INNOSPEC
Chemistry Matters™

“In Great Shape for 2017”
FORWARD-LOOKING STATEMENTS

This presentation contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts included or incorporated herein may constitute forward-looking statements. Such forward-looking statements include statements (covered by words like “expects,” “estimates,” “anticipates,” “may,” “believes,” “feels” or similar words or expressions), for example, which relate to earnings, growth potential, operating performance, events or developments that we expect or anticipate will or may occur in the future. Although forward-looking statements are believed by management to be reasonable when made, they are subject to certain risks, uncertainties and assumptions, including those associated with the United Kingdom’s exit from the European Union and our actual performance or results may differ materially from these forward-looking statements. Additional information regarding risks, uncertainties and assumptions relating to Innospec and affecting our business operations and prospects are described in Innospec’s Annual Report on Form 10-K for the year ended December 31, 2015 and other reports filed with the U.S. Securities and Exchange Commission. You are urged to review our discussion of risks and uncertainties that could cause actual results to differ from forward-looking statements under the heading "Risk Factors" in such reports. Innospec undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
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The information presented in this presentation includes financial measures that are not calculated or presented in accordance with Generally Accepted Accounting Principles in the United States (GAAP). These non-GAAP financial measures comprise EBITDA, income before income taxes excluding special items and net income excluding special items and related per share amounts. EBITDA is net income per our consolidated financial statements adjusted for the exclusion of charges for interest expense, net, income taxes, depreciation, amortization and impairment of Octane Additives segment goodwill. The Company believes that such non-GAAP financial measures provide useful information to investors and may assist them in evaluating the Company’s underlying performance and identifying operating trends. In addition, management uses these non-GAAP financial measures internally to allocate resources and evaluate the performance of the Company’s operations. While the Company believes that such measures are useful in evaluating the Company’s performance, investors should not consider them to be a substitute for financial measures prepared in accordance with GAAP. In addition, these non-GAAP financial measures may differ from similarly-titled non-GAAP financial measures used by other companies and do not provide a comparable view of the Company’s performance relative to other companies in similar industries.
# COMPANY PROFILE
Innospec, Inc. NASDAQ (IOSP)

## Corporate HQ
Englewood, CO

## Regional Locations
USA, UK, Continental Europe, Africa, Russia, Brazil and Asia

## Manufacturing
Global Network of Offices & Testing Facilities: USA, UK, France and Germany

## 2015 Performance
- **Revenue**: $1B
- **Employees**: 1300 in 20 countries

## 2016 Mergers & Acquisition
- **Huntsman acquisition expected to close**
  - **Q4 2016**
  - ($230m of sales; 430 employees)
BUSINESS UNITS FINANCIAL PERFORMANCE

SALES FULL YEAR 2015

SALES GROWTH YOY TO Q2’16

Fuel Specialties
Oilfield Services
Octane
Performance Chemicals

September 14, 2016

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CORPORATE STRUCTURE

Fuel Specialties

Oilfield Services

Performance Chemicals

Octane Additives
# FUEL SPECIALTIES

<table>
<thead>
<tr>
<th><strong>What We Do</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Fuel Additives – detergents; cold flow improvers; lubricity improvers; corrosion inhibitors; conductivity improvers</td>
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</table>

<table>
<thead>
<tr>
<th><strong>Product Benefits</strong></th>
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<tbody>
<tr>
<td>- Make fuels on-specification; create brand-leading &amp; premium fuels</td>
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<table>
<thead>
<tr>
<th><strong>Customers</strong></th>
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</thead>
<tbody>
<tr>
<td>- Major oil companies, fuel marketers /retailers; fleets, marine, aviation</td>
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<table>
<thead>
<tr>
<th><strong>How We Compete</strong></th>
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<tbody>
<tr>
<td>- Innovative technology &amp; customer service</td>
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<table>
<thead>
<tr>
<th><strong>Market Drivers</strong></th>
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<tbody>
<tr>
<td>- Miles/vehicles on the road; legislation, fuel economy &amp; engine technology</td>
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<table>
<thead>
<tr>
<th><strong>Market Position</strong></th>
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<tbody>
<tr>
<td>- Market leader</td>
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<table>
<thead>
<tr>
<th><strong>Sales Growth Potential</strong></th>
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<tbody>
<tr>
<td>- GDP +1-3 points</td>
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</table>
**What We Do**
- Work with operators across all major basins to deliver custom chemical solutions and services for drilling, completions, production and pipeline applications

**Product Benefits**
- A true one-stop shop that provides chemical expertise for drilling, completion, production and midstream; in-house technical expertise and evaluation; first-class R&D capabilities

**Customers**
- Operators; service companies; drilling companies; pipelines

**How We Compete**
- Direct to operator; regional laboratory services; innovative technology and customer service

**Market Drivers**
- Oil & gas demand; changes to drilling, completion, and production techniques;
- Minimize environmental impact

**Market Position**
- Started very small – creating a new mid-tier leader based on technology and service

**Sales Growth Potential**
- Oil and gas price dependent
OILFIELD SERVICES – BEHIND THE BRANDS

[Logos of various oilfield services companies]
### PERFORMANCE CHEMICALS
**(PERSONAL & HOME CARE)**

