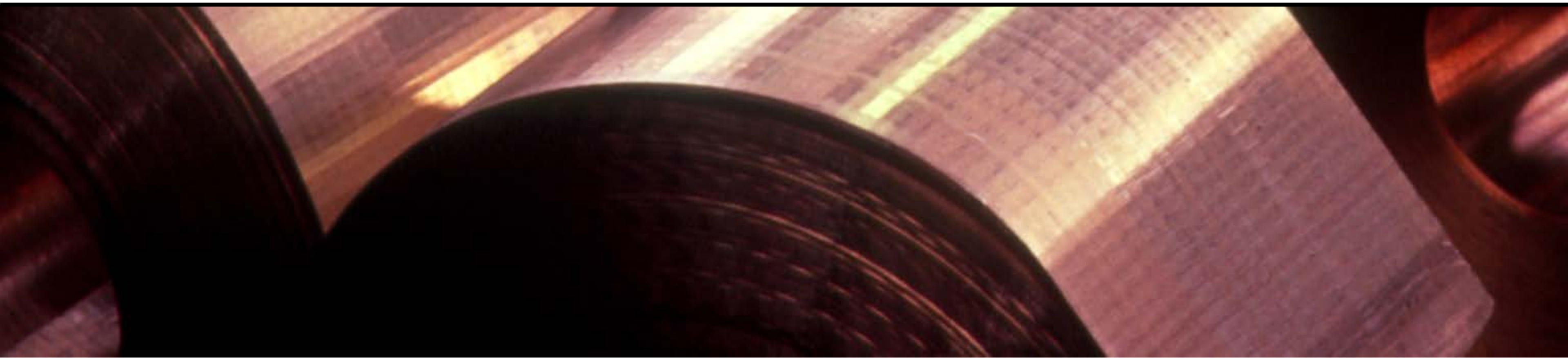
Global Brass and Copper Holdings, Inc.

(NYSE: BRSS)

Investor Presentation

March 4, 2019



Forward-looking statements and non-GAAP financial measures

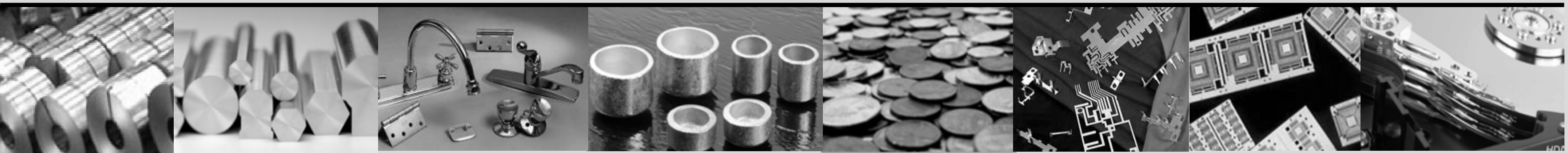
Forward-Looking Statements

This presentation contains “forward-looking statements” that involve risks and uncertainties. All statements we make relating to our estimated and projected earnings, margins, costs, expenditures, cash flows, growth rates, and financial results or to our expectations regarding future industry trends are forward-looking statements. In addition, we, through our senior management, from time to time make or may make forward-looking public statements concerning our expected future operations and performance and other developments. These forward-looking statements are subject to known and unknown risks, uncertainties, and other factors that may change at any time, and, therefore, our actual results may differ materially from those that we expected. All forward-looking statements contained in this presentation are based upon information available to us on the date of this presentation.

Important factors that could cause actual results to differ materially from our expectations, include general economic conditions, market demand, pricing and competitive factors, the ability to implement business and acquisition strategies, the ability to address unexpected operational issues, and the ability to continue to implement our balanced book approach, among others, which are disclosed under the “Risk Factors” section in Item 1A of our Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on February 28, 2019, and subsequent Reports on Form 10-Q, including, without limitation, in conjunction with the forward-looking statements included in our other SEC filings. All forward-looking information in this presentation and subsequent written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, including adjusted sales, EBITDA, adjusted EBITDA, adjusted diluted earnings per common share, and free cash flow. These measures are designed to complement the financial information presented in accordance with generally accepted accounting principles in the United States of America because management believes such measures are useful to investors. Our non-GAAP financial measures are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the metrics of calculation. For a reconciliation of net sales to adjusted sales, net income to EBITDA and adjusted EBITDA, diluted net income per common share, as reported, to adjusted diluted earnings per common share, and net income to free cash flow, see the appendix to this presentation.

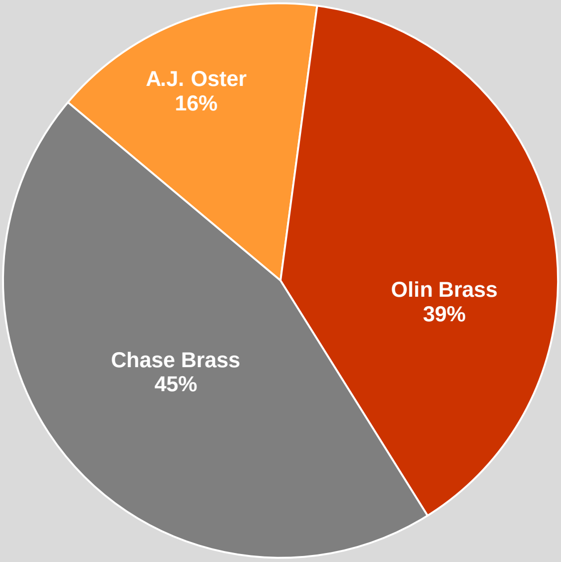


Overview

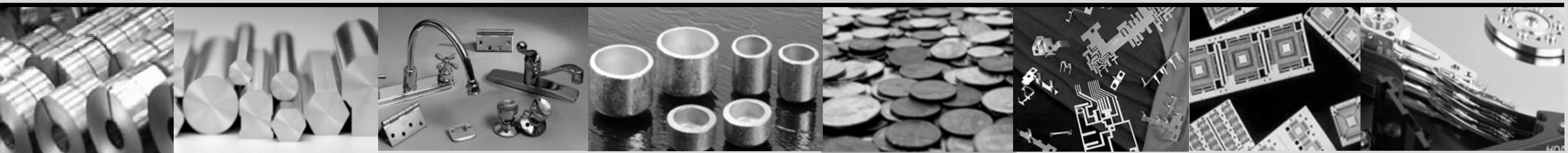
- Market leading value-added, convertor, fabricator, and distributor
- Non-ferrous – strip, rod, stamped, coated and fabricated products
- Three operating segments and ~1,900 employees
- Diverse, non-commoditized casting operations - ~ 4,200 customers, 12,000 SKUs, and 50+ alloys
- Primarily domestic presence - 18 manufacturing and distribution sites (3 outside the USA)
- Margin and financial performance driven by metal conversion economics, not fluctuations in metal commodity prices
  - Balanced book eliminates transactional sales / purchase impact of metal price volatility
- 2018 Adjusted Sales of $617mm*
- 2018 Adjusted EBITDA of $122mm* (20% of Adjusted Sales)
- Strong balance sheet
  - 1.7x Net Debt to Adjusted EBITDA* as of 12/31/2018
  - ~$312mm* in liquidity as of 12/31/2018

Balanced Business Mix

2018 Adjusted EBITDA - $122mm*



**See appendix for Adjusted Sales and Adjusted EBITDA reconciliations and balance sheet calculations. We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.*



Our products and markets

We avoid commoditized products and serve a group of key industrial end markets

Metal Converters

Copper Wire

Sheet, Strip, Plate (SSP)

