ROGERS
CORPORATION

Q4 2022 Earnings Call

Feb 28th, 2023

Forward-looking statements

Safe Harbor Statement

Statements included in this presentation that are not a description of historical facts are forward-looking statements. Words or phrases such as “believe,” “may,” “could,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “seek,” “plan,” “expect,” “should,” “would” or similar expressions are intended to identify forward-looking statements, and are based on Rogers’ current beliefs and expectations. This release contains forward-looking statements regarding our plans, objectives, outlook, goals, strategies, future events, future net sales or performance, capital expenditures, future restructuring, plans or intentions relating to expansions, business trends and other information that is not historical information. All forward-looking statements are based upon information available to us on the date of this release and are subject to risks, uncertainties and other factors, many of which are outside of our control, which could cause actual results to differ materially from those indicated by the forward-looking statements. Other risks and uncertainties that could cause such results to differ include: the duration and impacts of the novel coronavirus global pandemic and efforts to contain its transmission and distribute vaccines, including the effect of these factors on our business, suppliers, customers, end users and economic conditions generally; continuing disruptions to global supply chains and our ability, or the ability of our suppliers, to obtain necessary product components; failure to capitalize on, volatility within, or other adverse changes with respect to the Company's growth drivers, including advanced mobility and advanced connectivity, such as delays in adoption or implementation of new technologies; uncertain business, economic and political conditions in the United States (U.S.) and abroad, particularly in China, South Korea, Germany, the United Kingdom, Hungary and Belgium, where we maintain significant manufacturing, sales or administrative operations; the trade policy dynamics between the U.S. and China reflected in trade agreement negotiations and the imposition of tariffs and other trade restrictions, including trade restrictions on Huawei Technologies Co., Ltd. (Huawei); fluctuations in foreign currency exchange rates; our ability to develop innovative products and the extent to which our products are incorporated into end-user products and systems and the extent to which end-user products and systems incorporating our products achieve commercial success; the ability and willingness of our sole or limited source suppliers to deliver certain key raw materials, including commodities, to us in a timely and cost-effective manner; intense global competition affecting both our existing products and products currently under development; business interruptions due to catastrophes or other similar events, such as natural disasters, war, including the ongoing conflict between Russia and Ukraine, terrorism or public health crises; the impact of sanctions, export controls and other foreign asset or investment restrictions; failure to realize, or delays in the realization of anticipated benefits of acquisitions and divestitures due to, among other things, the existence of unknown liabilities or difficulty integrating acquired businesses; our ability to attract and retain management and skilled technical personnel; our ability to protect our proprietary technology from infringement by third parties and/or allegations that our technology infringes third party rights; changes in effective tax rates or tax laws and regulations in the jurisdictions in which we operate; failure to comply with financial and restrictive covenants in our credit agreement or restrictions on our operational and financial flexibility due to such covenants; the outcome of ongoing and future litigation, including our asbestos-related product liability litigation or risks arising from the terminated DuPont Merger; changes in environmental laws and regulations applicable to our business; and disruptions in, or breaches of, our information technology systems. Should any risks and uncertainties develop into actual events, these developments could have a material adverse effect on the Company. For additional information about the risks, uncertainties and other factors that may affect our business, please see our most recent annual report on Form 10-K and any subsequent reports filed with the Securities and Exchange Commission, including quarterly reports on Form 10-Q. Rogers Corporation assumes no responsibility to update any forward-looking statements contained herein except as required by law.

Non-GAAP and Additional Information

Non-GAAP Information

This presentation includes the following financial measures that are not presented in accordance with generally accepted accounting principles in the United States of America (“GAAP”):

(1) Adjusted operating income, which the Company defines as operating income excluding acquisition-related amortization of intangible assets and discrete items, which are acquisition and related integration costs, gains or losses on the sale or disposal of property, plant and equipment, restructuring, severance, impairment and other related costs, UTIS fire and recovery charges, (income) costs associated with terminated merger (collectively, “discrete items”);
(2) Adjusted operating margin, which the Company defines as adjusted operating income as a percentage of total net sales;
(3) Adjusted operating expenses, which the Company defines as operating expenses excluding acquisition-related amortization of intangible assets and discrete items;
(4) Adjusted EBITDA, which the Company defines as net income excluding interest expense, net, income tax expense, depreciation and amortization, stock-based compensation expense, pension settlement charges and discrete items;
(5) Adjusted EBITDA Margin, which the Company defines as the percentage that results from dividing Adjusted EBITDA by total net sales;
(6) Adjusted net income, which the Company defines as net income excluding amortization of acquisition intangible assets, pension settlement charges, discrete items and the related income tax effect on these items;
(7) Adjusted earnings per diluted share, which the Company defines as earnings per diluted share excluding amortization of acquisition intangible assets, pension settlement charges, discrete items and the related income tax effect on these items, divided by adjusted weighted average shares outstanding - diluted;
(8) Free Cash Flow, which the Company defines as net cash provided by operating activities less non-acquisition capital expenditures.

