



Engineered for Performance



First Quarter 2016 Earnings Review

May 5, 2016

Forward Looking Statements



Statements in this press release that express a belief, expectation or intention, as well as those that are not historical fact, are forward-looking statements under the Private Securities Litigation Reform Act of 1995. They involve a number of risks and uncertainties that may cause actual events and results to differ materially from such forward-looking statements. These risks and uncertainties include, but are not limited to: general economic conditions in the markets served by our businesses, some of which are cyclical and experience periodic downturns; the effect of changes in currency exchange rates, expected volumes of purchases of parts denominated in euros used for engines to be sold in U.S. dollars; prices and availability of raw materials; and the amount of any payments required to satisfy contingent liabilities related to discontinued operations of our predecessors, including liabilities for certain products, environmental matters, employee benefit obligations and other matters. In addition, adverse developments could arise in regard to voluntary petitions filed by certain of our subsidiaries in U.S. Bankruptcy Court to establish a trust that would resolve all current and future asbestos claims. Our filings with the Securities and Exchange Commission, including the Form 10-K for the year ended December 31, 2015 describe these and other risks and uncertainties in more detail. We do not undertake to update any forward-looking statement made in this press release to reflect any change in management's expectations or any change in the assumptions or circumstances on which such statements are based.

We own a number of direct and indirect subsidiaries and, from time to time, we may refer collectively to EnPro and one or more of our subsidiaries as "we" or to the businesses, assets, debts or affairs of EnPro or a subsidiary as "ours." These and similar references are for convenience only and should not be construed to change the fact that EnPro and each subsidiary is an independent entity with separate management, operations, obligations and affairs.

This presentation also contains certain non-GAAP financial measures as defined by the Securities Exchange Commission. A reconciliation of these measures to the most directly comparable GAAP equivalents is included as an appendix to this presentation. We will also be referencing certain pro forma unaudited condensed consolidated financials. Please refer to our earnings release for important information regarding how pro forma and other financial information is derived, as well as related risks and uncertainties.

Summary Highlights



- Market conditions are soft in many sectors we serve
 - weakness in oil & gas, steel, metals & mining, agricultural equipment, and OEM truck
 - stable to higher aerospace, automotive, aftermarket truck parts, engine parts
 - semiconductor lower YoY in Q1 but order patterns are improving
- EnPro Q1 pro forma sales reflect soft macro-economic conditions
 - pro forma sales of \$334.7 M, up 4%;
 - excluding FX, and acquisitions, pro forma sales were flat
- Pro forma adjusted EBITDA of \$36.0M down 9% YoY
 - Excluding a \$3M legal charge in Power Systems, adjusted EBITDA was 1% lower YoY
- By segment, normalized pro forma segment profit was:
 - down in Sealing Products primarily due to softer market conditions
 - modestly higher in Engineered Products due to cost improvements
 - down in Power Systems due to: zero-margin EDF engine revenues, higher warranty claims, higher R&D spending on new products, and \$3.0M legal settlement costs

* Pro forma sales and EBITDA include illustrative reconsolidation of GST



- Consensual comprehensive settlement announced March 17
- EnPro's consolidated net loss included adding \$80M accrual for proposed trust bringing the reserve to \$110M
- Deconsolidated GST also accrued an additional \$49.5M in Q1 for funding the proposed asbestos trust
- Settlement represents a great outcome from a long, arduous process
- No significant change since the details in the March announcement
- Parties on track to file plan documents with disclosure statement in Q2
- Continue to work toward reconsolidation by summer of 2017

Strategic Initiative Update – Restructuring and Cost Management



- Sealing Products
 - closure of Garlock's Elland, UK facility in process
 - local distributors to continue to serve the market with Garlock product
- Engineered Products
 - GGB's focus on optimizing manufacturing footprint & improving service
 - moved bushing block lines out of Chicago to other GGB facilities
 - moved into new Suzhou, China owned facility shared with Stemco
 - CPI exiting from 9 service centers and light manufacturing facilities
 - 5 facilities closed, 3 sold, 1 service center consolidated
 - Actions reduced CPI's employee population by 110 or ~15%