Alloy Rod

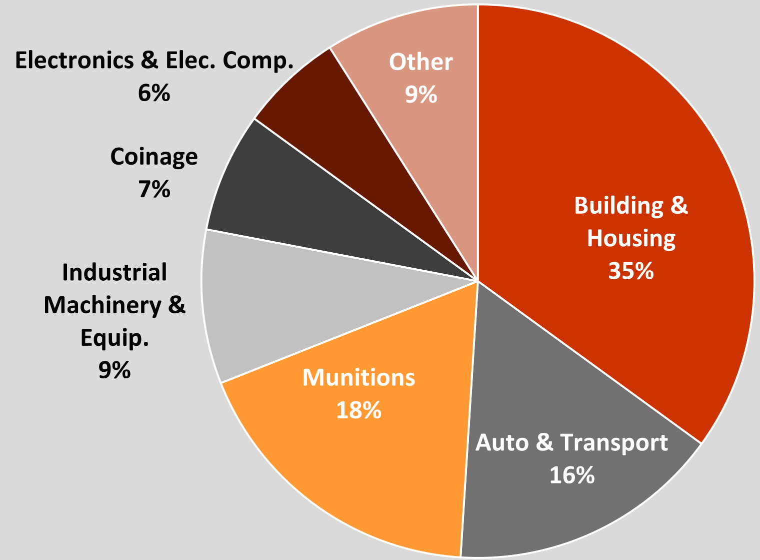
Electro Deposited Foil

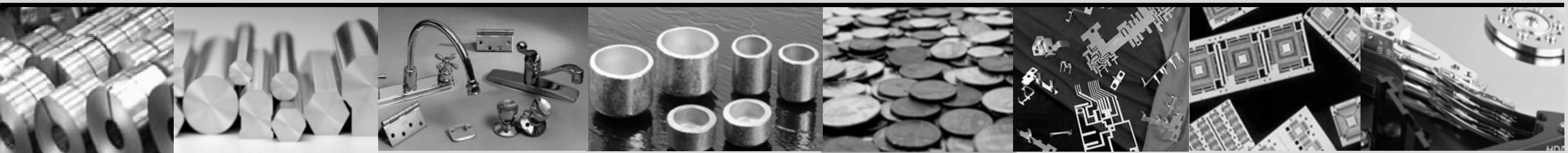
Tube

GBC Products

End Uses & Markets

2018 Pounds Shipped – 565mm lbs





Excellent service levels, geographic reach and portfolio breadth has brought us to leading market positions

GLOBAL Brass and Copper Holdings, Inc.

2018 Conversion Pounds[1]

% of 2018 net sales

CHASE BRASS AND COPPER COMPANY, LLC

- Leading manufacturer and supplier of brass rod, including environmentally friendly alloys

212 mm lbs

35% of sales

#1 / #2 North American Position

Olin Brass

- Leading manufacturer, fabricator, and convertor of specialized copper and brass sheet, strip, foil, tube, and fabricated products

256 mm lbs

38% of sales

#1 North American Position

AJ OSTER

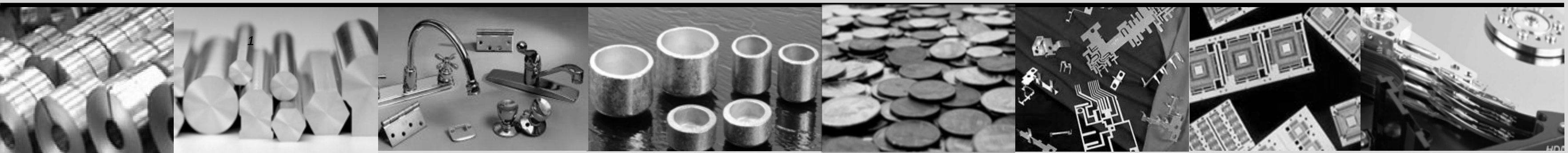
- Leading processor and distributor of copper, brass, and aluminum sheet, strip and coated products

135 mm lbs

27% of sales

#1 North American Position

(1) Before intercompany eliminations



Our balanced book insulates our margins from metal price volatility

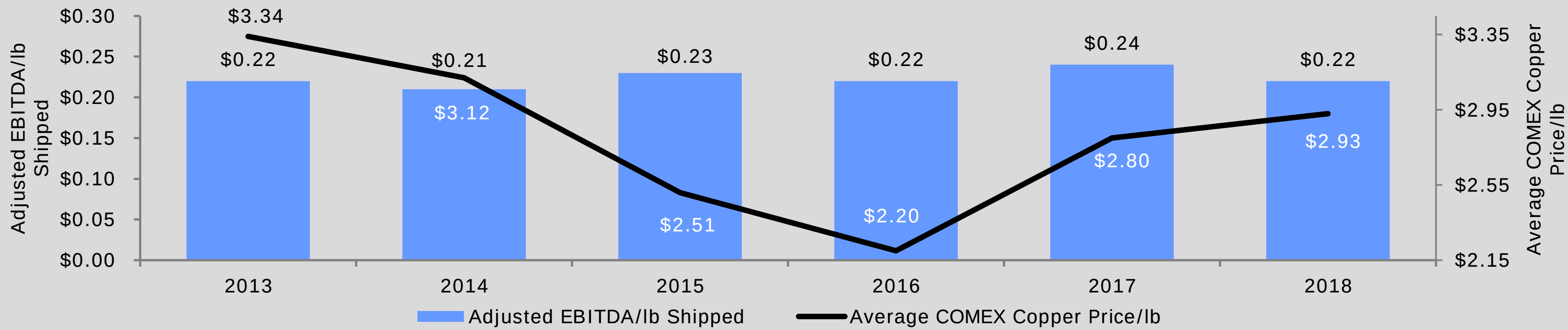
How We Manage Metal Price Volatility / Risk

- Tolling
  - Customer purchases and retains ownership of metal inventory
- Balanced Book
  - Matches the timing, quantity and price of future metal sales with the timing, quantity and price of future metal purchases
  - Results in consistent operating results despite volatile commodity prices, especially with LIFO accounting

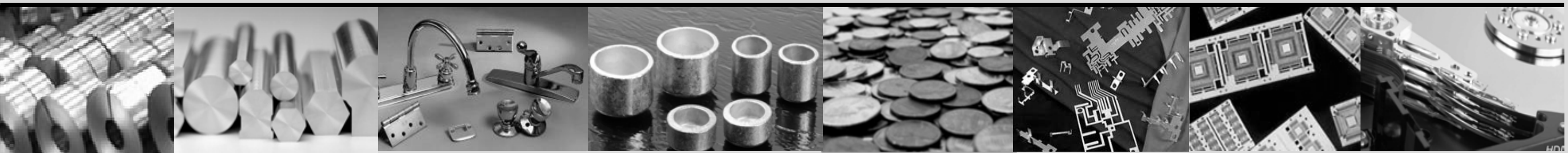
Conversion Pounds by Metal Pricing Method

Pricing Method	Percentage of 2018 Shipments	Bearer of Metal Price Risk
Tolling	~20%	Customer
Balanced Book:		
Direct Cost Pass Through – Price Date of Shipment	~40%	Customer
Direct Cost Pass Through – Firm Price	~40%	Metal Supplier
Direct Cost Pass Through – Firm Price Plus Financial Hedge		Hedge Counter Party