Management believes adjusted operating income, adjusted operating margin, adjusted operating expenses, adjusted net income, adjusted earnings per diluted share, adjusted EBITDA and adjusted EBITDA margin are useful to investors because they allow for comparison to the Company’s performance in prior periods without the effect of items that, by their nature, tend to obscure the Company’s core operating results due to potential variability across periods based on the timing, frequency and magnitude of such items. As a result, management believes that these measures enhance the ability of investors to analyze trends in the Company’s business and evaluate the Company’s performance relative to peer companies. Management also believes free cash flow is useful to investors as an additional way of viewing the Company's liquidity and provides a more complete understanding of factors and trends affecting the Company's cash flows. However, non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation from, or as alternatives to, financial measures prepared in accordance with GAAP. In addition, these non-GAAP financial measures may differ from, and should not be compared to, similarly named measures used by other companies. Reconciliations of the differences between these non-GAAP financial measures and their most directly comparable financial measures calculated in accordance with GAAP are set forth below.

Introductions

Colin Gouveia

President &
Chief Executive Officer

Ram Mayampurath

Senior Vice President &
Chief Financial Officer

Key Near-Term Priorities

1. Implement Immediate Actions to Improve Profitability
2. Drive Operational Excellence Across the Organization
3. Bolstering Organization With Key New Hires
4. Continue to Drive Design Wins

Balancing Improved Cost Structure With Growth Focus

Actions To Drive Improved Profitability

Targeting ~34% Gross Margin in Q2 2023 and ~35% in the Second Half of 2023

Streamline Organization	• Aggregate reduction in workforce of ~7% • Reductions in corporate and manufacturing employees
Portfolio and Operations Improvements	• Divesting the non-core, low-margin, Griswold rubber product line • Initiatives to improve utilization, yield and scrap rates
Optimizing Capacity Footprint	• Consolidating the laminate circuit materials manufacturing footprint, including exiting the Price Road facility and other fixed cost reductions

Inclusive of actions announced on December 8th investor call and in February 2023 press release

Results Overview

Q4 2022 Summary

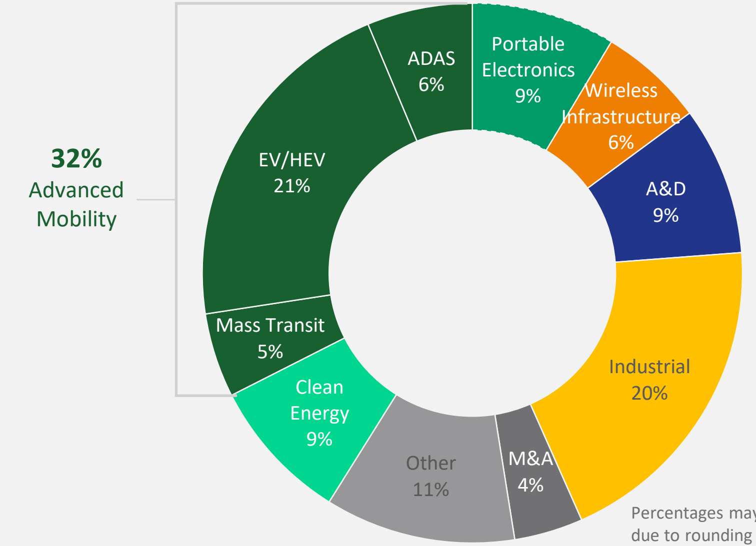
Highlights

- Continued growth in Advanced Mobility
  - EV growth in Q4, with 35% YoY increase
  - ADAS improvement with double-digit growth in Q4
- Executing on profitability improvement actions
- Customer traction and design wins continuing

Challenges

- Decline in Q4 sales volume due to disruptions and macroeconomic challenges
- Portable electronics market sales lower due to demand from customers impacted by COVID-related restrictions
- Industrial market sales lower from softening demand
- Adverse foreign currency impact from strong U.S. dollar