<table>
<thead>
<tr>
<th><strong>What We Do</strong></th>
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<tr>
<td>• Surfactants, benzoate esters, silicones</td>
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<table>
<thead>
<tr>
<th><strong>Product Benefits</strong></th>
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<tr>
<td>• Luxurious foam/lather; low irritation; shine; skin-feel</td>
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<table>
<thead>
<tr>
<th><strong>Customers</strong></th>
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<tbody>
<tr>
<td>• Formulators and retailers of premium brands skin care &amp; hair care</td>
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<table>
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<tr>
<th><strong>How We Compete</strong></th>
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<td>• Innovative Technology &amp; Customer Service</td>
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<table>
<thead>
<tr>
<th><strong>Market Drivers</strong></th>
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<tbody>
<tr>
<td>• Product performance – skin care and hair care – premium brands</td>
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<tr>
<td>• Natural; x-free</td>
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<table>
<thead>
<tr>
<th><strong>Market Position</strong></th>
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<tr>
<td>• Very small player – strong in technology innovation</td>
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<tr>
<th><strong>Sales Growth Potential</strong></th>
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<td>• High single digit / low double digit %</td>
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Company Acquisition
RATIONALE FOR ACQUISITION

Personal & home care is primary strategic market

Good growth @ 8-10% per annum, but limited

Requirements
- Increase sales; $130M in sales
- Expand product offering; premium speciality product lines only
- Diversify geomarket sales; sales rev. heavily weighted to the USA

Sought acquisitions to address limitations

Acquired business satisfies requirements
NEW FOOTPRINT – PERSONAL & HOME CARE

**Existing Innospec Mfg.**
- Chatsworth, CA
- Ellesmere Port, UK
- High Point, NC
- Salisbury, NC

**Acquired Huntsman Mfg.**
- Barcelona, Spain
- Castiglione, Italy
- Saint Mihiel, France
## TECHNOLOGY FOCUS

<table>
<thead>
<tr>
<th>Technology</th>
<th>France</th>
<th>Italy</th>
<th>Spain</th>
<th>UK</th>
<th>S, NC</th>
<th>HP, NC</th>
<th>CA</th>
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<tbody>
<tr>
<td>Sulfates</td>
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*Simplified – not all technologies are listed*
ACQUISITION – STATE OF PLAY

Consultation with employee groups well underway

Significant separation work to be done
- Ensure the business can stand alone from Huntsman

Expected close Q4

August 2016 - December 2016

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Today 50-70% SULFATE-FREE SHAMPOO  Future 80-95%

Limited to higher end niche segments and markets

Conditioning polymers
- Cationic Guar
- Nonionics
- Amphoteric
- Anionics

Future 80-95%

Conditioning polymers
- Nonionics
- Amphoteric
- Anionics

Today 50-70%

Limited to higher end niche segments and markets

Conditioning polymers
- Cationic Guar
- Nonionics
- Amphoteric
- Anionics
BODY WASH

Today
10-30%

- Conditioning polymers
- Amphotericics
- Nonionics
- Anionics

Limited to secondary and tertiary surfactants

Future
85-95%

- Conditioning polymers
- Amphotericics
- Nonionics
- Anionics

Innospec
chemistry matters™

Today 10-30%
Future 85-95%

Limited to secondary and tertiary surfactants

Conditioning polymers
Amphotericics
Nonionics
Anionics

Innospec
chemistry matters™
CRITICAL MASS IN PERSONAL & HOME CARE

- Positioned as major player
  - Over $350M in sales revenue
- Serves all major customers
- Capacity to continue growth; in Europe and beyond
- Excellent foundation for new product development
TEL – MOGAS & AVTEL

Motor Gasoline

- One remaining country (Algeria)
- Potential phase out in 2017-2018

Aviation Gasoline

- TEL still mandated in 100LL
- Essential for general aviation fleet
- FAA program targets first alternatives by 2018
FUEL SPECIALTIES

**Technology**
- Core strategy – strong and leading R&D pipeline

**Geography**
- Continue in Europe, North America
- Develop Latin America, Brazil and Asia Pacific
- Establish infrastructure in China, India for later development

**Market Share**
- Continue to move upwards, based on technology & service

**M & A**
- Limited opportunities in fuel additives
- Potential backwards integration
## Technology
- Development of leading edge solutions; focus on R&D

## Geography
- Continue: Focus on North America
- Expand: Canada and Mexico
- Selective focused global expansion

## Market Share
- Continue to increase based on technology & service
- Positioned for market recovery

## M & A
- Possible distressed assets; especially technology-based or reg. based acquisitions / alliances
- Potential backwards integration
<table>
<thead>
<tr>
<th>Technology</th>
<th>Geography</th>
<th>Market Share</th>
<th>M &amp; A</th>
</tr>
</thead>
</table>
| • Wider offering to customers  
• Improved performance;  
• X-free and natural  
• Taking more space in the bottle | • All regions  
• Portfolio now much better balanced | • Taking more space in the bottle – will be significantly broader post-acquisition | • Continues to be a key target; acquisitions and partnerships |
PRO-FORMA POST-ACQUISITION SALES

- Fuel Specialties
- Oilfield Services
- Performance Chemicals
- Octane Additives
BALANCED CAPITAL MANAGEMENT PROGRAM

CONSISTENT OBJECTIVE - BALANCED CAPITAL MANAGEMENT

Capital for Organic Growth
- Capital Expenditure & Working Capital Expansion to fund growth

Regular dividend in place since Nov 2013; Grown +10% pa

$90M share repurchase program

Further alliances, partnerships, and acquisitions
WELL POSITIONED FOR EXPANSION

- Balanced portfolio
- Growth opportunity in solid quality markets
- Strong technology base and R&D pipeline
- Focus on integrating acquisition from Huntsman
- Expand geographical presence
- Balance sheet strong
  - Even after current acquisitions - Leverage still below 1.9x EBITDA