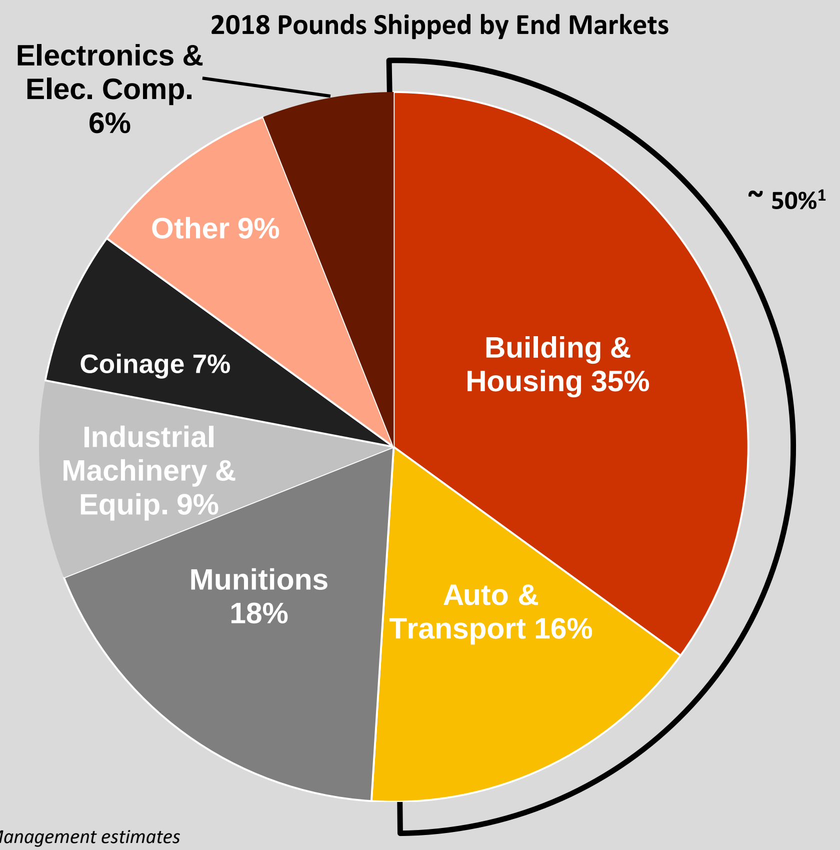
Adjusted EBITDA/lb Shipped vs. COMEX Copper Price Over Time

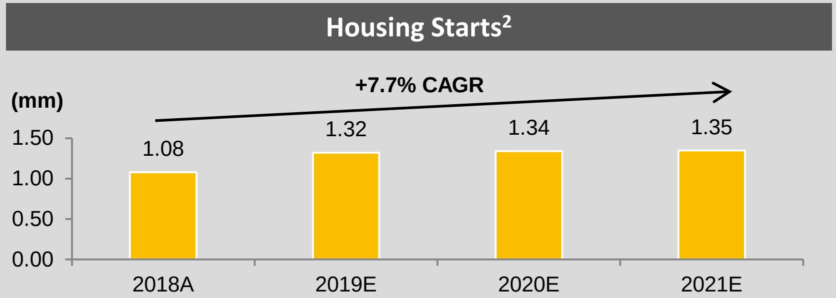


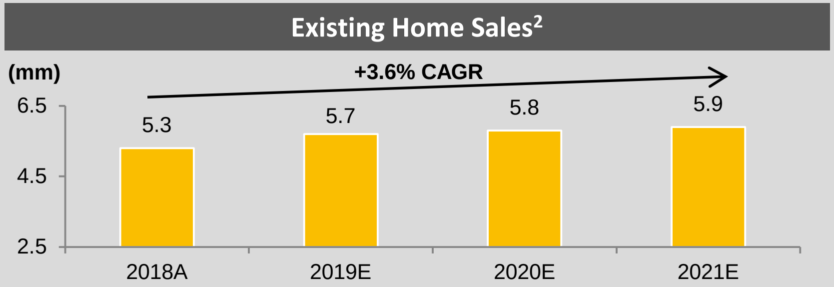
Note: See appendix for detailed Adjusted EBITDA reconciliation. We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.

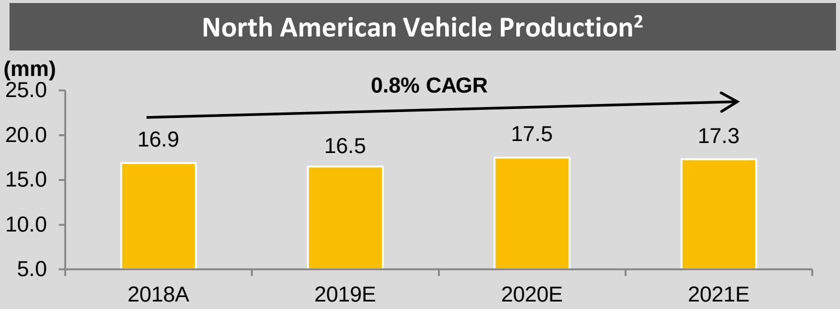


Exposure to diverse, growing markets fueled by macroeconomic growth





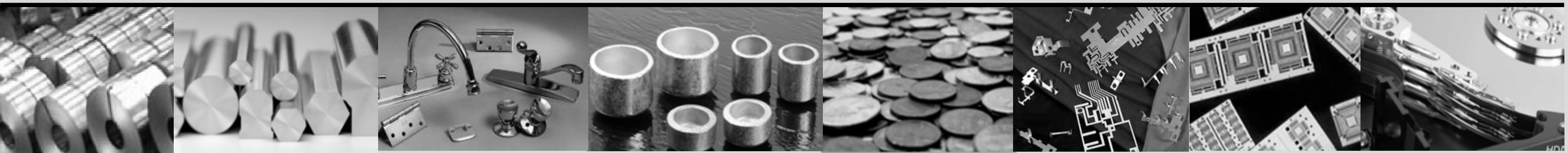




Source: Management estimates

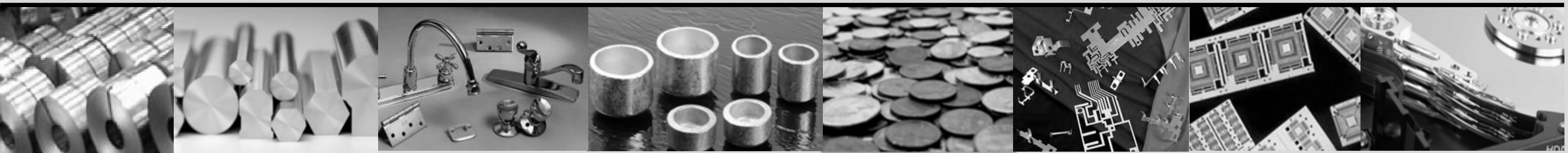
(1) Represents percentage of GBC's current shipments to end markets with high leverage to macroeconomic growth. Approximately 33% of GBC's shipments to the Electronics & Electrical Components end market are directly associated with the Building & Housing and Transportation end markets.

(2) Source: National Association of Home Builders and Blue Chip (housing starts), National Association of Home Builders (existing home sales), ITR Economics and UHY-U.S. (vehicle production)



Other areas for organic growth

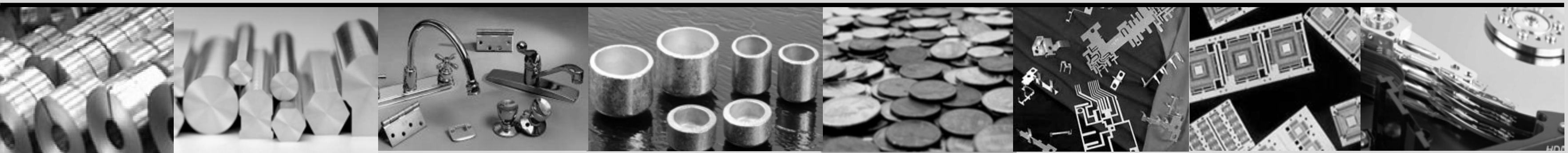
- Incremental volume can easily be absorbed
  - Capacity currently at 60% to 70% - no major expansionary capex needed
  - Adjusted EBITDA drop through of roughly 30-40 cents per incremental lb
- AJ Oster
  - Share gain: fragmented industry, highly service oriented, developing new applications
  - Metal type: grow other non-ferrous metals
  - Geographic penetration
- Olin Brass
  - Share gain: high on time performance levels with ~ 50 alloys increases our customer value proposition
  - Government legislation: Unified Savings & Accountability Act (the dollar coin)
  - Increase market acceptance of bactericidal alloys (CuVerro®)
  - Downstream fabrication / stamping
- Chase Brass
  - Share gain: capitalize on high service levels, barriers to entry and our green product portfolio
  - New products: provide more value added processing