Revenue by Market Segment FY 2022



Percentages may not add due to rounding

Continued Growth in EV Sales and Improved ADAS Demand
Lower Q4 Sales Due to Market Challenges

Growth Opportunities Across Our Market Portfolio

Core Growth	High Growth	Significant Growth
High margins and strong cash generation	Strong growth applications	EV/HEV >25% CAGR[1]
~50% Of Revenue 2022	>25% Of Revenue 2022	>20% Of Revenue 2022
Mass Transit; Wireless Infrastructure; Industrial	Renewable Energy; Portable Electronics; Aero & Defense; ADAS	Electric Vehicles: Battery Compression Pads; Ceramic Substrates; Power Interconnects

1 – Growth CAGR from 2021 to 2026 based on IHS Markit forecasts

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Financial Overview

Ram Mayampurath, Sr. Vice President and Chief Financial Officer and Treasurer

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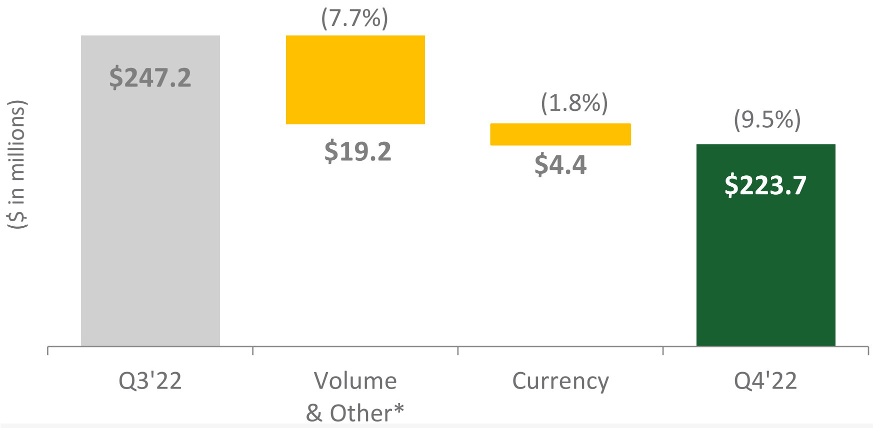
Q4 and Full Year 2022 Financial Highlights

($ in millions, except EPS)	Q4-2022	Q3-2022	2022	2021
Net sales	**$223.7**	**$247.2**	**$971.2**	**$932.9**
Gross margin	**$71.0**	**$78.1**	**$321.0**	**$349.2**
Gross margin %	31.8%	31.6%	33.1%	37.4%
Operating income	**$82.7**	**$18.5**	**$144.4**	**$117.2**
Operating margin %	37.0%	7.5%	14.9%	12.6%
Adjusted operating income*	**$20.7**	**$26.8**	**$114.0**	**$153.4**
Adjusted operating margin %*	9.3%	10.8%	11.7%	16.4%
Net income	**$67.3**	**$14.8**	**$116.6**	**$108.1**
Net income % of net sales	30.1%	6.0%	12.0%	11.6%
Adjusted EBITDA*	**$28.0**	**$39.7**	**$160.4**	**$211.5**
Adjusted EBITDA margin %*	12.5%	16.0%	16.5%	22.7%
EPS	**$3.58**	**$0.78**	**$6.15**	**$5.73**
Adjusted EPS*	**$1.04**	**$1.11**	**$4.91**	**$7.20**

*Adjusted Operating Income defined as operating income excluding acquisition-related amortization of intangible assets and discrete items and Adjusted Operating Margin as operating margin excluding acquisition-related amortization of intangible assets and discrete items. We define Adjusted EBITDA as net income excluding interest expense, net, income tax expense, depreciation and amortization, stock-based compensation expense and discrete items and Adjusted EBITDA Margin as the percentage that results from dividing Adjusted EBITDA by total net sales.
**See Appendix for reconciliation of non-GAAP measures.

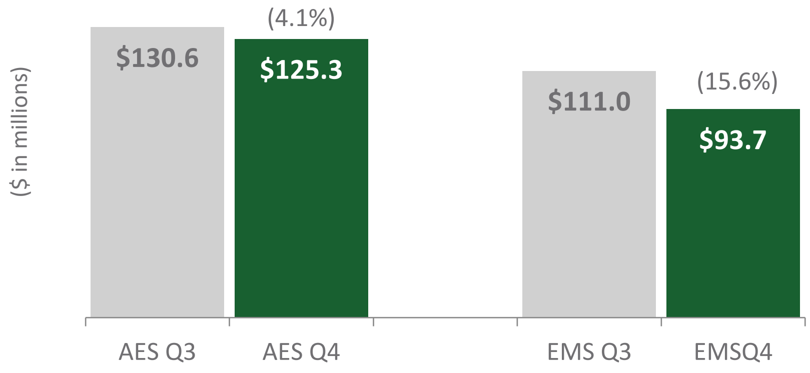
Q4 2022 Revenue Results

Consolidated Revenue QTD



- Revenues of $223.7 million declined 9.5% versus Q3'22
- Lower sales volume from disruptions to customer demand due to COVID-related impacts in China and some softening of demand due to macroeconomic challenges
- Currency impact primarily from Euro and RMB sales

