties that may affect our operations, markets, services, prices and other factors as discussed in the Risk Factors section of our Annual Report on Form 10-K (our “Annual Report”) and our other filings with the Securities and Exchange Commission (the “SEC”). While we believe our assumptions are reasonable, we caution you against relying on any forward-looking statements as it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect or actual results. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: a weakening of global economic and financial conditions, interruptions in the supply of or increased cost of raw materials, the impact of work stoppages and other incidents on our operations, changes in governmental regulations or interpretations thereof and related compliance and litigation costs, difficulties with the realization of cost savings in connection with our transformation, and strategic initiatives, including transactions with our affiliate, Hexion Inc., pricing actions by our competitors that could affect our operating margins, our ability to obtain additional financing, and the other factors listed in the Risk Factors section of our Annual Report. For a more detailed discussion of these and other risk factors, see the “Risk Factors” section of our Annual Report. All forward-looking statements are expressly qualified in their entirety by this cautionary notice. The forward-looking statements made by us speak only as of the date on which they are made. Factors or events that could cause our actual results to differ may emerge from time to time. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Non-GAAP Measures
This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the U.S. (“GAAP”), including Segment EBITDA and Segment EBITDA Margin. We have provided reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures in the appendices to this presentation.

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This presentation includes estimates of market share and industry data and forecasts that we obtained from internal company sources and/or industry publications and surveys. We have not independently verified market and industry data provided by third-party sources, nor have we ascertained the underlying economic assumptions relied upon therein. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Similarly, while we believe our internal estimates with respect to its industry are reliable, the estimates have not been verified by any independent sources. Unless otherwise noted, all information regarding our market share is based on net sales in the applicable market. Discussions and descriptions of products, product lines, segments, business units, sectors, markets, market shares and similar terms are not intended to constitute market or product definitions for purposes of antitrust, antidumping, trade regulations or other regulatory purposes.

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# Momentive Key Highlights

## Silicones: Enabling Technology for Everyday Life
- $14bn+ global industry (today) that was created by Momentive in the 1940s
- Secularly growing chemistry used in diverse applications across a broad range of end markets
- Long history of consistent growth across economic environments. Robust demand (volume) outlook of +5%
- Significant upside in industry operating rates; pricing tailwinds for the industry beginning in 2018

## MPM is a Differentiated Global Leader in Silicones
- Global market leader with $2.3 billion in revenues and $293 million in Segment EBITDA
- Strategic specialty product portfolio aligned with secular megatrends and attractive auto, consumer goods, electronics, construction and personal care markets
- Diverse, blue-chip customer base served by globally integrated manufacturing network
- High customer intimacy driven by R&D capabilities and service-oriented business model
- Experienced management team with deep operating experience and clear competitive strategy

## Clearly Defined Competitive Strategy Focused on Specialties
- Demonstrated progress against multifaceted strategy to drive Segment EBITDA growth and margins
  - **Organic Growth.** Strong secular trends in existing end markets coupled with continued new product development / applications and expansion into new geographies
  - **Capital Investments.** ~$120 million of growth capital invested in specialties over the last two years; robust pipeline of incremental capital projects and acquisitions available to drive future growth
  - **Cost Savings Program.** New $15 million restructuring program focused on reducing SG&A; incremental to program, remain focused on LEAN and Six Sigma programs
  - **Basics Optimization.** Initial progress on basics portfolio optimization made (Leverkusen shutdown in Q4 2016); multiple initiatives currently under execution, including price increases
Momentive Key Highlights (cont’d)

Significant Earnings and Margin Momentum
- Since 2015, have grown Segment EBITDA at +23% CAGR and improved margins by >400bps
- Exited 2017 (Q4) with 10% topline revenue growth, 28% Segment EBITDA growth and 190bps margin improvement
- Attractive free cash flow generation profile: low maintenance capex and taxes of approximately $65-75 million and $25 million, respectively, per annum
- Significant financial flexibility: 4.0x net leverage\(^1\) and >$385 million of liquidity

Robust Outlook with High Visibility
- Sustainable secular demand growth in specialties (from both end-market pull and new product initiatives) improving portfolio mix and supported by a strong current orderbook
- Current contribution from ~$120 million invested in recently completed growth capital projects at less than 10% of run-rate EBITDA potential
- Enacted price increases across the specialty portfolio in Q4 2017 that will flow through in 2018 and beyond
- New $15 million annual cost savings initiative to follow up successfully completed global restructuring and transformation program

\(^1\) Defined as total principal value of debt less cash and cash equivalents divided by Segment EBITDA

Momentive is a Global Leader in Specialty Silicones with Robust Outlook Underpinned by Focused Competitive Strategy and Attractive Industry Fundamentals
Agenda

I. Silicones: Enabling Technology

II. Business Overview

III. Strategic Growth Plan Update

IV. Financial Update

V. Summary

VI. Appendix
SILICONES: ENABLING TECHNOLOGY
Silicones: Enabling Technology for Everyday Life

**Unique Properties...**
- Used in a variety of applications across diversified end markets, covering a spectrum of properties:
  - Heat and chemical resistant
  - Weather and water resistance
  - Long-term elasticity
  - Insulation
  - Adherence
  - Thermal stability

**...Used in Diverse Applications...**

**2016 Revenue by End Market**
- Construction 20%
- Electrical & Electronic 19%
- Transportation 17%
- Health & Personal Care 12%
- Chemical 9%
- Other 23%

**...Globally**

**2016 Demand by Geography**
- North America 28%
- Western Europe 20%
- Asia Pacific 44%
- RoW 8%
- Others

**Global Silicones Sales**

**Used in everyday life**

---

1 The Freedonia Group, Inc. (“Freedonia”)
2 Based on 2016 data
Multiple sub-segments serve the automotive market

Momentive Product Offerings

MPM Underhood
- Sensors, stoppers & seals
- Sparkplug boots
- Ignition cables
- Air systems seals & flaps
- Charge air cooler gasket
- Turbo hoses
- Powertrain seals & gaskets
- Wire harness connectors & cables
- Engine mounts
- Fuel system seals, gaskets, o-rings & membranes
- Exhaust hangers
- Potting materials for sensitive electronics
- Adhesives for engine control units
- Sealing of sensitive areas
- Thermal interface materials to remove excess heat
- Fuel additives