Acquisition priorities

- Consolidation of the strip industry
- Bolt on acquisitions in distribution and downstream processing / stamping
- Product portfolio expansions (Eco Brass®, CuVerro®)
- 4th leg of our non-ferrous metals portfolio consistent with our asset management philosophy (conversion economics)

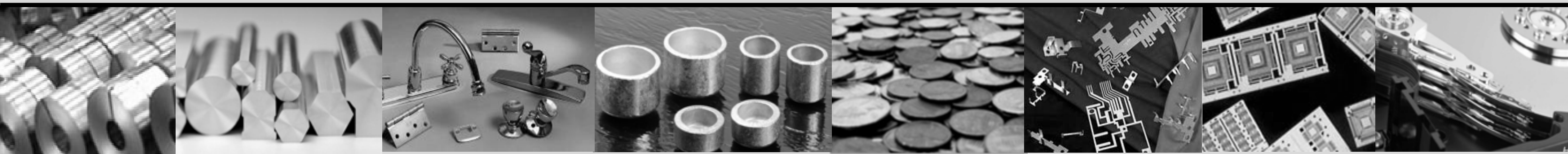
1+1=3



November 2017 Acquisition of Alumet

- Acquired net assets of Unimet Metal Supply and Alliance Service Centers, Inc. (together Alumet)
  - Cash paid of $41.7mm
  - Assumed $1.7mm of capital lease debt
  - Will operate under Alumet brand for white metals and AJ Oster for red metals going forward
- Strategic rationale for the acquisition
  - Combination of two well-regarded brands
  - Similar cultures of quality and service – customer focused
  - Market expansion and geographic expansion
  - Expand service capabilities into cut-to-length
  - Cross sell opportunities
- Secondary synergies
  - Balanced book and asset management philosophy focus
  - Supply chain improvements and optimization
  - Cost savings opportunities on infrastructure
  - Increase employee engagement and improve technology
- Profile of Alumet

	Target at Acquisition	Actual in 2018
Pounds sold	55 – 65mm lbs.	58mm lbs.
Adjusted EBITDA	$5 – $7mm	$7mm

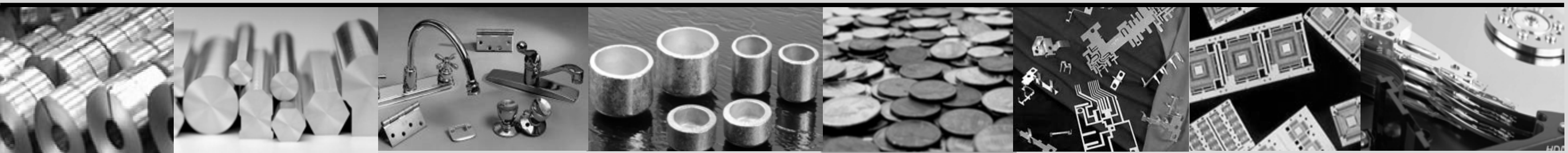


Demonstrated ability to consistently generate strong cash flows

$ in millions	2016	2017	2018	3 Year Avg
Net Income	**$32.8**	**$51.7**	**$58.6**	**$47.7**
Other adjustments to Net Income[1]	47.3	44.7	42.2	44.7
Cash Flow from Earnings[2]	80.1	96.4	100.8	92.4
Working Capital Changes[3]	15.9	(47.2)	21.3	(3.3)
Cash Flow from Operations	96.0	49.2	122.1	89.1
Cash Flow from Investing	(34.3)	(64.6)	(27.8)	(42.2)
Free Cash Flow	**$61.7**	**($15.4)**	**$94.3**	**$46.9**
Free Cash Flow, excluding Working Capital Changes	45.8	31.8	73.0	50.2
Adjusted EBITDA	111.7	122.3	121.8	118.6
Cash[4]	80.7	49.4	116.4	n/a
Debt[5]	325.0	324.5	320.0	n/a
Net Debt [6]/ Adjusted EBITDA	2.2x	2.2x	1.7x	n/a

- Lean cost structure and "Balanced Book" provides margin stability
- Cash flow before changes in working capital averaged ~ $50M 2016-2018
- Low capital expenditure requirements
- Recent tax law changes lowered our effective tax rate from historical 32-34% levels to approximately 25-27%
- 2017 negative due to unique investments in working capital at year-end related to toll sales and strategic inventory buys as well as $40mm paid for the Alumet acquisition
- 2018 benefitted from the collections of AR from toll sales of $19M

Note: See appendix for detailed Free Cash Flow and Adjusted EBITDA reconciliations. We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.
(1) See appendix for details regarding other adjustments to Net Income
(2) Cash Flow from Earnings is the sum of Net Income plus Other adjustments to Net Income
(3) Calculated based on changes in accounts receivable, inventory, prepaid expenses and other current assets, accounts payable, accrued liabilities, accrued interest, and income taxes, net
(4) Excludes foreign cash
(5) Excludes deferred financing fees and includes letters of credit
(6) Net Debt is the net of Debt less Cash



We have an affordably leveraged capital structure with ample liquidity

GLOBAL Brass and Copper Holdings, Inc.

- Target leverage < 3x
- No off balance sheet pension / retiree healthcare liabilities
- Corp rating: Ba3/BB and TLB rating: B1/BB

Term Loan B Debt Facility

- $313 million, maturing May 2025, at LIBOR + 250 bps
- $3.2 million annual amortization and an excess cash flow sweep based on:

Net Leverage Ratio	Sweep %
≥ 2.75x	50%
< 2.75x but ≥ 2.25x	25%
< 2.25x	0%

Leverage and Capitalization at December 31, 2018

- Net debt $203.6 million
- Net debt to Adjusted EBITDA of 1.7x
- Total liquidity of $311.8 million
- Market capitalization of $548.2 million ($25.15 per share, 21.8 million shares outstanding at 12/31/18)
- Total capitalization $752 million

Note: See appendix for leverage and capitalization calculations.

ABL Facility

- $200 million facility maturing July 2021
- $200 million uncommitted accordion
- Pricing grid based on Average Quarterly Availability

	ABR Plus	LIBOR Plus
> $100 million	0.25%	1.25%
$50 million ≤ Availability ≤ $100 million	0.50%	1.50%
< $50 million	0.75%	1.75%

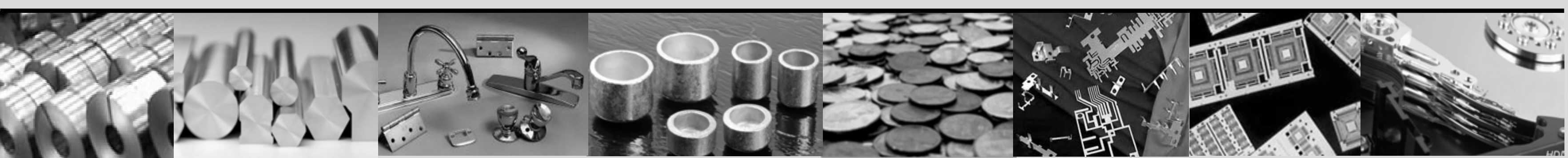
- Value of eligible collateral under new ABL facility exceeded $200 million capacity by ~ $72 million at 12/31/18.
- Availability at 12/31/18 was $195 million, after giving effect to $5 million of letters of credit.