Revenue by Business Unit QTD**



- AES: $2.5 million unfavorable currency impact. Growth in EV and ADAS more than offset by declines in aerospace and defense, mass transit and other markets
- EMS: $1.8 million unfavorable currency impact. Lower portable electronics customer demand impacted by COVID-related restrictions. Softer industrial demand related to macroeconomic challenges.

*Volume & Other of $19.2 million represents change in volume, price and mix excluding the impact of FX.
Note: percentages and dollars may not add due to rounding

**"Other" business unit not included.

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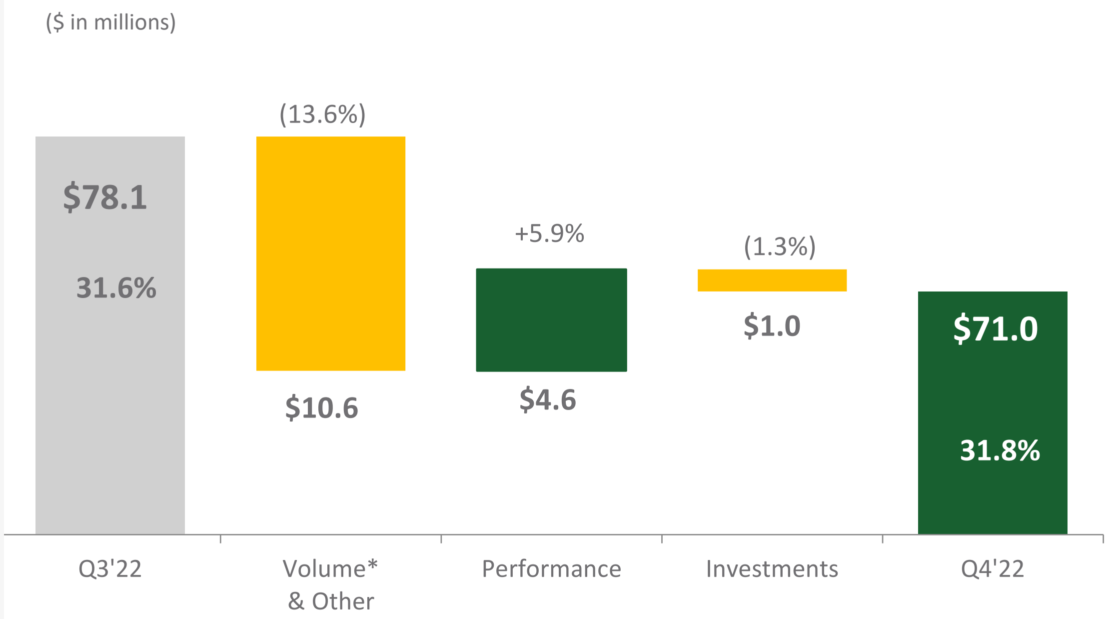
Q4 2022 Gross Margin Results