MPM Interior
- Switches & light guides
- Door panels
- Rain / camera sensors
- Headliners
- Sealing foams
- Upholstery

MPM Exterior
- Weatherable & abrasion resistant coatings
- Weatherstrip coating
- Automotive paint & coatings
- Car waxes

MPM Exterior
- Fast cure RTV additives
- High transmission LED lenses
- High light transmission encapsulants for LED
- Tire & Rubber coupling agents

Focus Applications

Tire Additives (NXT Silanes)
Forward Lighting (Hardcoats)
Auto Glazing (Hardcoats)
Paint Primers/Additives (CAS)
Sealants/Adhesives (CAS)
Engine Gaskets/Seals (LSR)
Foam Padding (UA)
Navigation Displays (EM)

~$416 million Sales (18% of Total Sales) Automotive Vertical

CAS = Coating, Adhesives and Sealants | LSR = Liquid Silicone Rubber | UA = Urethane Additives

Silicones applications in auto expanding as trend for lightweighting components continues
Case Study: Applications Throughout Cosmetics and Personal Care Products

**Overview / Strategy**

- Leading global provider of proprietary performance enhancing solutions to manufacturers of personal care products
  - Innovative silicone and boron nitride based additives
- MPM’s technology leadership enhanced through continued investment in R&D and product innovations
- Growth accelerated by generating pull at brand owners through technical sales, product specifications and co-development
  - MPM designs tailored solutions using customers’ base formulations and its self-designed molecules

**Value Proposition / Key Differentiators**

- Offer differentiated solutions to manufacturers of personal care products enabling:
  - Superior conditioning and sensory enhancement
  - Soft focus and natural look
  - Long wear with comfort
- Product prototyping and technical formulation support

**Value Chain**

Note: Value Chain graphic is representative of the specific industry (not all encompassing)

1 Refers to the capability of a salesperson to also sell on a technical level i.e. with knowledge of product attributes and application expertise

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Silicones: Robust Outlook with Long History of Growth

**World Silicone Demand**

- **2006**: $9.8bn
- **2011**: $12.5bn
- **2016**: $14.2bn
- **2021**: $18.3bn

- **~4% CAGR 2006 – 16**
- **~5% CAGR 2016 – 21**

**Annual Growth Rate (2016-2021)**

- **North America**: 4.4%
- **Western Europe**: 3.5%
- **Asia Pacific**: 6.2%
- **RoW**: 5.1%

**Key Growth Drivers**

- Population Growth
- Urbanization
- Energy Efficiency and Other Environmental Regulation
- Miniaturization
- Lightweighting / Substitution

*Silicones demonstrate strong secular growth supported by global megatrends*

---

Footnote:

1 Freedonia

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Historical and projected siloxane operating rates

- Existing Market
- Global Financial Crisis: % Inc. in Silicons Demand\(^1\)
- Competitor Expansions in China: 3.8% CAGR
- Stabilization and Modest Capacity Absorption
- Beginning of Recovery
- Solid Demand Assuming No Major Capacity Expansions: 5.1% CAGR

% Inc. in Silicons Demand\(^1\):

- 2007: 87%
- 2008: 83%
- 2009: 80%
- 2010: 74%
- 2011: 74%
- 2012: 70%
- 2013: 70%
- 2014: 72%
- 2015: 71%
- 2016: 80%
- 2017: 80%
- 2018: 81%
- 2019: 83%
- 2020: 85%

Source: Management estimates
\(^1\) Freedonia

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Silicones: Competitive Landscape Overview

Momentive and Competitor Participation along the Silicones Value Chain

Cyclical Commodity

Raw material

Silicon Metal

Commodity Silicones

Upstream

Siloxane

Silicone

Sealants & Coatings

Electronic Materials / Elastomers

Specialty Fluids

Silanes

Urethane Additives

Downstream

Specialty, Non-Cyclical Silicones

Silicones as % of:

<table>
<thead>
<tr>
<th></th>
<th>Revenue</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Momentive</td>
<td>92%</td>
<td>90%</td>
</tr>
<tr>
<td>Competitor 1</td>
<td>6%²</td>
<td>N/A</td>
</tr>
<tr>
<td>Competitor 2</td>
<td>42%</td>
<td>36%</td>
</tr>
<tr>
<td>Competitor 3</td>
<td>15%</td>
<td>18%³</td>
</tr>
<tr>
<td>Competitor 4</td>
<td>42%</td>
<td>29%</td>
</tr>
<tr>
<td>Competitor 5</td>
<td>4%²</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Management estimates, company financials, competitor published information, Freedonia

¹ Financials shown as average of last three calendar years based on publicly filed information for Momentive, Competitor 2, Competitor 3 and Competitor 4; financials exclude impact from silicon metal; EBITDA excludes unallocated corporate expenses

² Based on 2016 sales and market share data according to information published by Freedonia

³ Represents silicones as % of EBIT

Momentive has access to raw materials at near producer economics in Asia

Momentive is strategically focused on downstream specialty silicones

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Market Dynamics for Silicones Evolve Across the Value Chain

Silicones Materials Flow of Selected Raw Materials to Major Finished Product Groups

- **Silicon Metal**
  - Commodity priced raw material
  - Produced in an energy intensive smelting process with quartz ($\text{SiO}_2$) as a key ingredient
  - Used in the production of siloxane, aluminum, and polysilicon
  - Highly cyclical industry with significant excess capacity globally and pricing based on globally published index tied to supply and demand
  - Only 5% of Momentive’s global cash conversion costs

- **Performance Additives**
  - Value-added differentiated solutions
  - Spec’d in with customers products and applications
  - Enable key product attributes such as extended product life, wear resistance, biocompatibility and lightweighting
  - Value priced based on added benefit
  - Price inelastic given critical contribution to customer’s end products
  - Focus of Momentive’s strategy, contributing over 50% of EBITDA

Source: Company information

1 For external sale, Basics Segment primarily produces basic fluids through polymerization process; Basics Segment also includes upstream intermediates and by-products that flow into other finished product groups.