- Good progress on the air springs acquisition made in July, 2015
 - move off of seller's ERP to new cloud-based ERP on schedule for June
 - relocating research and administrative personnel from seller's Fairlawn, Ohio facility to our neighboring facility by early July
 - improving product availability by stocking key distribution points
 - Stemco's central distribution center
 - fine tuning stock levels
 - good results from supply chain efforts to improve material cost, quality and availability

**Super Cushion® Rolling Lobe
Air Springs**



**Super Cushion® Bellows
Air Springs**

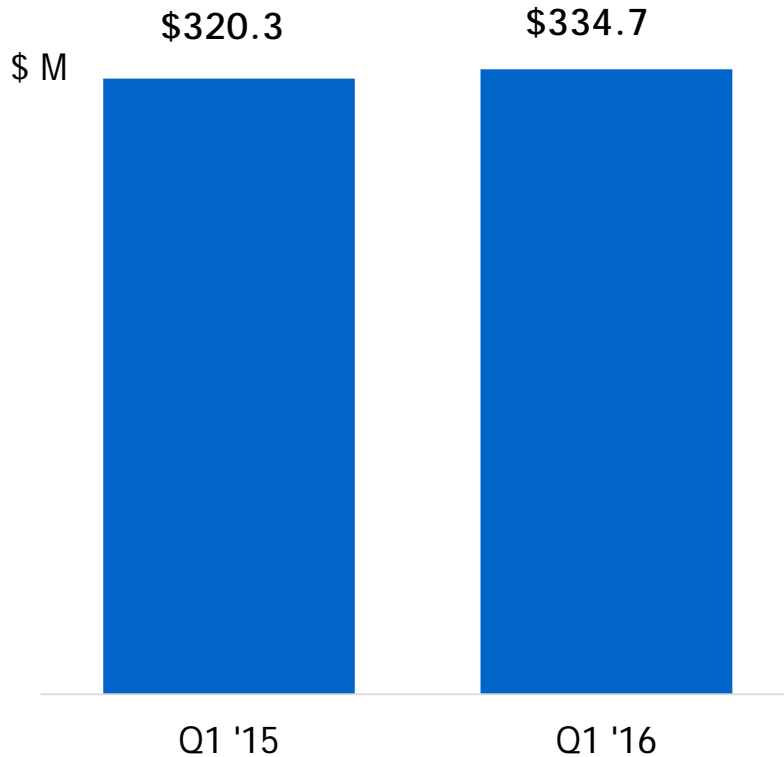




- Headquartered in Sparta, NJ (single location).
- Designs and markets sanitary gaskets and hoses for the pharmaceutical (2/3 of sales) and food & beverage (1/3 of sales) manufacturing and processing industries.
- 95% “consumable” products (highly recurring).
- Approximately \$17M in sales
- Expands Garlock’s presence and scale in the hygienic market space
- Brings strong distribution network
- Perfectly fits Garlock’s growth strategy
- Can be leveraged to enhance sales of Garlock’s existing hygienic products



First Quarter 2016 Pro Forma Sales

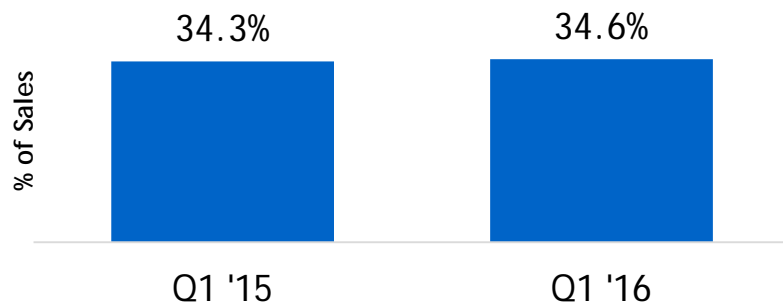


- Pro forma sales up 4%; (normalized flat)
 - Acquisitions: 6%
 - FX translation: (2%)
- Higher revenues from engines and engine parts
- Softness in N. American O&G, genl. industrial

