Axalta Coating Systems

Q1 2017 FINANCIAL RESULTS

April 26, 2017

Legal Notices

Forward-Looking Statements

This presentation and the oral remarks made in connection herewith may contain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including those relating to 2017 financial projections, including execution on our 2017 goals as well as 2017 net sales, net sales excluding FX, Adjusted EBITDA, interest expense, tax rate, as adjusted, free cash flow, capital expenditures, depreciation and amortization, diluted shares outstanding, cost savings, contributions from acquisitions, raw material cost increases, and related assumptions. Any forward-looking statements involve risks, uncertainties and assumptions. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “target,” “project,” “forecast,” “seek,” “will,” “may,” “should,” “could,” “would,” or similar expressions. These statements are based on certain assumptions that we have made in light of our experience in the industry and our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances as of the date hereof. Although we believe that the assumptions and analysis underlying these statements are reasonable as of the date hereof, investors are cautioned not to place undue reliance on these statements. We do not have any obligation to and do not intend to update any forward-looking statements included herein, which speak only as of the date hereof. You should understand that these statements are not guarantees of future performance or results. Actual results could differ materially from those described in any forward-looking statements contained herein or the oral remarks made in connection herewith as a result of a variety of factors, including known and unknown risks and uncertainties, many of which are beyond our control including, but not limited to, the risks and uncertainties described in "Non-GAAP Financial Measures," and "Forward-Looking Statements" as well as "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2016.

Non-GAAP Financial Measures

The historical financial information included in this presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States (“GAAP”), including net sales excluding FX, EBITDA, Adjusted EBITDA, Free Cash Flow, tax rate, as adjusted, and Net Debt. Management uses these non-GAAP financial measures in the analysis of our financial and operating performance because they assist in the evaluation of underlying trends in our business. Adjusted EBITDA consists of EBITDA adjusted for (i) non-operating income or expense, (ii) the impact of certain non-cash, nonrecurring or other items that are included in net income and EBITDA that we do not consider indicative of our ongoing performance and (iii) certain unusual or nonrecurring items impacting results in a particular period. We believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis. Our use of the terms net sales excluding FX, EBITDA, Adjusted EBITDA, Free Cash Flow, tax rate, as adjusted, and Net Debt may differ from that of others in our industry. Net sales excluding FX, EBITDA, Adjusted EBITDA and Free Cash Flow should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Net sales excluding FX, EBITDA, Adjusted EBITDA, Free Cash Flow, tax rate, as adjusted, and Net Debt have important limitations as analytical tools and should be considered in conjunction with, and not as substitutes for, our results as reported under GAAP. This presentation includes a reconciliation of certain non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP. Axalta does not provide a reconciliation for non-GAAP estimates for net sales excluding FX, EBITDA, Adjusted EBITDA, Free Cash Flow or tax rate, as adjusted, as-reported on a forward-looking basis because the information necessary to calculate a meaningful or accurate estimation of reconciling items is not available without unreasonable effort. For example, such reconciling items include the impact of foreign currency exchange gains or losses, gains or losses that are unusual or nonrecurring in nature, as well as discrete taxable events. We cannot estimate or project those items and they may have a substantial and unpredictable impact on our US GAAP results.

Segment Financial Measures

The primary measure of segment operating performance is Adjusted EBITDA, which is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts and prior year financial results, providing a measure that management believes reflects Axalta’s core operating performance. As we do not measure segment operating performance based on Net Income, a reconciliation of this non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP is not available.

Defined Terms

All capitalized terms contained within this presentation have been previously defined in our filings with the United States Securities and Exchange Commission.

Q1 2017 Highlights

- **Q1 financial results**
  - ✓ Net sales of $1,007.8 million – volume growth of 8.9% YoY includes 4.5% acquisition contribution
  - ✓ Net income attributable to Axalta of $64.1 million versus $30.9 million in Q1 2016
  - ✓ Adjusted net income attributable to Axalta of $63.1 million versus $43.0 million in Q1 2016
  - ✓ Adjusted EBITDA of $203.1 million versus $194.8 million in Q1 2016
- **Operating & innovation progress highlights**
  - ✓ New products include key technology in Commercial Vehicle as well as multiple industrial applications
  - ✓ Productivity improvement initiatives on track – Key actions include facility closures
- **Balance sheet & cash flow progress**
  - ✓ Free Cash Flow use: $38.8 million versus $53.6 million last year
  - ✓ Improvement includes normal seasonal working capital use plus funding for two acquisitions
- **Capital deployment & M&A activity**
  - ✓ Agreement to purchase Valspar's North American Industrial Wood Coatings business for ~$420 million
  - ✓ Acquisitions of Ellis Paints and Century Industrial Coatings enhance North American Industrial and Refinish portfolios
  - ✓ Announced $675 million share repurchase program authorization