Financial Covenants

- ABL: FCCR > 1.0x (tested when availability < 10%)

Interest Rate Swap

- Fixes LIBOR on $150 mm of variable rate debt at 2.7475% through May 2023
- Currently hedging $150mm of Term Loan B Debt at 5.2475%



Our capital allocation priorities drive shareholder value

Global Brass and Copper Holdings, Inc.

1) Fund internal growth and capex needs

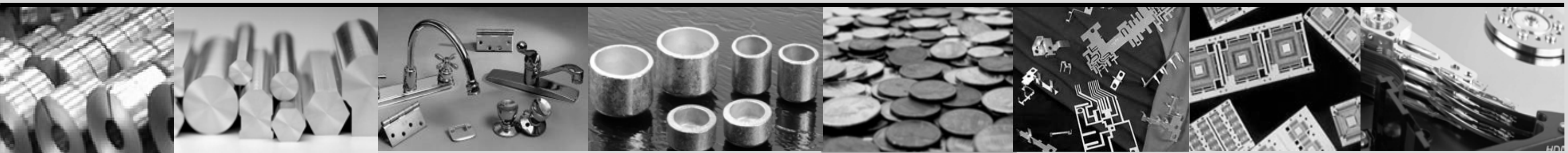
- Annual maintenance capex between $15 - $20 million
- 2019 Capex of approximately $30 - $35 million

2) Accretive Acquisitions

- Ongoing review of strategic accretive acquisitions to leverage core competencies and business adjacencies
  - "Bolt-On" acquisitions in distribution and fabrication
  - Brand expansion: Eco Brass® and CuVerro®
  - Strip industry consolidation

3) Return Surplus Cash to Shareholders

- Increased the quarterly cash dividend from $0.06 / share to $0.09 / share in August 2018
- Bought back $12.6 million of shares in 2018
- $22.4 million remains under buyback authorization

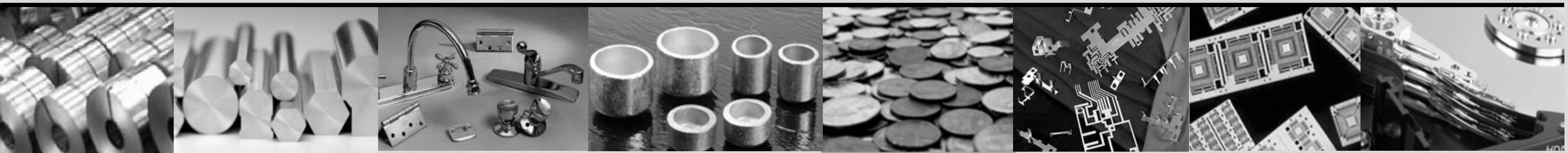


Experienced & motivated management team

Brass and Copper Holdings, Inc.

Name	Title	Industry Experience	Prior Positions
John Wasz	Chief Executive Officer	37 years	▪ Prior to joining GBC, served as President of Rolled Products division for Aleris International.
Christopher Kodosky	Chief Financial Officer	19 years	▪ Prior to joining GBC, served as CFO of performance materials segment of AMCOL International Corporation.
Devin Denner	President – Chase Brass	40 years	▪ Previously held various positions at Olin Corporation's Metals Division.
Dale Taylor	President – Olin Brass	32 years	▪ Previously served as Vice President of Manufacturing and Vice President of Supply Chain for Olin Brass.
Greg Keown	President – A.J. Oster	15 years	▪ Previously served as Vice President of Marketing and International for Olin Brass. Prior to joining GBC, served as Director of Marketing for Aleris Corporation.
Bill Toler	Executive Vice President, Strategic Planning and Development	38 years	▪ Previously served as President for Olin Brass. Prior to joining GBC, served as CEO and President of Smelter Service Corporation, an aluminum recycler.

❖ Executive compensation linked to Adjusted EPS, Business Unit specific Adjusted EBITDA, and key strategic objectives

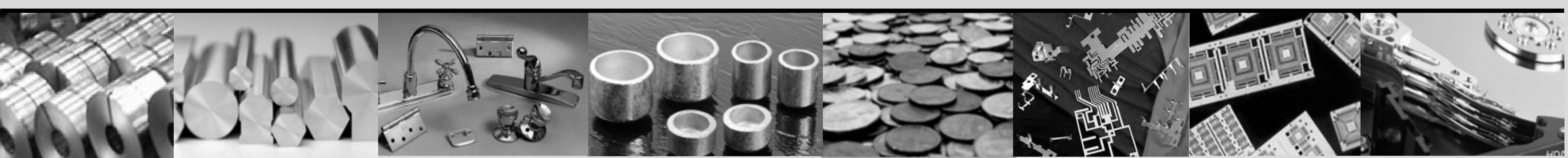


2018 Results

<u>FY 2018</u>

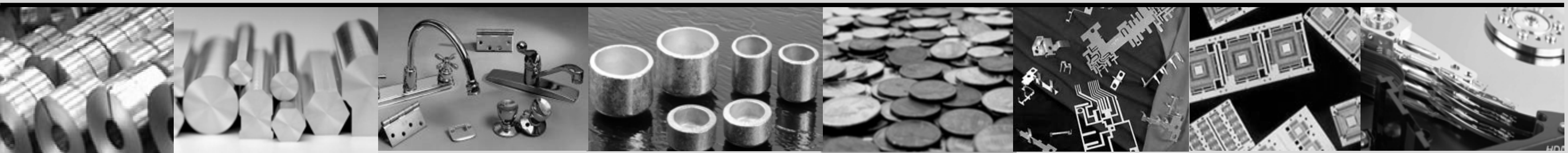
- Volume of 564.6 million pounds, an increase of 11.3% year-over-year
  - 58.2 million pounds generated by Alumet in 2018 compared to 8.3 million pounds in 2017 – primarily in the building and housing market from signage and roofing products
  - Munitions volumes recovered from the 2016 Presidential election vs depressed 2017 levels
  - Base volumes also include an increase in automotive and a decrease in building and housing
- Adjusted EBITDA of $121.8 million
  - Excluding FY 2017 $7.4 million recovery of insurance proceeds, increased 4.4%, or $6.9 million, year-over-year
  - $7.8 million improvement from our metal pricing, sourcing, and blending initiatives
  - $7.0 million of Adjusted EBITDA generated by Alumet in 2018
  - $2.4 million more of unusual costs included in 2017 results were more than offset by cost increases stemming from productivity / operational issues and increased incentive compensation
- Adjusted diluted earnings per common share increased from $2.34 in 2017 to $2.88
  - Improvement was due to favorable fluctuations in income taxes and interest expense