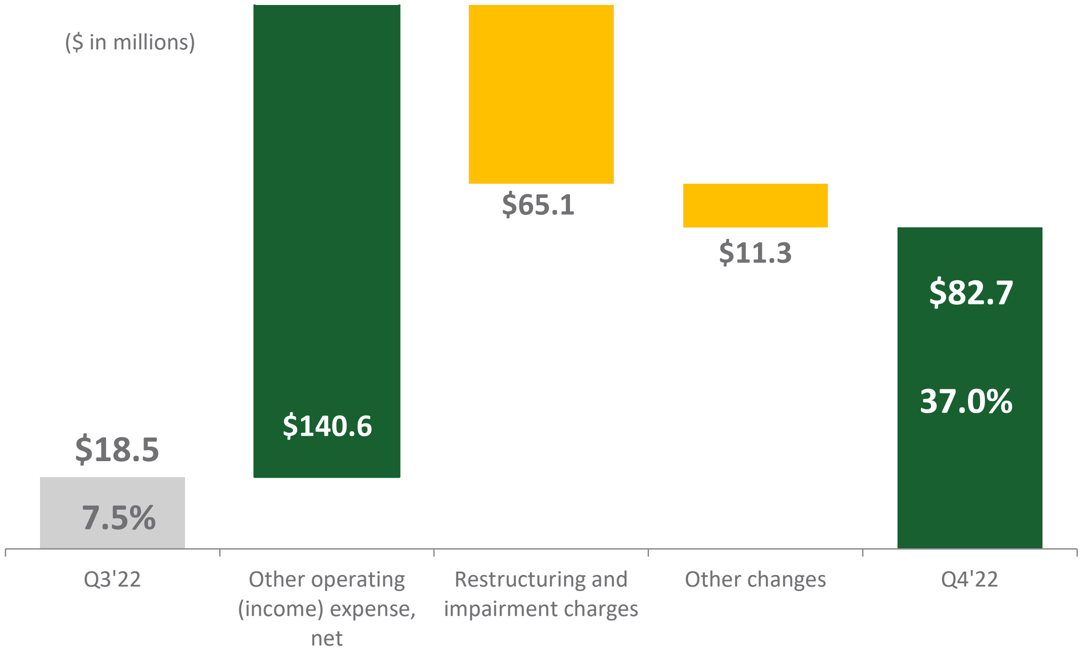
- Lower volume primarily from decline in EMS sales
- Favorable performance driven by reductions in lower manufacturing spend, yield improvements and lower logistics costs
- Increase in new capacity expansion costs



*Volume & Other of ($10.6) million represents change in sales volume, price, mix and FX.

Q4 2022 Operating Income Results

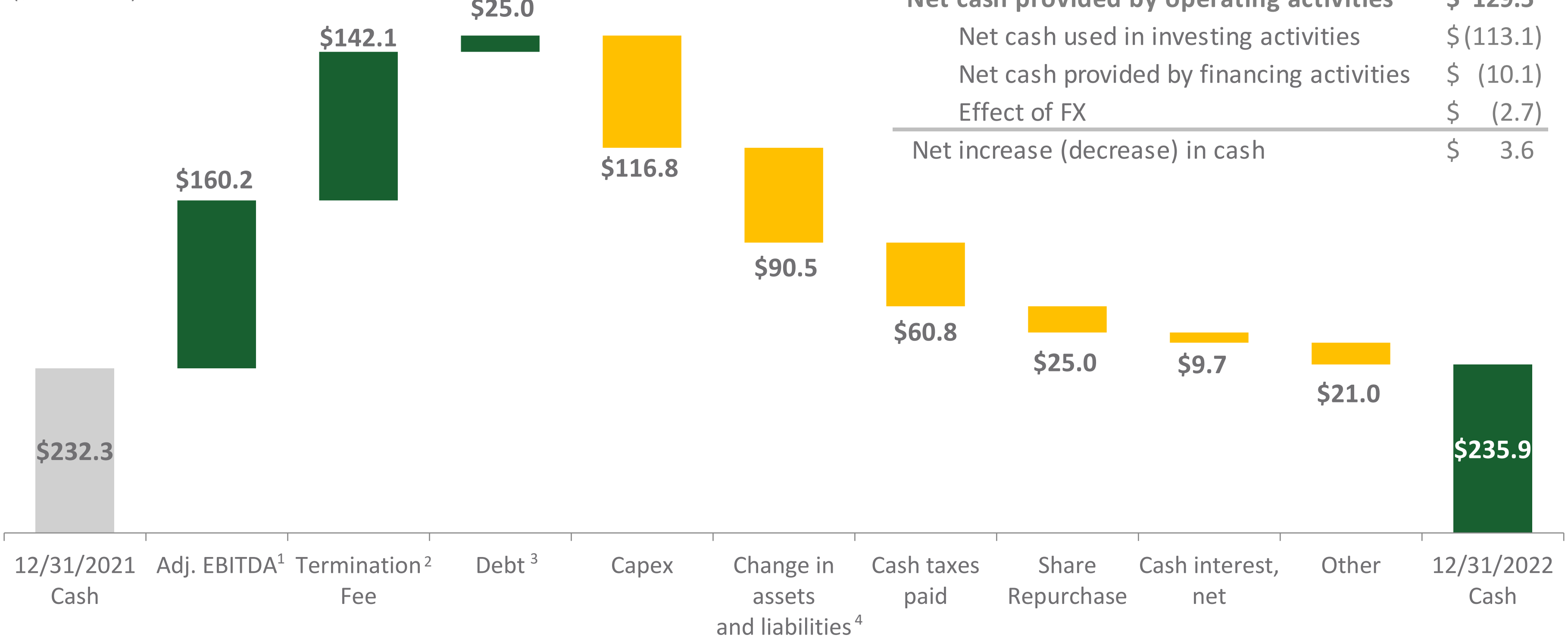
- Other operating (income) expense: Increase primarily from $142.1 million termination fee, net of expenses
- Restructuring and impairment: Mainly charges associated with the divestiture of the natural rubber business and exit of the Price Road facility
- Other changes from lower gross profit and increases in operating expenses