Key Goals & Priorities For 2017

Stated Objective	Results Expected	Status
Outgrow our End-markets	• New product introductions, broader global market penetration, benefit from consolidation in key end-markets and regions	✓
Execute on Structural Savings with Productivity Programs	• Complete our programs for $200 million total savings (run-rate by end of 2017)	✓
Maintain Active Operating Cost Discipline	• Begin rollout of global operating model, complexity reduction, active cyclical cost discipline, and footprint optimization	✓
Drive Superior Customer Service & Innovation	• Maintain focus on customer productivity; offer a broad and deep product selection as differentiator	✓
Disciplined Capital Allocation	• Three deals announced to date providing over $270 million incremental net sales (annualized) • Authorized share buyback provides incremental value creation optionality	✓
Continue Free Cash Flow and Balance Sheet Focus	• Focus on FCF and effective capital allocation while maintaining our balance sheet discipline	✓

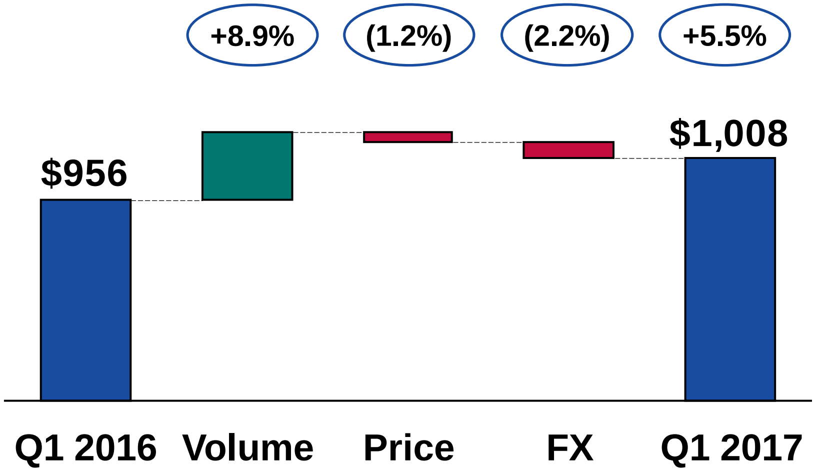
Q1 Consolidated Results

Financial Performance

($ in millions)	Q1 2017	Q1 2016	% Change Incl. F/X	% Change Excl. F/X
Performance	586	543	8.0%	11.0%
Transportation	421	413	2.1%	3.2%
Net Sales	1,008	956	5.5%	7.7%
Net Income [1]	64	31		
Adjusted EBITDA	203	195	4.3%	

(1) Represents Net Income attributable to Axalta

Net Sales Variance



Commentary

Net sales led by volume growth

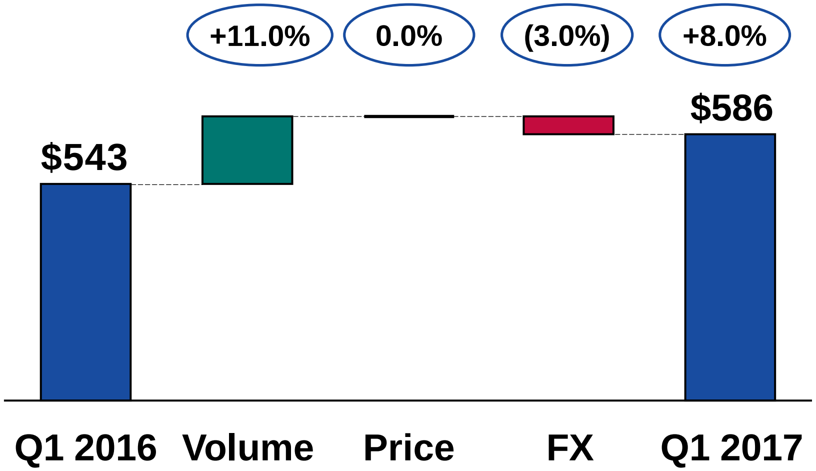
- Solid volume growth across both segments in all regions
- Acquisitions contributed 4.5% to overall volume growth
- Positive pricing contribution from Refinish offset by pricing concessions and product mix across other end-markets
- 2.2% unfavorable currency impact shows moderating impact versus prior two years