Pro Forma Gross Profit and SG&A as a % of Sales

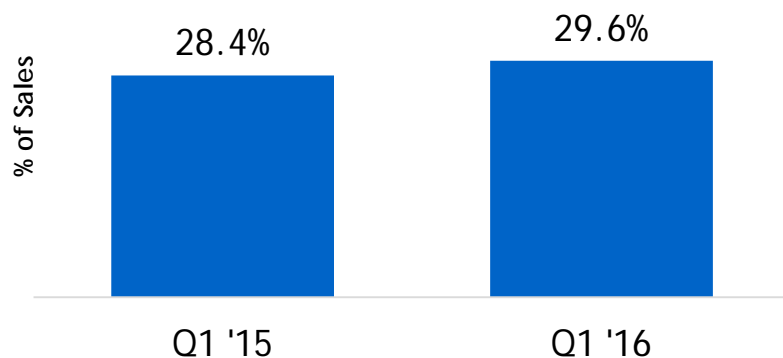


Gross Margins



- Pro forma Gross Profit
 - Q1 '16: \$115.9M
 - Q1 '15: \$109.9M
 - Acquisition-related lower margins
 - Modest price increases
 - Lower material costs and cost savings
 - EDF FX-related charge in Q1 2015

SG&A

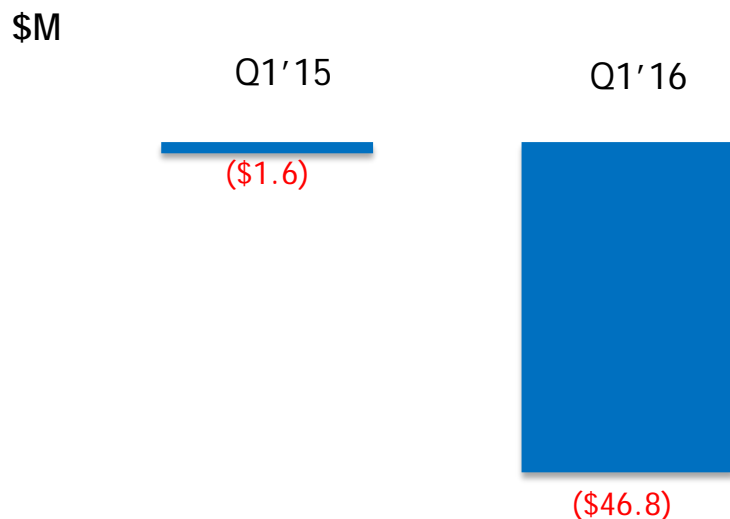


- Pro forma SG&A
 - Q1 '16: \$99.2M
 - Q1 '15: \$90.9M
 - FX impact \$1.7M
 - Lawsuit settlement (\$3.0M)
 - Acquisitions (\$3.5M)
 - Growth initiatives (\$2.8M)

Consolidated Net Loss and Pro Forma Adjusted Net Income



Consolidated Net Loss



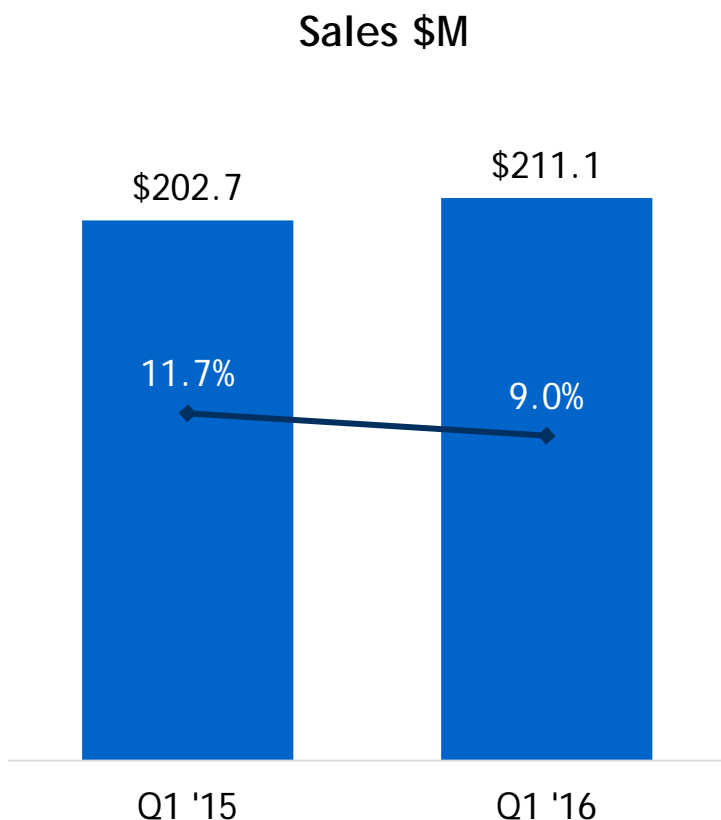
- Net Loss YoY Change (\$45.2)
 - Gross Profit \$7.8
 - SG&A (\$8.3)
 - ACRP accrual Q1 '16 (\$80.0)
 - Other Op Expense (\$3.3)
 - Interest & Other non-oper \$2.3
 - Income tax benefit \$36.3