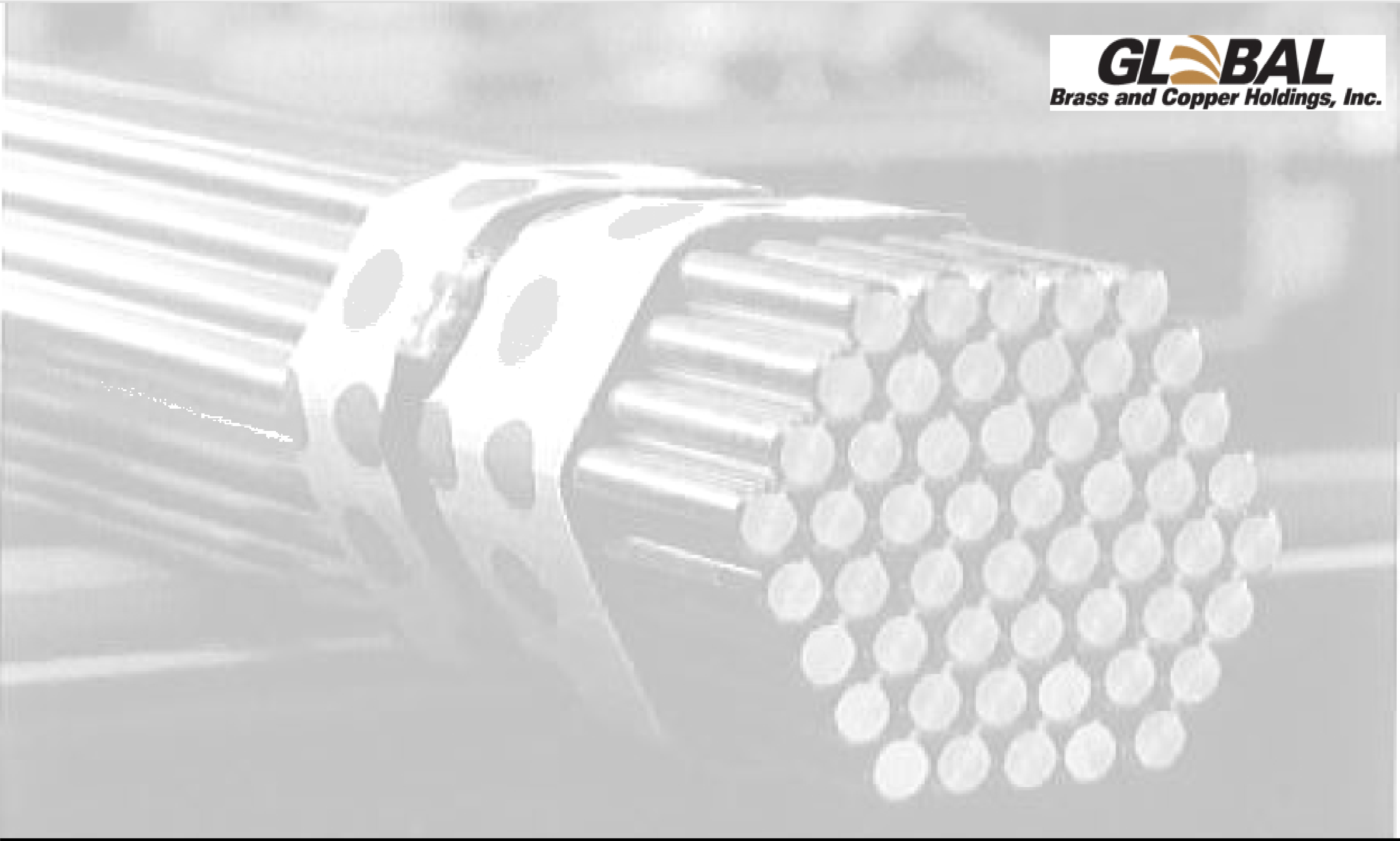
Note: See appendix for detailed Adjusted EBITDA and Adjusted diluted earnings per common share reconciliations. We have changed the Adjusted EBITDA and Adjusted diluted earnings per common share calculations to remove the benefit for the add-back of stock compensation expense.



Key investment highlights

- ❖ Market leader in key industrial markets
- ❖ Exposure to diverse, growing markets
- ❖ Financial performance driven by conversion economics, not metal price volatility
- ❖ Balanced book insulates margins from metal price volatility
- ❖ Consistent cash flow generation
- ❖ Affordable capital structure with ample liquidity
- ❖ Strong interim results
- ❖ Experienced management team focused on creating shareholder value





GLOBAL Brass and Copper Holdings, Inc.

Appendix

Summary Financials

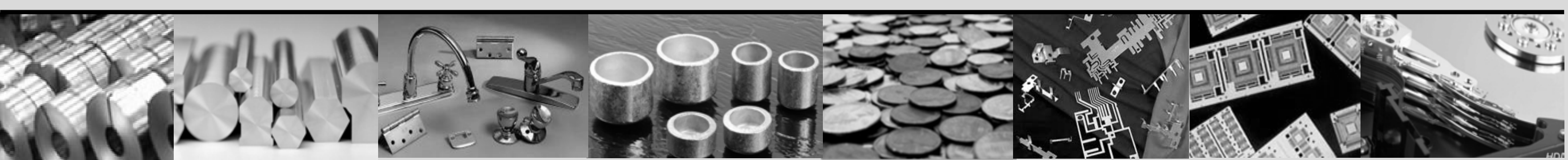
FYE December 31 ($ in millions, unless noted)	2016	2017	2018
Copper Prices ($/lb)	$ 2.20	$ 2.80	$ 2.93
Volume (mm lbs)	520.8	507.3	564.6
Adjusted Sales	$ 542.3	$ 535.8	$ 616.6
Adjusted Sales ($/lb)	$ 1.04	$ 1.06	$ 1.09
Adjusted EBITDA	**$ 111.7**	**$ 122.3**	**$ 121.8**
Adjusted EBITDA ($/lb)	$ 0.21	$ 0.24	$ 0.22
Interest Expense, net	$ (26.2)	$ (17.6)	$ (16.8)
Provision for Income Taxes	$ (16.7)	$ (33.9)	$ (17.3)
Net Income	**$ 32.8**	**$ 51.7**	**$ 58.6**
Other adjustments to Net Income[1]	47.3	44.7	42.2
Cash Flow from Earnings[2]	80.1	96.4	100.8
Changes in Working Capital[3]	15.9	(47.2)	21.3
Cash from Operations	96.0	49.2	122.1
Cash from Investing	(34.3)	(64.6)	(27.8)
Free Cash Flow	**$ 61.7**	**$ (15.4)**	**$ 94.3**

Note: Detailed Adjusted sales, Free Cash Flow and Adjusted EBITDA reconciliations are located elsewhere in this appendix. We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.

(1) Details regarding other adjustments to Net Income are located elsewhere in this appendix

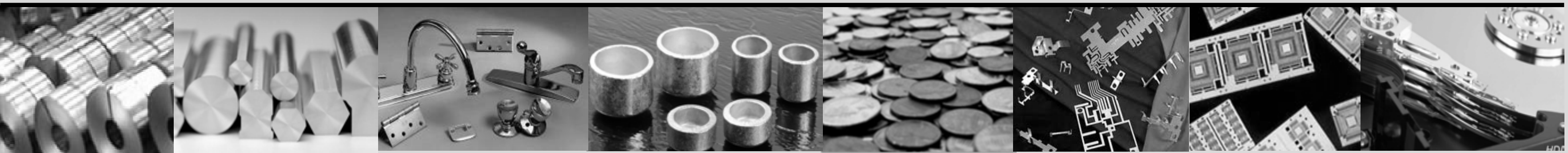
(2) Cash Flow from Earnings is the sum of Net Income plus Other adjustments to Net Income

(3) Calculated based on changes in accounts receivable, inventory, prepaid expenses and other current assets, accounts payable, accrued liabilities, accrued interest, and income taxes, net



Reconciliation of Adjusted Sales

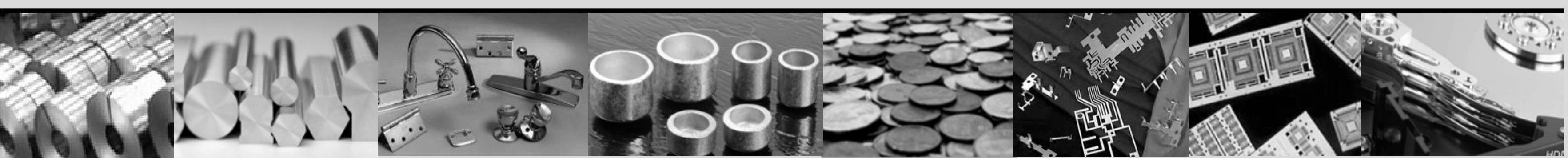
	Year Ended December 31,		
($ in millions)	**2016**	**2017**	**2018**
Net Sales	$1,338.3	$1,578.6	$1,765.4
Metal Component of Net Sales	(796.0)	(1,042.8)	(1,148.8)
Adjusted Sales	**$542.3**	**$535.8**	**$616.6**



Reconciliation of Free Cash Flow

GLOBAL Brass and Copper Holdings, Inc.