Q1 Performance Coatings Results

Financial Performance

($ in millions)	Q1 2017	Q1 2016	% Change Incl. F/X	% Change Excl. F/X
Refinish	389	379	2.6%	5.7%
Industrial	198	164	20.4%	23.3%
Net Sales	586	543	8.0%	11.0%
Adjusted EBITDA	117	110	6.2%	
% margin	*19.9%*	*20.3%*		

Net Sales Variance



Commentary

Net sales led by Industrial including acquisition contribution

- Strong volume growth in both Industrial and Refinish in most regions
- Volume growth includes 6.7% from acquisitions
- Price flat as pricing gains in Refinish offset by Industrial
- 3.0% unfavorable currency impact from Euro, Renminbi and Mexican Peso

Adjusted EBITDA margin steady

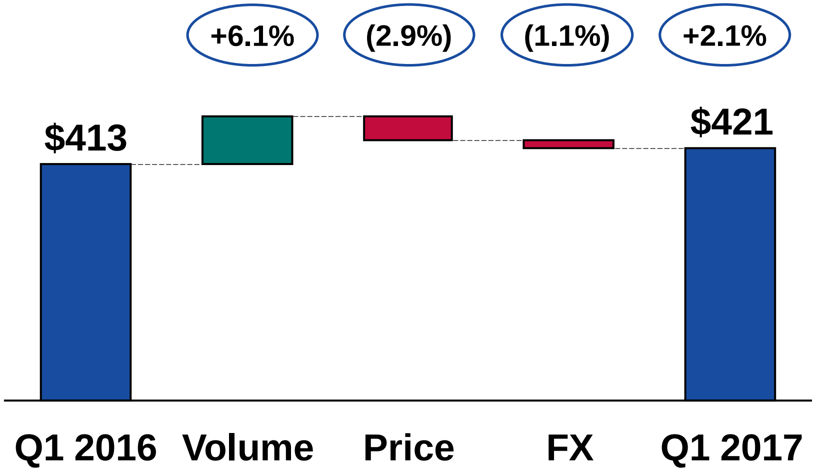
- Margin off slightly due to mixed impact of volume growth and early acquisition contribution as well as increased business investment expense

Q1 Transportation Coatings Results

Financial Performance

($ in millions)	Q1 2017	Q1 2016	% Change Incl. F/X	% Change Excl. F/X
Light Vehicle	340	329	3.2%	4.0%
Commercial Vehicle	81	83	(2.2%)	0.1%
Net Sales	421	413	2.1%	3.2%
Adjusted EBITDA	86	85	1.8%	
% margin	*20.5%*	*20.5%*		

Net Sales Variance



Commentary

Net sales driven by Light Vehicle

- Solid volume growth in Light Vehicle across all regions and modest increase in Commercial Vehicle
- Acquisitions contributed 1.5% to volume growth
- Decrease in price across all regions except Latin America
- 1.1% unfavorable currency impact largely from the Renminbi and Euro

Adjusted EBITDA margin flat

- Adjusted EBITDA margin remains strong due to benefit from lower variable costs and volume growth, despite impact of unfavorable price/mix and increased operating investment

Debt and Liquidity Summary

Capitalization

($ in millions)	@ 3/31/2017	Maturity
Cash and Cash Equivalents	$439	
Debt:		
Revolver ($400 million capacity)	-	2021
First Lien Term Loan (USD)	1,514	2023
First Lien Term Loan (EUR) (1)	425	2023
Total Senior Secured Debt	**$1,939**	
Senior Unsecured Notes (USD)	490	2024
Senior Unsecured Notes (EUR) (1)	353	2024
Senior Unsecured Notes (EUR) (1)	474	2025
Capital Leases	40	
Other Borrowings	11	
Total Debt	**$3,307**	
Total Net Debt (2)	**$2,868**	
LTM Adjusted EBITDA	$915	
Credit Statistics:		
Total Net Leverage (3)	**3.1x**	

(1) Assumes exchange rate of $1.073 USD/Euro
(2) Total Net Debt = Total Debt minus Cash and Cash Equivalents
(3) Total Net Leverage = Total Net Debt / LTM Adjusted EBITDA