Pro forma Adjusted Net Income



- Average Diluted Shares (Reported)
 - Q1 '16: 21.8M
 - Q1 '15: 23.8M
 - Share repurchases
 - Unwinding convertible debenture call spread options

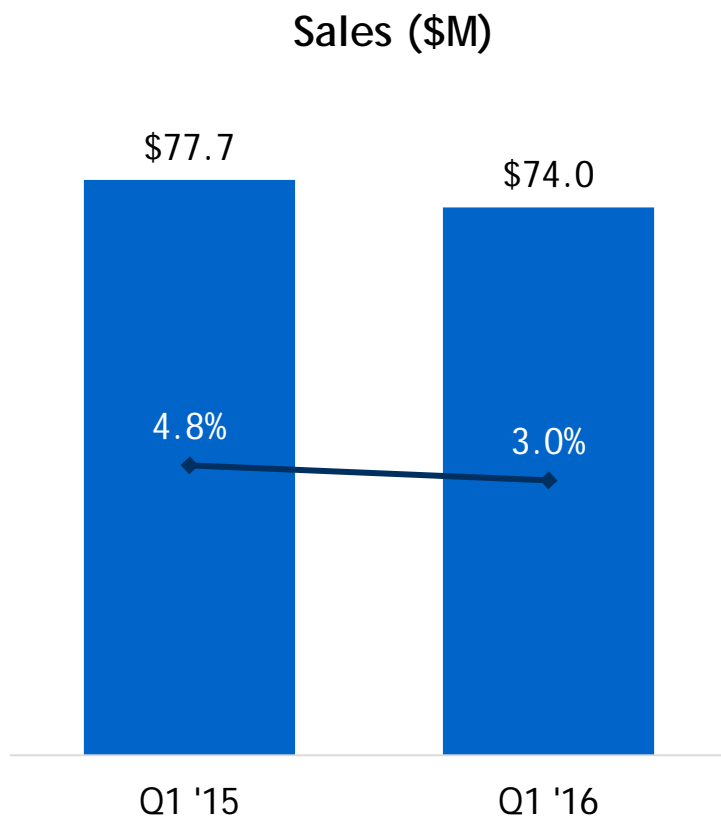
Sealing Products Segment Pro Forma Results



- Segment pro forma sales up 4%; (normalized -5%)
 - Acquisitions: 10%
 - FX: (1%)
 - Decreases in O&G-related, metals & mining, nuclear, semiconductor and general industrial
 - Increases in gas turbine & aerospace components
- Segment pro forma profit* down 20%; (normalized -19%)
 - Q1 '16: \$18.9M
 - Q1 '15: \$23.7M
- Segment normalized pro forma margins
 - Q1 '16: 10.5%
 - Q1 '15: 12.4%
 - Lower volume
 - Favorable impact from cost reduction initiatives
 - Lower material costs