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BUSINESS OVERVIEW
Momentive – A Global Leader in Specialty Silicones

Overview

- Global leader in specialty silicones and advanced materials with a 75-year operating history
- Attractive technology used in secularly growing applications and end markets
- Leading specialty product portfolio underpinned by over 3,400 patents serving high-growth applications
- Diverse, blue-chip customer base of over 4,000 customers in over 100 countries
- Technical service model provides competitive edge and drives customer intimacy
- Global manufacturing footprint with 24 production sites and 12 R&D facilities
- Management team with deep operating experience and a clear, executable vision for Momentive’s future

Summary Business Profile

EBITDA\(^1\) by Segment

- Performance Additives 52%
- Formulated & Basic Silicones 37%
- Quartz Technologies 11%

EBITDA Margins\(^1\)

- Performance Additives 21%
- Formulated & Basic Silicones 11%
- Quartz Technologies 20%

Revenue by End Market\(^2\)

- Consumer 25%
- Automotive 18%
- Construction 10%
- Personal Care 8%
- Electronics 7%
- Energy 3%
- Agriculture 2%
- Textiles 2%
- Healthcare 3%
- Industrial 22%
- China and Japan 24%
- Europe 24%
- ROW 21%

Revenue by Geography\(^2\)

- North America 31%
- Europe 24%
- China and Japan 24%
- ROW 21%

$2.3 billion 2017 Revenue

$293 million 2017 EBITDA

Momentive is a pure play specialty silicones leader

\(^1\) Based on Q4 2017; excludes corporate charges that are not allocated to the segments
\(^2\) Reflects FY2017 split

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75-Year Legacy of Growth and Innovation

1940s – 1950s

First "direct process" for making methylchlorosilanes
First silane coupling agent for fiberglass and composites

1960s

1962 First non-hydrolyzable silicone surfactant for polyurethane foams
1964 First construction sealant that hardens at room temperature
1969 First man walks on the moon in silicone bootsoles enabled by GE Silicones

1970s – 1990s

1974 First true structural silicone glazing for architectural applications
1986 First commercialized silicone for 2-in-1 shampoo and conditioner
1996 First silicone polyether’s introduced for textile treatment, laundry softeners and personal care

1990s

1996 First advanced silicone materials for contact lenses

Early 2000s

2004 First introduction of NXT® sulfur silane for next generation automobile tires
2008 First use of Silwet hydrolytically stable super-spreader silicones for in-can pesticides
2010 First ultraclear LSR for secondary optics in LED systems (Silwet®)

Mid 2010s

2013 First epoxy silane used in water-based systems
2014 First automotive glazing pilot facility commissioned in Leverkusen to drive expansion in Hardcoats
2015 First Super-Hardcoat technology to replace glass with plastic in auto applications

2017+

Launched next generation advanced conditioning aids
First advanced silicone materials for contact lenses
First European production site for NXT® initiated; Completed Sea Lion acquisition
First launch of Enduris® and Elemax® Brand Silicone Architectural Coatings
Opened new redesigned state of the art tire lab
First launch of PurQ™ quartz pharmaceutical vials

Momentive Corporate Milestones

2003 GE Silicones acquires OSI Specialties Business
2006 Apollo purchases GE’s advanced materials business; renames it Momentive
2014 Momentive completes balance sheet restructuring to drive business transformation
2015–2018 New team, new strategy, new direction

Best-in-class innovation and R&D platform with a proven track record
## Segment Overview

<table>
<thead>
<tr>
<th>Performance Additives</th>
<th>Formulated &amp; Basic Silicones</th>
<th>Quartz Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td><strong>Segment EBITDA</strong></td>
<td><strong>Segment EBITDA</strong></td>
</tr>
<tr>
<td>Contribution</td>
<td>Margin</td>
<td>Margin</td>
</tr>
<tr>
<td>52%</td>
<td>37%</td>
<td>11%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Products</th>
<th>Products</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>· Specialty Fluids</td>
<td>· Electronic Materials</td>
<td>· Quartz</td>
</tr>
<tr>
<td>· Silanes</td>
<td>· Elastomers</td>
<td>· Ceramics</td>
</tr>
<tr>
<td>· Urethane Additives</td>
<td>· Coatings</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Attributes</th>
<th>Attributes</th>
<th>Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>· Enable performance and processability of products across different end-markets</td>
<td>· Highly engineered formulated products that enable a range of specialty applications</td>
<td>· Highest purity quartz used in semiconductor chip manufacturing</td>
</tr>
<tr>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Case Studies</th>
<th>Case Studies</th>
<th>Case Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NXT® Green Tires</strong></td>
<td><strong>Hardcoats</strong></td>
<td><strong>Electronics</strong></td>
</tr>
<tr>
<td>· NXT® tire silane reduces rolling resistance to improve vehicle fuel economy</td>
<td>· Hardcoat technology enables plastic to replace glass in auto applications (e.g. glazing, lighting)</td>
<td>· Ingots that are fundamental parts of semiconductor chip manufacturing</td>
</tr>
<tr>
<td>· Offers low-roll resistance without loss of wet traction</td>
<td>· Offers lightweight, cost efficient and durable alternative</td>
<td>· Delivers superior chip yield performance, advancing trend of miniaturization in electronics</td>
</tr>
</tbody>
</table>

---

**Technology driven, proprietary products enable high performance applications in attractive end markets**

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1 Based on Q4 2017; excludes corporate charges that are not allocated to the segments

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## Strategically Aligned with Secular Megatrends