($ in millions)	Year Ended December 31,				
	2014	2015	2016	2017	2018
Net income	**$32.1**	**$35.8**	**$32.8**	**$51.7**	**$58.6**
Lower of cost or market adjustment to inventory	0.2	6.6	(1.7)	(3.6)	2.9
Unrealized loss (gain) on derivative contracts	3.0	(0.6)	(3.1)	0.8	2.8
Depreciation expense and amortization of intangible assets	12.3	13.6	14.9	18.6	21.5
Amortization of debt discount and issuance costs	2.7	2.8	2.0	1.3	1.2
Loss on extinguishment of debt	-	3.1	23.4	0.2	0.5
Share-based compensation expense	1.7	4.2	6.9	8.2	6.7
Provision for bad debts, net of reductions	-	0.3	(0.3)	0.1	0.8
Deferred income taxes	6.4	(7.3)	4.7	18.0	5.3
Equity earnings, net of distributions	(0.7)	0.1	-	-	-
Gain on sale of investment in joint venture	-	(6.3)	-	-	-
Loss on disposal of property, plant and equipment	-	0.4	0.1	-	0.3
Uncertain tax positions	-	-	-	2.1	-
Other, net	(0.9)	0.3	0.4	(1.0)	0.2
Other adjustments to Net Income	**24.7**	**17.2**	**47.3**	**44.7**	**42.2**
Cash Flow from Earnings	**56.8**	**53.0**	**80.1**	**96.4**	**100.8**
Changes in working capital	7.9	35.9	15.9	(47.2)	21.3
Net cash from operating activities	**$64.7**	**$88.9**	**$96.0**	**$49.2**	**$122.1**
Net cash from investing activities	(22.3)	(13.3)	(34.3)	(64.6)	(27.8)
Free cash flow	**$42.4**	**$75.6**	**$61.7**	**($15.4)**	**$94.3**



Leverage and Capitalization

Calculation of Leverage and Capitalization at December 31, 2018

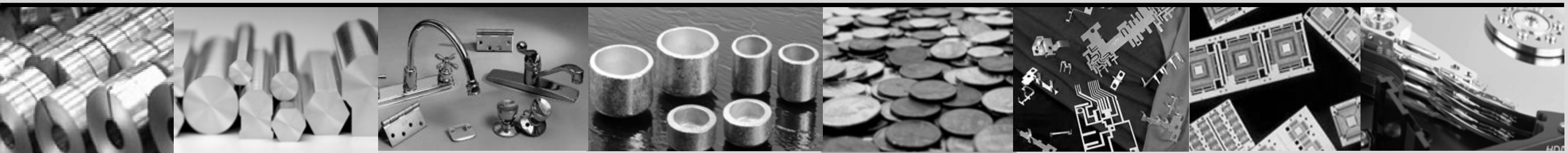
	$ in millions
Cash and Cash Equivalents at 12/31/18[1] (A)	$116.4
Term Loan B outstanding at 12/31/18	$312.8
ABL borrowings outstanding at 12/31/18	--
Capital lease obligations outstanding at 12/31/18	$2.6
Letters of credit at 12/31/18	$4.6
Total Debt	$320.0
Net Debt	$203.6
Adjusted EBITDA for the year ended 12/31/18[2]	$121.8
Net Debt to Adjusted EBITDA	1.7x
ABL Availability at 12/31/18 (B)	$195.4
Total Liquidity (A + B)	$311.8
Market Capitalization at 12/31/18[3]	$548.2
Total Capitalization	**$751.8**

Note: We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.

[1] Excludes foreign cash

[2] Refer to Adjusted EBITDA reconciliation located elsewhere in this appendix

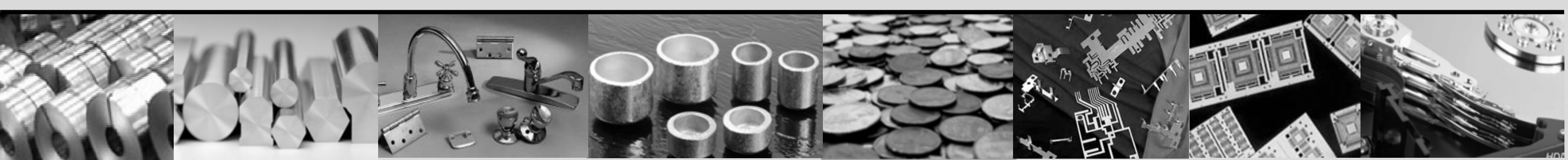
[3] Based on the closing share price of $25.15 as of 12/31/2018



EBITDA and Adjusted EBITDA Reconciliation

($ in millions)	Year Ended December 31,		
	2016	2017	2018
Net income attributable to Global Brass and Copper Holdings, Inc.	$ 32.2	$ 51.1	$ 58.2
Interest expense, net	26.2	17.6	16.8
Provision for income taxes	16.7	33.9	17.3
Depreciation expense	14.8	18.5	21.1
Amortization expense	0.1	0.1	0.4
EBITDA	**$ 90.0**	**$ 121.2**	**$ 113.8**
Refinancing costs (a)	23.4	0.9	1.6
Unrealized (gain) loss on derivative contracts (b)	(3.1)	0.8	2.8
Lower of cost or market adjustment to inventory (c)	(1.7)	(3.6)	2.9
LIFO liquidation loss (gain) (d)	1.9	1.0	0.1
Specified legal / professional expenses (e)	1.2	1.3	0.4
Inventory step-up costs from acquisition accounting	-	0.3	0.2
Restructuring and other business transformation charges (f)	-	0.4	-
Adjusted EBITDA	**$ 111.7**	**$ 122.3**	**$ 121.8**

Note: We have changed the Adjusted EBITDA calculation to remove the benefit for the add-back of stock compensation expense.
Refer to notes on the page following these reconciliations.



Notes for EBITDA and Adjusted EBITDA Reconciliation

a) Represents the loss on extinguishment of debt and other expenses associated with our refinancing activities.

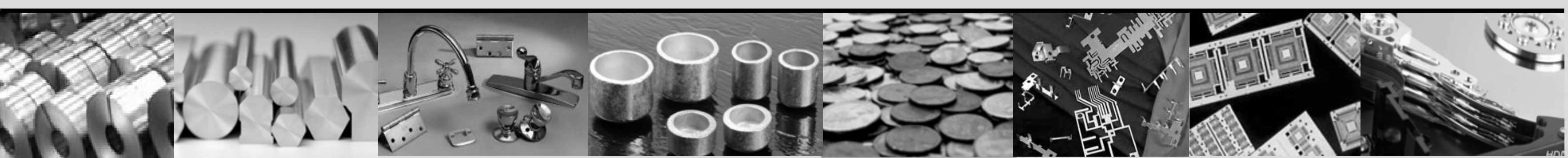
b) Represents unrealized gains / losses on derivative contracts.

c) Represents the impact of lower of cost or market adjustments to domestic metal inventory.

d) Calculated based on the difference between the base year LIFO carrying value and the metal prices prevailing in the market at the time of inventory depletion.

e) Represents selected professional fees for accounting, tax, legal, and consulting services for merger and acquisition activity.