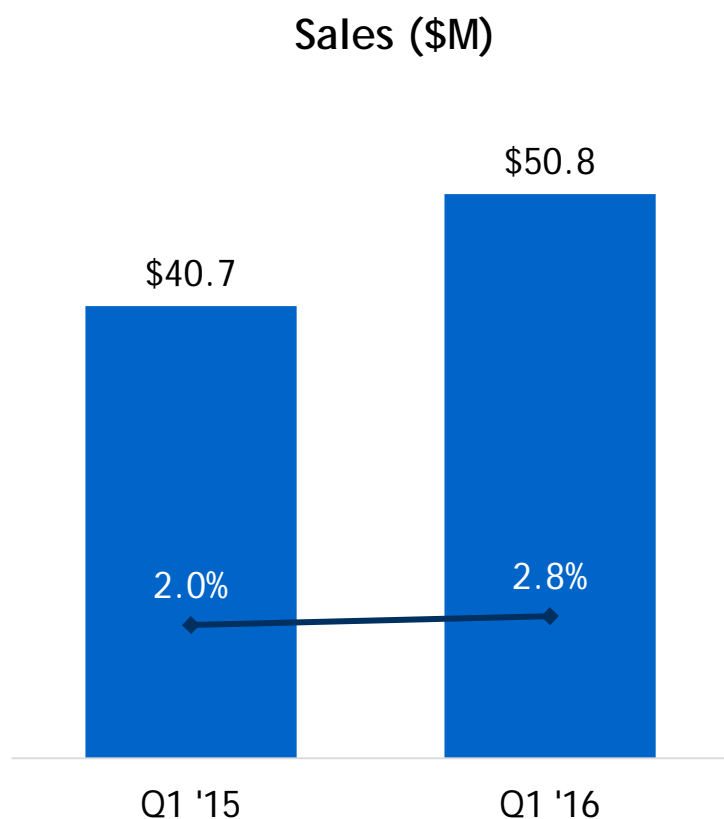
* note: pro forma profit includes \$3.2M of depreciation and amortization due to an assumed step up in assets upon reconsolidation of GST in conjunction with the proposed ACRP settlement.

Engineered Products Pro Forma Results



- Segment pro forma sales down 5%; (normalized -2%)
 - FX: (3%)
 - European and N. American automotive up
 - O&G - related compressor parts down in N. America
 - Agricultural & industrial OEM demand lower
- Segment pro forma profit down \$1.5M; (normalized +\$0.4M)
 - Q1 '16: \$2.2M
 - Q1 '15: \$3.7M
 - Restructuring charges in Q1 2016: \$2.9M
- Segment normalized pro forma margins
 - Q1 '16: 6.7%
 - Q1 '15: 6.0%

Power Systems Pro Forma Results



- Segment pro forma sales up 25%
 - Higher engine and parts revenues \$10.8M
 - Lower service revenues (\$0.9M)
- Segment pro forma profit up \$0.6M
 - Q1 '16: \$1.4M
 - Q1 '15: \$0.8M
 - \$3M lawsuit settlement expense in Q1 '16
 - Less profitable margin mix on engine revenues
 - EdF FX-related LT contract loss accrual:
 - \$3.3M FX gain offset by higher cost in Q1 '16;
 - (\$6.2M) FX loss reserve in Q1 '15
 - Higher R&D, warranty and project spending
- Segment normalized pro forma margins
 - Q1 '16: 1.4%
 - Q1 '15: 15.2%

First Quarter 2016 vs. First Quarter 2015

Consolidated EnPro Cash Flows



\$ millions

	<u>2016</u>	<u>2015</u>
EBITDA	(\$60.1)	\$21.4
Tax payments	(3.7)	(2.2)
Asbestos settlement	80.0	--
Interest payments, non cash adjustments, other	(13.0)	(11.7)
Increase in segment working capital	(31.6)	(29.0)
Capital expenditures	<u>(7.1)</u>	<u>(10.2)</u>
Free cash flow	(35.5)	(31.7)
Revolver and ST borrowing (net)	60.6	42.2
Repurchase of convertible debentures	--	(44.9)
Acquisitions	--	(30.6)
Share repurchases	(8.5)	(47.4)
Dividends	(4.6)	(4.8)
FX effects and other non-operating items	<u>(4.6)</u>	<u>(4.8)</u>
Increase/ (Decrease) in cash	<u>\$7.4</u>	<u>(\$122.0)</u>

2016 Current and Full Year Outlook



Current Outlook

- Little visibility to future demand in most of our businesses.
- Head winds
 - Soft O&G, metals & mining, and other global industrial product markets.
 - FX impacts from strong U.S. dollar.
- Tail winds
 - Stable demand in aerospace, automotive, and engine parts and service.
 - Semiconductor showing signs of recovery.