Cash Utilization

($ in millions)

Net cash provided by operating activities	**$ 129.5**
Net cash used in investing activities	$ (113.1)
Net cash provided by financing activities	$ (10.1)
Effect of FX	$ (2.7)
Net increase (decrease) in cash	$ 3.6



1 - See reconciliation of adjusted EBITDA to GAAP net income in the appendix.
2 – Pre-tax amount, net of transaction-related fee of $20.4 million
Note: dollars may not add due to rounding.

3 - Debt represents proceeds from borrowings under revolving credit facility less repayment of debt principal and finance lease obligations. 4 - Change in assets and liabilities per the statements of cash flows.

Q1 2023 Guidance

Net sales	$230M - $240M
Gross Margin	31.5% - 32.5%
EPS	$(0.10) - $0.10
Adjusted EPS*	$0.65 - $0.85

- Includes $3 million of sales from the natural rubber product line, which will be divested by the end of the first quarter
- The recently announced cost improvement actions will begin to take hold in the first quarter with the full benefit expected in subsequent quarters

*See reconciliation of adjusted earnings per diluted share to GAAP earnings per diluted share in the appendix.

Appendix

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Q4 2022: Adjusted operating expenses reconciliation*

($ in millions)	Q3-22($)	Q3-22(%)	Q4-22($)	Q4-22(%)
GAAP operating expenses	$ 59.6	24.1%	$ (11.6)	(5.2%)
Restructuring, severance, impairment and other related costs	$ (1.3)	(0.5%)	$ (68.6)	(30.7%)
Acquisition and related integration costs	$ (0.1)	(0.0%)	$ (0.1)	(0.1%)
Gain on sale or disposal of property, plant and equipment	$ (0.0)	(0.0%)	$ (0.5)	(0.2%)
Asbestos-related charges	$ -	0.0%	$ (0.1)	(0.0%)
Dispositions	$ -	0.0%	$ (3.2)	(1.4%)
(Income) costs associated with terminated merger	$ (3.4)	(1.4%)	$ 138.6	62.0%
Utis fire charges	$ 0.6	0.2%	$ (0.4)	(0.2%)
Total discrete items	$ (4.2)	(1.7%)	$ 65.7	29.4%
Operating expenses adjusted for discrete items	$ 55.4	22.4%	$ 54.1	24.2%
Acquisition intangible amortization	$ (4.1)	(1.7%)	$ (3.8)	(1.7%)
Adjusted operating expenses	$ 51.3	20.7%	$ 50.3	22.5%

Note: percentages and dollars may not add due to rounding.
*GAAP operating expenses include (i) selling, general and administrative expenses, (ii) research and development expenses, (iii) restructuring and impairment charges and (iv) other operating (income) expense, net per condensed consolidated statements of operations.

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Q4 2022: Adjusted operating income and margin reconciliation

($ in millions)	Q3-22($)	Q3-22(%)	Q4-22($)	Q4-22(%)
GAAP operating margin	$ 18.5	7.5%	$ 82.7	37.0%
Restructuring, severance, impairment and other related costs	$ 1.3	0.5%	$ 68.6	30.7%
Acquisition and related integration costs	$ 0.1	0.0%	$ 0.1	0.1%
Gain on sale or disposal of property, plant and equipment	$ 0.0	0.0%	$ 0.5	0.2%
Utis fire charges	$ (0.6)	(0.2%)	$ 0.4	0.2%
(Income) costs associated with terminated merger	$ 3.4	1.4%	$(138.6)	(62.0%)
Dispositions	$ -	0.0%	$ 3.2	1.4%
Asbestos-related charges	$ -	0.0%	$ 0.1	0.0%
Total discrete items	$ 4.2	1.7%	$ (65.7)	(29.4%)
Operating margin adjusted for discrete items	$ 22.7	9.2%	$ 16.9	7.6%
Acquisition intangible amortization	$ 4.1	1.7%	$ 3.8	1.7%
Adjusted operating margin	$ 26.8	10.8%	$ 20.7	9.3%

Note: percentages and dollars may not add due to rounding.