<table>
<thead>
<tr>
<th>Megatrends</th>
<th>Key Verticals¹</th>
<th>Momentive Revenue²</th>
<th>Silicone Sales by End Market²,³</th>
<th>Projected End-Market CAGR³,⁴</th>
<th>Selected Momentive Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population Growth</td>
<td>Consumer Goods</td>
<td>$592MM (25%)</td>
<td>$1.9bn</td>
<td>4 - 5%</td>
<td>▪ Sealants ▪ Infant Care Products ▪ Seating / Upholstery ▪ Release Coatings</td>
</tr>
<tr>
<td>Urbanization</td>
<td>Automotive</td>
<td>$416MM (18%)</td>
<td>$2.8bn</td>
<td>8 - 9%</td>
<td>▪ NXT® Tire ▪ Auto LED Lighting ▪ Automotive Hardcoats</td>
</tr>
<tr>
<td>Energy Efficiency and Other</td>
<td>Construction</td>
<td>$241MM (10%)</td>
<td>$2.8bn</td>
<td>5 - 6%</td>
<td>▪ Adhesives / Sealants ▪ Roof Coating ▪ Clear Coating</td>
</tr>
<tr>
<td>Environmental Regulation</td>
<td>Personal Care</td>
<td>$192MM (8%)</td>
<td>$1.2bn</td>
<td>4 - 5%</td>
<td>▪ Tailored Conditioning ▪ Hair Repair ▪ Sensory Enhancement Inputs</td>
</tr>
<tr>
<td>Miniaturization</td>
<td>Electronics</td>
<td>$164MM (7%)</td>
<td>$2.7bn</td>
<td>4 - 5%</td>
<td>▪ Advanced Thermal Management Solutions ▪ Optically Clear Bonding for Display Applications</td>
</tr>
<tr>
<td>Lightweighting / Substitution</td>
<td>Healthcare</td>
<td>$60MM (3%)</td>
<td>$0.5bn</td>
<td>6%</td>
<td>▪ Contact Lens ▪ Wound Care ▪ Biomedical Tubing</td>
</tr>
</tbody>
</table>

¹ Does not include industrial end-market as such market is broadly defined without specific market statistics or growth drivers
² Financials based on 2017
³ Sources: Freedonia and Grand View Research, Inc.
⁴ For the period of 2016-2021 for Consumer goods, Construction, Personal care, Electronics and Healthcare, and for the period of 2016–2025 for Automotive

---

Momentive is well positioned to benefit from industry megatrends © 2018 Momentive Performance Materials Inc. All rights reserved, CONFIDENTIAL
Diverse, Blue-Chip Customer Base

- Long standing and deep relationships with brand leaders in the key markets served
- No single customer makes up more than 4% of our sales

<table>
<thead>
<tr>
<th>Key Industries</th>
<th>Industry Leaders</th>
<th>MPM Brands</th>
<th>Selected End Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Goods</td>
<td>3M, AVERY DENNISON, Daetwyler</td>
<td>NIAX®, LIM®, SilForce®, SilGrip®</td>
<td>Enabling Memory Foam</td>
</tr>
<tr>
<td>Automotive</td>
<td>BMW, BRIDGESTONE, GM</td>
<td>NXT®, CoatOSil®, SilForce®</td>
<td>Enabling Premium Automotive Lighting</td>
</tr>
<tr>
<td>Construction</td>
<td>LOWE'S, THE HOME DEPOT, Andersen</td>
<td>GE (license), Silquest®, SPUR™</td>
<td>Enabling World Class HighRise Construction</td>
</tr>
<tr>
<td>Personal Care</td>
<td>AVON, Castelli, natura BRASIL</td>
<td>SilSoft®, VelveSil®, Tospearl®</td>
<td>Enabling High End Conditioners</td>
</tr>
<tr>
<td>Electronics</td>
<td>BOEING, ITOHU, NAGASE</td>
<td>SilCool®, SilTrust®, SnapSil®</td>
<td>Enabling Advanced Aerospace Electronics</td>
</tr>
<tr>
<td>Healthcare</td>
<td>starlim'sterner, SAINT-GOBAIN, BARD</td>
<td>OphthaSil®, Tufel®</td>
<td>Enabling Biopharma Processing of Advanced Drugs</td>
</tr>
</tbody>
</table>

Diverse, blue-chip customer base and strong alignment with leading brands
Top 20 customers have an average relationship greater than 20 years
Strategic Global Manufacturing and R&D Footprint

Manufacturing and Technology Facilities Overview

24 manufacturing facilities and 12 R&D facilities worldwide

Integrated global manufacturing network
Geographic diversity and strong presence in high-growth regions
Presence in High-Growth Emerging Regions

Increasing Presence in High-Growth Regions

- 11 manufacturing/R&D facilities in Asia Pacific and Latin America
- Expanding global sales presence and application support
- Targeted investments in emerging markets, specifically Asia Pacific, India and Latin America
- Launched four new platform technologies from India Technology Center

New Geographies Revenue Growth: India

9% CAGR

Investments Completed Within Last 18 Months

- **Rayong, Thailand:** New manufacturing capability for Liquid Silicone Rubber
- **Nantong, China:** 3 new reactor trains (consumer, construction, auto, and industrial)
- **Chennai, India:** New emulsion reactor installed (personal care)
- **Itatiba, Brazil:** New emulsion reactor installed (personal care)
- **Shanghai, China:** Expanded application lab (coatings for auto)

**Rapid expansion into high-potential markets to grow customer base**
## Strong R&D Capabilities and High Customer Intimacy

### Value Added Service-Oriented Business Model
- Work alongside customers to co-develop new products
- In-house applications testing and formulating capabilities result in a streamlined application development process
- Technical service and support model enables customers to benefit from Momentive’s engineering know-how
- Ability to leverage pilot plants to efficiently develop samples and scale up production
- Proprietary platform innovation and development focused on megatrends that in turn drive customer sales

### R&D Capabilities
- Dedicated and integrated R&D facilities at 12 locations globally
- ~400 full time employees
- Over 3,400 patents
- ~$200 million invested in R&D over the last three years
- Annual R&D funding of ~3% of sales