Full Year Outlook

- Outlook is difficult to call as signs for market recovery are not yet evident
- Better picture after second quarter is complete

QUESTIONS

APPENDIX

Reconciliation of Reported Statement of Operation to Pro Forma Condensed Consolidated Statement of Income (Unaudited)



For the Three Months Ended March 31, 2016
(Stated in Millions of Dollars, Except Per Share Data)

	EnPro	GST	Pro Forma Adjustments	Pro Forma Consolidated
Net sales	\$ 294.9	\$ 51.1	\$ (11.3)	\$ 334.7
Cost of sales	197.3	32.5	(11.0)	218.8
Gross profit	97.6	18.6	(0.3)	115.9
Operating expenses:				
Selling, general and administrative	85.6	10.7	2.9	99.2
Other	84.4	49.8	(129.9)	4.3
Total operating expenses	170.0	60.5	(127.0)	103.5
Operating income (loss)	(72.4)	(41.9)	126.7	12.4
Interest expense	(13.3)	-	7.2	(6.1)
Interest income	0.2	8.4	(8.3)	0.3
Other expense	(1.6)	(6.1)	6.1	(1.6)
Income (loss) before income taxes	(87.1)	(39.6)	131.7	5.0
Income tax benefit (expense)	40.3	14.2	(56.1)	(1.6)
Net income (loss)	\$ (46.8)	\$ (25.4)	\$ 75.6	\$ 3.4
Basic earnings (loss) per share	\$ (2.15)	N/A	N/A	\$ 0.16
Average common shares outstanding (millions)	21.8			21.8
Diluted earnings (loss) per share	\$ (2.15)	N/A	N/A	\$ 0.15
Average common shares outstanding (millions)	21.8		0.2	22.0

Reconciliation of Reported Statement of Operation to Pro Forma Condensed Consolidated Statement of Income (Unaudited)



For the Three Months Ended March 31, 2015
(Stated in Millions of Dollars, Except Per Share Data)

	EnPro	GST	Pro Forma Adjustments	Pro Forma Consolidated
Net sales	\$ 277.5	\$ 54.2	\$ (11.4)	\$ 320.3
Cost of sales	187.7	33.8	(11.1)	210.4
Gross profit	89.8	20.4	(0.3)	109.9
Operating expenses:				
Selling, general and administrative	77.3	10.7	2.9	90.9
Other	1.1	(0.1)	0.1	1.1
Total operating expenses	78.4	10.6	3.0	92.0
Operating income	11.4	9.8	(3.3)	17.9
Interest expense	(13.0)	(0.1)	6.7	(6.4)
Interest income	0.1	8.1	(7.8)	0.4
Other income (expense)	(4.1)	(3.5)	3.5	(4.1)
Income (loss) before income taxes	(5.6)	14.3	(0.9)	7.8
Income tax benefit (expense)	4.0	(4.8)	0.3	(2.5)
Net income (loss)	\$ (1.6)	\$ 9.5	\$ (0.6)	\$ 5.3
Basic earnings (loss) per share	\$ (0.07)	N/A	N/A	\$ 0.22
Average common shares outstanding (millions)	23.8			23.8
Diluted earnings (loss) per share	\$ (0.07)	N/A	N/A	\$ 0.21
Average common shares outstanding (millions)	23.8		1.6	25.4