Q4 2022: Adjusted EBITDA and adjusted EBITDA margin reconciliation

($ in millions)	Q3-22($)	Q4-22($)
GAAP net income	$ 14.8	$ 67.3
Interest expense, net	$ 2.9	$ 4.0
Income tax expense	$ 2.8	$ 11.1
Depreciation	$ 7.3	$ 7.7
Amortization	$ 4.1	$ 3.8
Stock-based compensation expense	$ 3.5	$ 0.2
Restructuring, severance, impairment and other related costs	$ 1.3	$ 68.1
Acquisition and related integration costs	$ 0.1	$ 0.1
Gain on sale or disposal of property, plant and equipment	$ 0.0	$ 0.5
Utis fire charges	$ (0.6)	$ 0.4
Asbestos-related charges	$ -	$ 0.1
(Income) costs associated with terminated merger	$ 3.4	$ (138.6)
Dispositions	$ -	$ 3.2
Adjusted EBITDA	$ 39.7	$ 27.8
Divided by Total Net Sales	$ 247.2	$ 223.7
Adjusted EBITDA Margin	16.0%	12.5%

Note: percentages and dollars may not add due to rounding.

Q4 2022: Adjusted net income reconciliation

($ in millions)	Q3-22($)	Q3-22(%)	Q4-22($)	Q4-22(%)
GAAP Net Income	$ 14.8	6.0%	$ 67.3	30.1%
Restructuring, severance, impairment and other related costs	$ 1.3	0.5%	$ 68.6	30.7%
Acquisition and related integration costs	$ 0.1	0.0%	$ 0.1	0.1%
Dispositions	$ -	0.0%	$ 3.2	1.4%
(Income) costs associated with terminated merger	$ 3.4	1.4%	$(138.6)	(62.0%)
Acquisition intangible amortization	$ 4.1	1.6%	$ 3.8	1.7%
Gain on sale or disposal of property, plant and equipment	$ 0.0	0.0%	$ 0.5	0.2%
Utis fire charges	$ (0.6)	(0.2%)	$ 0.4	0.2%
Asbestos-related charges	$ -	0.0%	$ 0.1	0.0%
Income tax effect of non-GAAP adjustments and intangible amortization	$ (2.0)	(0.8%)	$ 14.1	6.3%
Adjusted net income	$ 21.2	8.6%	$ 19.5	8.7%

Note: percentages and dollars may not add due to rounding.

Q4 2022: Adjusted EPS reconciliation

	Q3-22($)	Q4-22($)
GAAP earnings per diluted share	$ 0.78	$ 3.58
Restructuring, severance, impairment and other related costs	$ 0.05	$ 2.81
Acquisition and related integration costs	$ 0.00	$ 0.00
Gain on sale or disposal of property, plant and equipment	$ 0.00	$ 0.02
Utis fire charges	$ (0.02)	$ 0.02
(Income) costs associated with terminated merger	$ 0.14	$ (5.67)
Asbestos-related charges	$ -	$ 0.00
Dispositions	$ -	$ 0.13
Total discrete items	$ 0.17	$ (2.69)
Earnings per diluted share adjusted for discrete items	$ 0.95	$ 0.89
Acquisition intangible amortization	$ 0.16	$ 0.15
Adjusted earnings per diluted share	$ 1.11	$ 1.04

Note: dollars may not add due to rounding.

Q4 2022: Free cash flow reconciliation*

($ in millions)	Q3-22($)	Q4-22($)
Net cash provided by operating activities	$ 13.5	$ 127.6
Non-acquisition capital expenditures	$ (33.8)	$ (29.8)
Free cash flow	$ (20.3)	$ 97.8

Note: dollars may not add due to rounding.
*Free cash flow defined as net cash provided by operating activities less non-acquisition capital expenditures per condensed consolidated statements of cash flows.