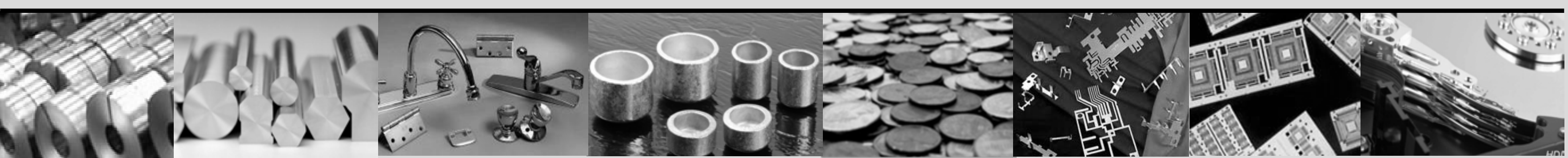
f) Restructuring and other business transformation charges represent severance charges at Olin Brass.



Supplemental Non-GAAP Information

	Year Ended December 31,		
	2016	2017	2018
Diluted net income per common share, as reported	$1.49	$2.31	$2.61
Unrealized (gain) loss on derivative contracts	(0.15)	0.03	0.13
Refinancing costs	1.08	0.04	0.07
Specified legal / professional expenses	0.06	0.06	0.02
Lower of cost or market adjustment to inventory	(0.08)	(0.16)	0.13
LIFO liquidation loss (gain)	0.09	0.04	-
Restructuring and other business transformation charges	-	0.02	-
Inventory step-up costs from acquisition accounting	-	0.01	0.01
Tax impact on above adjustments [(1)]	(0.34)	(0.01)	(0.09)
Adjusted diluted earnings per common share	**$2.15**	**$2.34**	**$2.88**

Note: We have changed the Adjusted diluted earnings per common share calculation to remove the benefit for the add-back of stock compensation expense.
(1) Calculated based on our effective tax rate.



Non-GAAP Financial Measures Discussion

GLOBAL Brass and Copper Holdings, Inc.

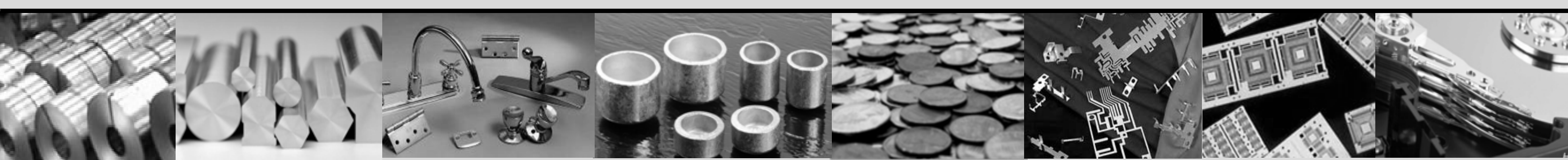
Adjusted EBITDA

Net income attributable to Global Brass and Copper Holdings, Inc. is the most directly comparable US GAAP measure to adjusted EBITDA. Adjusted EBITDA is defined as net income attributable to Global Brass and Copper Holdings, Inc., plus interest, taxes, depreciation and amortization (“EBITDA”) adjusted to exclude the following:

- unrealized gains and losses on derivative contracts in support of our balanced book approach;
- unrealized gains and losses associated with derivative contracts related to energy and utility costs;
- impact associated with lower of cost or market adjustments to inventory;
- gains and losses due to the depletion of a last-in, first out (“LIFO”) layer of metal inventory;
- refinancing costs;
- restructuring and other business transformation charges;
- inventory step-up costs related to acquisition accounting;
- specified legal and professional expenses; and
- certain other items.

We believe adjusted EBITDA represents a meaningful presentation of the financial performance of our core operations because it provides period-to-period comparisons that are more consistent and more easily understood. We also believe it is an important supplemental measure that is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Adjusted EBITDA is the key metric used by our chief operating decision maker (“CODM”) to evaluate segment performance in a way that we believe reflects our core operating performance, and in turn, incentivizes members of management and certain employees. For example, we use adjusted EBITDA per pound in order to measure the effectiveness of the balanced book approach in reducing the financial impact of metal price volatility on earnings and operating margins, and to measure the effectiveness of our business transformation initiatives in improving earnings and operating margins. However, our adjusted EBITDA may not be comparable to similarly titled measures presented by other companies. In addition, it has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under US GAAP.



Non-GAAP Financial Measures Discussion (cont.)

GLOBAL Brass and Copper Holdings, Inc.

We compensate for these limitations by using adjusted EBITDA along with other comparative tools, together with US GAAP measurements, to assist in the evaluation of operating performance. Such US GAAP measurements include operating income and net income.

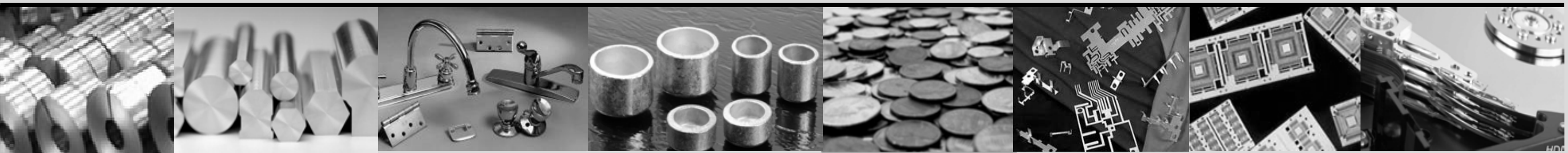
Adjusted diluted earnings per common share

Diluted net income attributable to Global Brass and Copper Holdings, Inc. per common share is the most directly comparable US GAAP measure to adjusted diluted earnings per common share. Adjusted diluted earnings per common share is defined as diluted net income attributable to Global Brass and Copper Holdings, Inc. per common share adjusted to remove the per share impact of the add backs to EBITDA in calculating adjusted EBITDA.

We believe adjusted diluted earnings per common share represents a meaningful presentation of the financial performance of our consolidated results because it provides period-to-period comparisons that are more consistent and more easily understood. We also believe it is an important supplemental measure that is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry.

Adjusted diluted earnings per share is the key metric used by our CODM to evaluate the Company’s performance, and in turn, incentivize members of management and certain employees.

We believe that adjusted diluted earnings per common share supplements our US GAAP results to provide a more complete understanding of the results of our business, and we believe it is useful to our investors and other parties for these same reasons. Adjusted diluted earnings per common share may not be comparable to similarly titled measures presented by other companies and is not a measure of operating performance or liquidity defined by US GAAP.



Non-GAAP Financial Measures Discussion (cont.)

Brass and Copper Holdings, Inc.

Adjusted sales

Net sales is the most directly comparable US GAAP measure to adjusted sales, a non-GAAP measure. We deduct the cost of our metal within cost of sales from net sales to arrive at adjusted sales. Metal cost reflects the cost of replacing metal sold to the customer whereas adjusted sales is our internal measure of the value-added or conversion revenue generated from our operations. We use adjusted sales on a consolidated basis to monitor the revenues that are generated from our value-added conversion and fabrication processes excluding the effects of fluctuations in metal costs. We believe that adjusted sales supplements our US GAAP results to provide a more complete understanding of the results of our business, and we believe it is useful to our investors and other parties for these same reasons.

Free cash flow

Free cash flow is defined as net cash provided by operating activities plus net cash used in investing activities. We believe that free cash flow is useful to management and investors in their analysis of our financial performance by excluding certain items that we believe are not representative of our core business and our ability to incur and service indebtedness. Free cash flow may not be comparable to similarly titled measures presented by other companies and is not a measure of operating performance or liquidity defined by US GAAP.