### Illustrative Momentive / Customer Co-development Process

1. Actively engages with customers to address key technological needs
2. Momentive teams support customers’ labs with in-house testing and development
3. Momentive technology is spec’d into customer product
4. Involved in joint production, launch and marketing efforts
5. Long-term customer relationship and technological evolution

---

**Establishing strong customer engagement through a value-added business model**
## Experienced Management Team

<table>
<thead>
<tr>
<th>Relevant Experience</th>
<th>Biography</th>
</tr>
</thead>
</table>
| 30+ years           | - Joined Momentive in March 2014; appointed CEO in October 2014  
- Prior to joining Momentive, held various senior management roles with Honeywell’s Performance Materials and Technologies division  
- Has more than 30 years of experience in the specialty chemicals and materials industries  
- Previous roles include: Vice President and General Manager, Great Lakes Chemical Corporation (n.k.a Chemtura Corporation), Vice President and Business Director, International Specialty Products (n.k.a Ashland, Inc.) |
| 25+ years           | - Joined Momentive as CFO and SVP in May 2015  
- Has more than 25 years of leadership experience in business strategy, accounting, treasury, tax planning, and M&A experience with over $1 billion of transactions closed  
- Previous roles include: Vice President and Chief Financial Officer, GrafTech; Director of Tax Planning, Corning Incorporated and other leadership roles at AT&T and Arthur Andersen |
| ~20 years           | - Joined Momentive in 2008 as a Global Technology Manager and has since had several leadership roles across transformation, corporate strategy and business management  
- Previously acted as growth and innovation leader at Schott Glass for 10 years while it transformed from a mature glass company to an industry leader in pharmaceutical packaging, electronics and advanced optical applications (US and Germany)  
- 18 years of experience in business unit leadership, corporate strategy, business development and advanced technology and innovation management  
- Previous roles include: Transformational Growth Leader, VP of Coatings Business Unit, SVP of Corporate Strategy and Growth |
| ~20 years           | - Joined Momentive Performance Materials, Inc. (and predecessor) in 1996  
- 20 years of experience in engineering, finance and leading-edge specialty materials  
- Previous roles include: General Manager– Ceramics; Chief Financial Officer, Momentive Quartz Division |

**Dynamic management team with a proven track record**
STRATEGIC GROWTH PLAN UPDATE
**Momentive Strategic Growth Pillars**

### Leading Global Market Position in Core Growth Markets Aligned with Global Megatrends

#### Momentive Strategic Approach

1. **Organic Growth**
   - Silicones market remains strong with growth at historic levels of 4–5%
   - Expansion into new geographies with a focus on high-growth emerging markets
   - Development of new products and applications

2. **Growth Projects / Acquisitions**
   - ~$120 million of growth capital invested in 2016 and 2017 which benefit in 2018 and beyond
   - EBITDA growth from integration of Sea Lion acquisition

3. **Cost Savings Programs**
   - $15 million restructuring program launched in March 2018 as a second phase of cost reductions
   - Continuous improvement and LEAN manufacturing

4. **Formulated & Basics Optimization**
   - Structural reduction of siloxane capacity
   - Increase in prices across basics portfolio
   - Investments to optimize remaining basics production

#### Momentive EBITDA Margin Evolution

- FY 2015A: 8.5%
- FY 2016A: 10.7%
- FY 2017A: 12.6%
- Q4 2017A: 13.9%

- 18 – 20% +

- Increasing growth from high-margin specialty products
- Cost savings initiatives
- Reducing exposure to basic silicones
- Price increases
- Accretive capital projects

**Medium Term Target**
Momentive’s Key End Markets Demonstrate Strong and Attractive Growth Trends

Megatrends

- Population Growth
- Urbanization
- Energy Efficiency and Other Environmental Regulation
- Miniaturization
- Lightweighting / Substitution

Key MPM End Markets by Revenue

<table>
<thead>
<tr>
<th>End Market Growth</th>
<th>Healthcare</th>
<th>Personal Care</th>
<th>Consumer Goods</th>
<th>Construction</th>
<th>Electronics</th>
<th>Automotive</th>
</tr>
</thead>
<tbody>
<tr>
<td>$60</td>
<td>$192</td>
<td>$592</td>
<td>$416</td>
<td>$241</td>
<td>$164</td>
<td>$192</td>
</tr>
<tr>
<td>3%</td>
<td>8%</td>
<td>25%</td>
<td>18%</td>
<td>10%</td>
<td>7%</td>
<td>8%</td>
</tr>
</tbody>
</table>

End Market Growth:
- $0.0
- $0.5
- $1.0
- $1.5
- $2.0
- $2.5
- $3.0

Bubble Contents:
- MPM End Market Revenue ($mm) | % Contribution to MPM Revenue

- Global Silicone Sales by End Market

Represents ~75% of Momentive’s sales

1 Does not include industrial end-market as such market is broadly defined without specific market statistics or growth drivers
2 Financials based on 2017
3 Sources: Freedonia and Grand View Research, Inc.
4 For the period of 2016-2021 for Consumer goods, Construction, Personal care, Electronics and Healthcare, and for the period of 2016–2025 for Automotive
5 Bubble size indicative of end market’s % contribution to MPM’s 2017 revenue

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Organic Growth from New Geographies

Expanding Footprint

- Global manufacturing and distribution network well positioned to serve new / emerging markets
- Targeted investments in high growth emerging markets with focus on Asia Pacific and Latin America
  - Manufacturing capability for liquid silicone rubber in Rayong, Thailand
  - 3 reactor trains in Nantong, China
  - Emulsion reactors in Itatiba, Brazil and Chennai, India
  - Expanded application labs in Shanghai, China
- 11 facilities outside of North America and Europe

Manufacturing and Technology Facilities Overview

Strong Presence in High Growth Markets

Revenue by Geography

<table>
<thead>
<tr>
<th>Region</th>
<th>Revenue Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>31%</td>
</tr>
<tr>
<td>China and Japan</td>
<td>24%</td>
</tr>
<tr>
<td>Europe</td>
<td>24%</td>
</tr>
<tr>
<td>ROW</td>
<td>21%</td>
</tr>
</tbody>
</table>