FY 2022: Adjusted operating margin reconciliation

($ in millions)	2021($)	2021(%)	2022($)	2022(%)
GAAP operating margin	$ 117.2	12.6%	$ 144.4	14.9%
Restructuring, severance, impairment and other related costs	$ 6.1	0.7%	$ 71.4	7.4%
Acquisition and related integration costs	$ 3.9	0.4%	$ 0.8	0.1%
Gain on sale or disposal of property, plant and equipment	$ (0.9)	(0.1%)	$ 0.5	0.0%
Utis fire charges	$ 6.1	0.7%	$ (2.4)	(0.2%)
(Income) costs associated with terminated merger	$ 6.9	0.7%	$(120.3)	(12.4%)
Dispositions	$ -	0.0%	$ 3.2	0.3%
Asbestos-related charges	$ (0.2)	(0.0%)	$ 0.1	0.0%
Total discrete items	$ 21.9	2.4%	$ (46.8)	(4.9%)
Operating margin adjusted for discrete items	$ 139.1	14.9%	$ 97.6	10.0%
Acquisition intangible amortization	$ 14.3	1.5%	$ 16.4	1.7%
Adjusted operating margin	$ 153.4	16.4%	$ 114.0	11.7%

Note: percentages and dollars may not add due to rounding.

FY 2022: Adjusted EBITDA and adjusted EBITDA margin reconciliation

($ in millions)	2021($)	2022($)
GAAP net income	$ 108.1	$ 116.6
Interest expense, net	$ 2.5	$ 9.5
Income tax expense	$ 18.1	$ 23.8
Depreciation	$ 29.0	$ 29.5
Amortization	$ 14.3	$ 16.4
Stock-based compensation expense	$ 17.0	$ 11.8
Restructuring, severance, impairment and other related costs	$ 6.1	$ 70.9
Acquisition and related integration costs	$ 3.9	$ 0.8
Gain on sale or disposal of property, plant and equipment	$ (0.9)	$ 0.5
Utis fire charges	$ 6.1	$ (2.4)
Asbestos-related charges	$ (0.2)	$ 0.1
(Income) costs associated with terminated merger	$ 6.9	$ (120.3)
Dispositions	$ -	$ 3.2
Pension settlement charges	$ 0.5	$ -
Adjusted EBITDA	$ 211.5	$ 160.2
Divided by Total Net Sales	$ 932.9	$ 971.2
Adjusted EBITDA Margin	22.7%	16.5%

Note: percentages and dollars may not add due to rounding.

FY 2022: Adjusted EPS reconciliation

	2021($)	2022($)
GAAP earnings per diluted share	$ 5.73	$ 6.15
Restructuring, severance, impairment and other related costs	$ 0.24	$ 2.90
Acquisition and related integration costs	$ 0.15	$ 0.03
Gain on sale or disposal of property, plant and equipment	$ (0.04)	$ 0.02
Utis fire charges	$ 0.25	$ (0.10)
(Income) costs associated with terminated merger	$ 0.28	$ (4.88)
Asbestos-related charges	$ (0.01)	$ 0.00
Dispositions	$ -	$ 0.13
Pension settlement charges	$ 0.02	$ -
Total discrete items	$ 0.90	$ (1.91)
Earnings per diluted share adjusted for discrete items	$ 6.63	$ 4.25
Acquisition intangible amortization	$ 0.56	$ 0.66
Adjusted earnings per diluted share	$ 7.20	$ 4.91

Note: dollars may not add due to rounding.

FY 2022: Segment adjusted operating income and operating margin reconciliation

($ in millions)	EMS		AES	
	2022 ($)	2022 (%)	2022 ($)	2022 (%)
Operating income and operating margin	$61.7	14.7%	$80.9	15.3%
Restructuring, severance, impairment & other related costs	$26.3	6.3%	$45.1	8.5%
Acquisition and related integration costs	$0.8	0.2%	$0.0	0.0%
Gain on sale of disposal of property, plant and equipment	$0.0	0.0%	$0.4	0.1%
UTIS Fire	($2.5)	(0.6%)	$0.1	0.0%
(Income) costs associated with terminated merger	($32.9)	(7.8%)	($87.5)	(16.5%)
Dispositions	$3.2	0.8%	-	-
Asbestos-related charges	$0.0	0.0%	$0.0	0.0%
Operating income and operating margin, adjusted for discrete items	$56.7	13.5%	$39.1	7.4%
Acquisition intangible amortization	$14.1	3.3%	$2.3	0.4%
Adjusted operating income and operating margin	$70.8	16.9%	$41.4	7.8%

Note: percentages and dollars may not add due to rounding.

Q1 2023: Guidance reconciliation

	Q1-23
GAAP earnings per diluted share	$(0.10) – $0.10
Discrete items*	$0.62
Acquisition intangible amortization	$0.13
Adjusted earnings per diluted share	$0.65 - $0.85

**Includes severance, advisory fees and other items*

Note: dollars may not add due to rounding.