Reconciliation of Pro Forma Net Sales to Net Sales (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	Three Months Ended March 31, 2016				
	Sealing Products	Engineered Products	Power Systems	Intersegment sales	Consolidated
Pro forma net sales	\$ 211.1	\$ 74.0	\$ 50.8	\$ (1.2)	\$ 334.7
Adjustments:					
Sales of unconsolidated entities	(49.5)	(0.6)	(1.0)	-	(51.1)
Intercompany sales	10.6	0.3	0.2	0.2	11.3
Net sales	<u>\$ 172.2</u>	<u>\$ 73.7</u>	<u>\$ 50.0</u>	<u>\$ (1.0)</u>	<u>\$ 294.9</u>
	Three Months Ended March 31, 2015				
	Sealing Products	Engineered Products	Power Systems	Intersegment sales	Consolidated
Pro forma net sales	\$ 202.7	\$ 77.7	\$ 40.7	\$ (0.8)	\$ 320.3
Adjustments:					
Sales of unconsolidated entities	(52.4)	(0.9)	(0.9)	-	(54.2)
Intercompany sales	10.6	0.4	0.4	-	11.4
Net sales	<u>\$ 160.9</u>	<u>\$ 77.2</u>	<u>\$ 40.2</u>	<u>\$ (0.8)</u>	<u>\$ 277.5</u>

Reconciliation of Normalized Pro Forma Net Sales to Pro Forma Net Sales (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	Three Months Ended March 31, 2016				
	Sealing Products	Engineered Products	Power Systems	Intersegment sales	Consolidated
Normalized pro forma net sales	\$ 193.2	\$ 76.1	\$ 50.9	\$ (1.2)	\$ 319.0
Adjustments:					
Foreign exchange translation	(2.8)	(2.1)	(0.1)	-	(5.0)
Acquisitions	20.7	-	-	-	20.7
Pro forma net sales	\$ 211.1	\$ 74.0	\$ 50.8	\$ (1.2)	\$ 334.7
	Three Months Ended March 31, 2015				
	Sealing Products	Engineered Products	Power Systems	Intersegment sales	Consolidated
Pro forma net sales*	\$ 202.7	\$ 77.7	\$ 40.7	\$ (0.8)	\$ 320.3

*Note that pro forma net sales is equal to normalized pro forma net sales for the three months ended March 31, 2016 and 2015.

Reconciliation of Pro Forma Segment Profit to Segment Profit (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	Three Months Ended March 31, 2016			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Pro forma segment profit	18.9	2.2	1.4	22.5
Adjustments:				
Segment profit of unconsolidated entities	(7.4)	(0.1)	(0.2)	(7.7)
Pro forma depreciation and amortization adjustments (1)	3.2	-	-	3.2
Segment profit	<u>\$ 14.7</u>	<u>\$ 2.1</u>	<u>\$ 1.2</u>	<u>\$ 18.0</u>
	Three Months Ended March 31, 2015			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Pro forma segment profit	23.7	3.7	0.8	28.2
Adjustments:				
Segment profit of unconsolidated entities	(8.9)	(0.3)	(0.2)	(9.4)
Pro forma depreciation and amortization adjustments (1)	3.2	-	-	3.2
Segment profit	<u>\$ 18.0</u>	<u>\$ 3.4</u>	<u>\$ 0.6</u>	<u>\$ 22.0</u>

*Includes fair value adjustments to acquisition date inventory

- (1) See notes (2) and (3) to the accompanying Pro Forma Condensed Consolidated Statements of Operations (Unaudited) for further information about these adjustments.

Reconciliation of Normalized Pro Forma Segment Profit to Pro Forma Segment Profit (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	Three Months Ended March 31, 2016			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Normalized pro forma segment profit	\$ 20.3	\$ 5.1	\$ 0.7	\$ 26.1
Adjustments:				
Foreign exchange translation	(0.5)	-	-	(0.5)
Acquisitions	0.5	-	-	0.5
Restructuring	(1.4)	(2.9)	-	(4.3)
EDF contract	-	-	0.7	0.7
Pro forma segment profit	<u>\$ 18.9</u>	<u>\$ 2.2</u>	<u>\$ 1.4</u>	<u>\$ 22.5</u>
	Three Months Ended March 31, 2015			
	Sealing Products	Engineered Products	Power Systems	Total Segments
Normalized pro forma segment profit	\$ 25.2	\$ 4.7	\$ 6.2	\$ 36.1
Adjustments:				
Acquisitions	(1.4)	-	-	(1.4)
Restructuring	(0.1)	(1.0)	-	(1.1)
EDF contract	-	-	(5.4)	(5.4)
Pro forma segment profit	<u>\$ 23.7</u>	<u>\$ 3.7</u>	<u>\$ 0.8</u>	<u>\$ 28.2</u>