Revenue Growth in India

- 9% CAGR

1 Represents FY 2017 split

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Organic Growth from New Products and Customer Collaboration

Case Study: Pharmaceutical Vials
- Leveraging expertise in high purity quartz tubing
- Newly established manufacturing process for converting tubes into vials
- Customer demand driven by the need to prevent degradation and preserve stability of biopharma drugs
- Launched PurQ™ product portfolio in Q2 2017
- Large and attractive market opportunity

Case Study: Consumer Sealants
- Established an innovation collaboration with MPM to compete in consumer sealants
- MPM actively participated in product development cycle
- Key collaboration benefits:
  - Shortened development & commercialization cycle
  - Surety of placement prior to committing investment
  - Research and marketing collaboration
  - Period of exclusivity with MPM as the sole supplier

Innovative Solutions and Close Customer Collaboration Drive Business Performance
Focus on Innovation Platform Driving Deep New Pipeline of Products

<table>
<thead>
<tr>
<th>Project</th>
<th>Completion Timing</th>
<th>Segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Thermal Hardcoats (Leverkusen)</td>
<td>Q4 2018</td>
<td>Formulated Silicones</td>
</tr>
<tr>
<td>NXT® Tire Silanes (Leverkusen)</td>
<td>Q4 2017</td>
<td>Performance Additives</td>
</tr>
<tr>
<td>Optical Bonding (Ohta)</td>
<td>Q4 2017</td>
<td>Formulated Silicones</td>
</tr>
<tr>
<td>Roof Coatings (Waterford)</td>
<td>Q4 2017</td>
<td>Formulated Silicones</td>
</tr>
<tr>
<td>Intermediates Reactor (Ohta)</td>
<td>Q2 2017</td>
<td>Performance Additives</td>
</tr>
<tr>
<td>PurQ™ quartz</td>
<td>Q2 2017</td>
<td>Quartz</td>
</tr>
</tbody>
</table>

2017 Growth Capex: $73mm
Targeted Y1 EBITDA Improvement: >$15mm
EBITDA Margins: >20% in Underlying Segments

~$120 million of growth capital invested since beginning of 2016

Significant pipeline - Targeting over 20% ROI on all growth projects

Note: Growth projects listed on page do not include all of the growth projects included in the forecast.

1 Represents EBITDA target based on company’s minimum threshold IRR of 20% for capital investment projects.

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## New Platforms and Recent Successes

<table>
<thead>
<tr>
<th>Platform</th>
<th>Innovation</th>
<th>Products</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1 Truck-Tire Silane</strong></td>
<td>Develop truck-tire silane to meet regulatory changes; translation to existing NXT® consumer production facilities</td>
<td>• Tire Rubber</td>
</tr>
<tr>
<td><strong>2 Anti-Fog Coatings for Lighting</strong></td>
<td>Meeting demand for expanding LED lamps in vehicles</td>
<td>• Thermal Coating, UV-Curing</td>
</tr>
<tr>
<td><strong>3 Electronics</strong></td>
<td>New OLED with broad IP portfolio</td>
<td>• Flexible Displays</td>
</tr>
<tr>
<td><strong>4 Advance Ceramics Thermal Management</strong></td>
<td>High thermal conductivity heat spreader; High thermal conductivity heat sink; Thermal strap</td>
<td>• Avionics Cooling Board</td>
</tr>
<tr>
<td><strong>5 Silicone Acrylate</strong></td>
<td>Much faster cure kinetics vs known systems / Reliability with tunable modulus / Flexibility</td>
<td>• Contact Lenses</td>
</tr>
</tbody>
</table>

**Rich pipeline of high ROI projects to drive future growth**
Earnings and Margin Momentum Driven by Successful Cost Management

Phase I (completed): Global Restructuring and Transformation

- **Global restructuring program**
  - Restructuring without impact on growth or consumer facing functions
  - $30 million savings from position eliminations and productivity gains
  - $5 million savings from structural cost actions in Quartz

- **Transformation at Leverkusen, Germany**
  - Ceased production of siloxane and instead source requirements externally
  - Re-focus efforts on value added specialty chemical operations (e.g. NXT® and coatings)
  - Generates $10 million annual savings

Phase II: 2018 Restructuring Initiatives

- **Restructuring initiatives**
  - Consists primarily of additional SG&A cost reductions
  - Implementation expected in early 2018
  - $15 million estimated run-rate cost reductions with ~$8 million to be realized in 2018
  - Net cash cost of ~$5–10 million after working capital reductions

- **Continued active evaluation of additional structural and SG&A cost-saving opportunities**

~$45 million incremental savings

~$15 million estimated savings

~$60 million in Total Savings Drives Near Term EBITDA Performance
**Optimization of Formulated & Basic Silicones Portfolio**

<table>
<thead>
<tr>
<th>Product Families</th>
<th>Specialty</th>
<th>Value Add</th>
<th>Basics+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer &amp; Industrial Electronic Sealants</td>
<td>Custom Compounding</td>
<td>Basic Silicones</td>
<td></td>
</tr>
<tr>
<td>Hardcoats</td>
<td>Construction Sealants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Optical Bonding Sealants</td>
<td>Consumer Sealants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pressure Sensitive Adhesives</td>
<td></td>
<td>Bulk Sealants</td>
<td></td>
</tr>
<tr>
<td>Weatherstrip Coating</td>
<td></td>
<td>Heat Cured Elastomers</td>
<td></td>
</tr>
<tr>
<td>Liquid Silicone Rubbers</td>
<td></td>
<td>Release Coats</td>
<td></td>
</tr>
</tbody>
</table>

**Key Attributes**
- **Specialty**
  - Products with highly specialized applications that are spec’d in with automotive, construction, electronics and aerospace customers
  - Enable key design features such as extended product life, wear resistance, biocompatibility and lightweighting
- **Value Add**
  - High consistency and uniformity products used for advanced automotive, healthcare and consumer applications
  - Enable adhesion, sealing and structure in customer products
- **Basics+**
  - Typically large volume based business used in industrial lubricants and additives
  - Basics enable the production of specialty and value added product portfolio
  - Pricing dynamics driven by raw material and industry operating levels

**Trends / Strategy**
- **Specialty**
  - Reduce weight and drive to ever-tighter efficiency standards
  - Continue to develop next generation product lines and applications
  - Growth investments behind key successful innovations
  - Margin uplift through mix shift and efficiency initiatives
- **Value Add**
  - Customer focus on higher purity, longer product life solutions
  - Develop new and enhanced solutions to reinvigorate product lines for customers
  - Drive efficiency improvements across portfolio
  - Exit less profitable businesses
- **Basics+**
  - Positive pricing trends driven by improving industry operating rates
  - Focus on optimizing basics manufacturing footprint
  - Post-optimization, basics consumed internally to enable value add and specialty sales

**Targeting Medium Term EBITDA Margins of 15 – 20% for Formulated and Basic Silicones**
Transformation of the Basics Segment to Drive Profitable Growth

Key Optimization Initiatives

**Structural shutdowns of siloxane capacity**
- Strategic actions to significantly improve profitability while ensuring sustainable critical supply
- Restructuring of Leverkusen (Germany) operations completed in Q4 2016
- Internal sourcing and long-term offtake agreement ensures required supply of intermediates

**Raising prices across basic silicones**
- Benefiting from tight supply/demand conditions to successfully pass through price increases
- Higher operating rates in basic silicones manufacturing

**Investments to improve production assets**
- Leveraging capital structure, plant stability, and continuous improvement to drive sustained efficiency
- Assessing and implementing further opportunities across platform to:
  - Optimize supply and production globally
  - Focus on site and product line profitability
  - Further expand capacity for specialty applications

Germany Transformation 2016

Shut Down Siloxane Production and Expand Specialty Capacity
- First phase in global transformation
- Decouple Leverkusen specialties from siloxane and shut down of siloxane capacity
- Expand NXT® production capacity

Restructuring of Germany operations generated ~$10 million of annual EBITDA improvement
FINANCIAL UPDATE
Solid Track Record of Segment EBITDA Growth...

LTM Segment EBITDA ($mm)

Q4'15 $194, Q1'16 $183, Q2'16 $189, Q3'16 $214, Q4'16 $238, Q1'17 $267, Q2'17 $274, Q3'17 $275, Q4'17 $293

CAGR: +23%

Robust Earnings Driven by Revenue Growth and Cost Savings Initiatives
...and Segment EBITDA Margin Improvement

Significant Margin Expansion Driven by Shifting Portfolio Mix toward Specialty Products
Q4 2017 Results Overview

Key Takeaways

- Strong net sales growth across the specialty portfolio due to volume gains in Performance Additives and the specialty portion of the Company’s Formulated and Basic Silicones product portfolio.

- Segment EBITDA growth driven by volume growth in the specialty portion of the Company’s Formulated and Basic Silicones product portfolio, operating leverage within the Quartz Technologies segment and strategic capital investments.

### Net Sales ($mm)

- **Q4 2016**: $544
- **Q4 2017**: $599

10% YoY Growth

### EBITDA ($mm)

- **Q4 2016**: $65
- **Q4 2017**: $83

28% YoY Growth +190bps

**% Margin**

- **Q4 2016**: 12.0%
- **Q4 2017**: 13.9%
Net sales growth reflects solid growth in specialties, partially offset by a strategic reduction in low margin products.

Segment EBITDA growth driven by volume growth in the specialty portion of the Formulated and Basic Silicones product portfolio, operating leverage within the Quartz Technologies segment and strategic capital investments.

Pricing actions were announced across the silicones portfolio in late Q4’17 and are expected to be realized in 2018.
Capital Expenditures Update

Summary

- Over the last several years, Momentive has made significant capital investments to accelerate and facilitate the growth of its specialty product portfolio and to enhance its global manufacturing network
  - Robust capital allocation framework and process. Focus on 20%+ ROI opportunities
- More than 20 discrete growth projects since beginning of 2016 representing total growth capex spend of ~$120mm, of which ~80% have been deployed
- Current portfolio of projects is at less than 10% of estimated run-rate EBITDA levels providing significant near-term earnings visibility and upside
  - Notably, in FY 2015-2017, Momentive invested ~$35 million to globalize and double its NXT Silane production capacity. This production expansion has commissioned and will ramp up production and product qualification over the first half of FY 2018
  - NXT is a leading additive for green tire applications. Over the last several years, NXT revenues have grown at over 20% CAGR
- Momentive has significant flexibility over its capital expenditures. Annual maintenance requirements of $65-75 million per annum

Annual Capital Expenditure ($mm)

- 2012: $107M (41M Maintenance & EHS, 66M Growth & Productivity)
- 2013: $81M (32M Maintenance & EHS, 49M Growth & Productivity)
- 2014: $96M (22M Maintenance & EHS, 74M Growth & Productivity)
- 2016: $117M (46M Maintenance & EHS, 71M Growth & Productivity)
- 2018E: $125M (45M Maintenance & EHS, 80M Growth & Productivity)

Run-Rate Maintenance: $65-75M

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Tax Update

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>$21</td>
<td>$27</td>
<td>$24</td>
</tr>
</tbody>
</table>

NOLs ($mm, YE 2017)

- **US**: $293 (34%)
- **Germany**: $63 (7%)
- **Japan**: $30 (4%)
- **Other**: $473 (55%)

Total: $859 million

Low Cash Tax Burden Supported by Significant NOLs and Favorable US Tax Reform
Summary

- Net leverage of 4.0x as of December 31, 2017
- Momentive has a proven track record of deleveraging. Over the last two years, Momentive has deleveraged by 1.0x per annum on average
- Significant liquidity of $387 million as of December 31, 2017 up $358 million from September 30, 2017 due to free cash flow generation
- Going forward, Momentive remains focused on continuing to balance opportunistic and accretive growth investments with its commitment to continued deleveraging and maintaining significant financial flexibility
- In March 2018, Momentive completed the refinancing of its ABL facility, extending maturity for 5 years and upsizing facility by $30 million to $300 million