Reconciliation of Pro Forma Adjusted Net Income to Pro Forma Net Income (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars, Except Per Share Data)

	<u>2016</u>	<u>2015</u>
Pro forma adjusted net income	\$ 7.6	\$ 9.9
Adjustments (net of tax):		
Restructuring costs	(2.7)	(0.6)
Loss on exchange and repurchase of convertible debentures	-	(1.8)
Environmental reserve adjustment	(1.0)	(0.1)
Fair value adjustment to acquisition date inventory	-	(0.6)
Acquisition expenses	(0.3)	(0.4)
Other	0.1	(0.8)
Tax accrual adjustments	(0.3)	(0.3)
<hr/>		
Impact	<u>(4.2)</u>	<u>(4.6)</u>
<hr/>		
Pro forma net income	<u>\$ 3.4</u>	<u>\$ 5.3</u>

Reconciliation of Consolidated Adjusted EBITDA to Net Loss (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	2016	2015
Earnings before interest, income taxes, depreciation, amortization, and other selected items (adjusted EBITDA) *	\$ 26.8	\$ 28.4
Adjustments to arrive at earnings before interest, income taxes, depreciation and amortization (EBITDA):		
Asbestos settlement	(80.0)	-
Restructuring costs	(4.3)	(1.0)
Loss on exchange and repurchase of convertible debentures	-	(2.8)
Acquisition expenses	(0.4)	(0.7)
Fair value adjustment to acquisition date inventory	-	(1.0)
Environmental reserve adjustment	(1.6)	(0.1)
Other	(0.6)	(1.4)
EBITDA	(60.1)	21.4
Adjustments to arrive at net loss:		
Interest expense, net	(13.1)	(12.9)
Income tax benefit	40.3	4.0
Depreciation and amortization expense	(13.9)	(14.1)
Net loss	\$ (46.8)	\$ (1.6)

Reconciliation of Pro Forma Adjusted EBITDA to Pro Forma Net Income (Unaudited)



For the Three Months Ended March 31, 2016 and 2015
(Stated in Millions of Dollars)

	Three Months Ended	
	March 31,	
	2016	2015
Pro forma earnings before interest, income taxes, depreciation, amortization and other selected items (pro forma adjusted EBITDA):	\$ 36.0	\$ 39.5
Adjustments to arrive at pro forma earnings before interest, income taxes, depreciation and amortization (pro forma EBITDA):		
Restructuring costs	(4.3)	(1.1)
Loss on exchange and repurchase of convertible debentures	-	(2.8)
Acquisition expenses	(0.4)	(0.7)
Fair value adjustment to acquisition date inventory	-	(1.0)
Environmental reserve adjustment	(1.6)	(0.1)
Other	-	(1.1)
Pro forma EBITDA	29.7	32.7
Adjustments to arrive at pro forma net income:		
Interest expense, net	(5.8)	(6.0)
Income tax benefit (expense)	(1.6)	(2.5)
Depreciation and amortization expense	(18.9)	(18.9)
Pro forma net income	\$ 3.4	\$ 5.3

Pro Forma Condensed Consolidated Financials



- Illustrate GST reconsolidated into EnPro as of January 1, 2015
- Adjustments on the pro forma financial statements include:
 - Elimination of I/C sales and I/C trade receivables and payables
 - Impact of revaluing GST's assets to estimated fair value
 - Elimination of impacts associated with ACRP (assumes claims resolution according to GST's consensual comprehensive settlement of March 16, 2016)
 - Removes the intercompany notes and all associated interest
 - Elimination of Investment in GST and related deferred tax impacts
- On this basis,
 - For the quarter ending March 31, 2016 the following estimates are illustrated,
 - Pro forma Sales: \$334.7M
 - Pro forma adj. EBITDA: \$36.0M
 - Pro forma diluted EPS: \$0.15/share