Net Debt / LTM Segment EBITDA (x) (1)

- Declined by ~2.0x over the last two years

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Debt / LTM Segment EBITDA (x)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015A</td>
<td>5.9x</td>
</tr>
<tr>
<td>2016A</td>
<td>4.7x</td>
</tr>
<tr>
<td>2017A</td>
<td>4.0x</td>
</tr>
</tbody>
</table>

Liquidity

- Continue to Maintain Significant Liquidity and Financial Flexibility

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Liquidity $mm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3-2017</td>
<td>$358</td>
</tr>
<tr>
<td>Q4-2017</td>
<td>$387</td>
</tr>
</tbody>
</table>

1 Based on Segment EBITDA.
SUMMARY
Silicones: Enabling Technology for Everyday Life

1. Clearly Defined Competitive Strategy
2. MPM is a Differentiated Global Leader in Silicones
3. Clearly Defined Competitive Strategy Focused on Specialties
4. Significant Earnings and Margin Momentum
5. Robust Outlook with High Visibility
## Reconciliation of Non-GAAP Financial Measures — Segment EBITDA

<table>
<thead>
<tr>
<th></th>
<th>Quarter Ended December 31,</th>
<th>Year Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (loss)</td>
<td>$ 19</td>
<td>$(118)</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>20</td>
<td>19</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>37</td>
<td>53</td>
</tr>
<tr>
<td>Gain on extinguishment and exchange of debt</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Items not included in Segment EBITDA:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-cash charges and other income and expense</td>
<td>$ 8</td>
<td>$ 11</td>
</tr>
<tr>
<td>Unrealized losses on pension and postretirement benefits</td>
<td>(6)</td>
<td>28</td>
</tr>
<tr>
<td>Restructuring and discrete costs</td>
<td>—</td>
<td>57</td>
</tr>
<tr>
<td>Reorganization items, net</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>$ 83</td>
<td>$ 65</td>
</tr>
</tbody>
</table>
Reconciliation of Segment EBITDA — 2017 Quarterly

$mm

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income (loss)</td>
<td>$(30)</td>
<td>$19</td>
<td>$(8)</td>
<td>$(19)</td>
<td>$(—)</td>
</tr>
<tr>
<td>Interest expense, net</td>
<td>19</td>
<td>20</td>
<td>21</td>
<td>20</td>
<td>80</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>1</td>
<td>4</td>
<td>6</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>38</td>
<td>37</td>
<td>42</td>
<td>37</td>
<td>154</td>
</tr>
<tr>
<td><strong>Items not included in Segment EBITDA:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-cash charges and other income and expense</td>
<td>$6</td>
<td>$(2)</td>
<td>$—</td>
<td>$8</td>
<td>$12</td>
</tr>
<tr>
<td>Unrealized losses on pension and postretirement benefits</td>
<td>1</td>
<td>—</td>
<td>—</td>
<td>(6)</td>
<td>(5)</td>
</tr>
<tr>
<td>Restructuring and discrete costs</td>
<td>34</td>
<td>(4)</td>
<td>6</td>
<td>—</td>
<td>36</td>
</tr>
<tr>
<td>Reorganization items, net</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>Segment EBITDA</strong></td>
<td>$69</td>
<td>$74</td>
<td>$67</td>
<td>$83</td>
<td>$293</td>
</tr>
</tbody>
</table>
Reconciliation of Non-GAAP Financial Measures — Net Debt

$mm

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash (net of restricted)</td>
<td>$173</td>
<td>$224</td>
<td>$217</td>
</tr>
<tr>
<td>1st Lien Notes</td>
<td>$1,100</td>
<td>$1,100</td>
<td>$1,100</td>
</tr>
<tr>
<td>2nd Lien Notes</td>
<td>202</td>
<td>202</td>
<td>231</td>
</tr>
<tr>
<td>Foreign Local Debt</td>
<td>36</td>
<td>36</td>
<td>36</td>
</tr>
<tr>
<td>Debt</td>
<td>$1,338</td>
<td>$1,338</td>
<td>$1,367</td>
</tr>
<tr>
<td>Net debt</td>
<td>$1,165</td>
<td>$1,114</td>
<td>$1,150</td>
</tr>
<tr>
<td>LTM Segment EBITDA</td>
<td>$293</td>
<td>$238</td>
<td>$194</td>
</tr>
<tr>
<td>Net Leverage</td>
<td>4.0 x</td>
<td>4.7 x</td>
<td>5.9 x</td>
</tr>
</tbody>
</table>

1 1st Lien Notes and 2nd Lien Notes are shown at principal value and exclude the impact of unamortized debt discount
Debt outstanding as of December 31, 2017 and 2016 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Long-Term</td>
<td>Due Within</td>
</tr>
<tr>
<td></td>
<td></td>
<td>One Year</td>
</tr>
<tr>
<td><strong>Senior Secured Credit Facilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ABL Facility</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Secured Notes:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.88% First Lien Notes due 2021 (includes $85 and $105 of unamortized debt discount at December 31, 2017 and 2016, respectively)</td>
<td>1,015</td>
<td>—</td>
</tr>
<tr>
<td>4.69% Second Lien Notes due 2022 (includes $25 and $30 of unamortized debt discount at December 31, 2017 and 2016, respectively)</td>
<td>177</td>
<td>—</td>
</tr>
<tr>
<td><strong>Other Borrowings:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China bank loans at 4.1% at both December 31, 2017 and 2016</td>
<td>—</td>
<td>36</td>
</tr>
<tr>
<td><strong>Total debt</strong> (1)</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td>1,192</td>
<td>36</td>
</tr>
</tbody>
</table>

(1) Momentive Performance Materials Inc. ("MPM") is the issuer of all debt obligations and the secured notes are fully and unconditionally guaranteed by certain subsidiaries of MPM.