Comments

- Debt principal levels consistent with December 31, 2016
- Interest rate hedges: New caps executed in March become effective when current swaps/caps mature at Q3 end – in place through December 2019

Full Year 2017 Guidance

($ millions)	2016A	2017E
Net Sales	(0.3%)	1-3%
Net Sales, ex FX	4.3%	4-6%
Adjusted EBITDA	$907	$930-980
Interest Expense	$178	~$150
Tax Rate, As Adjusted	24%	22-24%
Free Cash Flow Cash flow from operations less capex	$423	$440-480
Capex	$136	~$160
D&A	$322	$335
Diluted Shares (millions)[1]	244	246-249

Comments on Drivers

- Net sales growth includes incremental M&A contribution of 2-3% from completed transactions
- Margin expansion driven by volume, price, and ongoing cost reduction initiatives
- Headwinds to margins from moderate input cost inflation, modest sales mix changes, and foreign currency
- Tax rate, as adjusted, benefits from full year effect of actions completed in 2016
- Free cash flow expansion from Adjusted EBITDA growth and lower interest expense; slightly offset by employee separation payments

(1) Reflects adoption of ASU 2016-09, which contributed 1.7 million shares of dilution

Appendix

Full Year 2017 Assumptions

Macroeconomic Assumptions

- Global GDP growth of approximately 2.9%
- Global industrial production growth of approximately 2.9%
- Global auto build growth of approximately 2.0%
- Modest headwinds from higher oil prices given the extended supply chain in key raw materials and category-specific supply side constraints and feedstock price developments

Currency Assumptions

Currency	2016 % Axalta Net Sales	2016 Average Rate	2017 Average Rate Assumption	% Change in F/X Rate
US$ per Euro	~28%	1.11	1.05	(4.8%)
Chinese Yuan per US$	~13%	6.65	6.90	(3.6%)
Brazilian Real per US$	~3%	3.49	3.22	8.2%
Mexican Peso per US$	~2%	18.68	19.85	(5.9%)
US$ per British Pound	~2%	1.36	1.22	(9.6%)
Venezuelan Bolivar per US$	~1%	493.57	1,003.83	(50.8%)
Russian Ruble per US$	~1%	67.03	58.18	15.2%

Adjusted EBITDA Reconciliation

	($ in millions)	FY 2016	Q1 2016	Q1 2017	LTM 3/31/2017
	Net Income	$48	$32	$66	$82
	Interest Expense, net	178	50	36	164
	Provision for Income Taxes	40	13	10	37
	Depreciation & Amortization	322	76	82	328
	Reported EBITDA	**$588**	**$171**	**$194**	**$611**
A	Debt extinguishment and refinancing related costs	98	-	-	98
B	Foreign exchange remeasurement (gains) losses	31	8	(1)	22
C	Long-term employee benefit plan adjustments	2	1	-	1
D	Termination benefits and other employee related costs	62	2	1	61
E	Consulting and advisory fees	10	3	-	7
F	Offering and transactional costs (gains)	6	-	(1)	5
G	Stock-based compensation	41	10	10	41
H	Other adjustments	5	2	-	3
I	Dividends in respect of noncontrolling interest	(3)	(2)	-	(1)
J	Asset impairment	68	-	-	68
	Total Adjustments	$319	$24	$9	$304
	Adjusted EBITDA	**$907**	**$195**	**$203**	**$915**

Note: Numbers might not foot due to rounding.

Adjusted EBITDA Reconciliation (cont'd)

A. During the year ended December 31, 2016 we prepaid principal on our term loans, resulting in non-cash extinguishment losses of $10 million. Additionally, we amended our Credit Agreement and refinanced our indebtedness, resulting in additional losses of $88 million. We do not consider these items to be indicative of our ongoing operating performance.

B. Eliminates foreign exchange (gains) and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, net of the impacts of our foreign currency instruments used to hedge our balance sheet exposures. Exchange effects attributable to the remeasurement of our Venezuelan subsidiary represented losses of $2 million, $7 million and $24 million for 1Q 2017, 1Q 2016 and year ended December 31, 2016, respectively.

C. Eliminates the non-cash, non-service cost components of long-term employee benefit costs.

D. Represents expenses primarily related to employee termination benefits including our initiative to improve the overall cost structure within the European region as well as costs associated with our Axalta Way initiatives, which are not considered indicative of our ongoing operating performance

E. Represents fees paid to consultants for professional services primarily related to our Axalta Way initiatives, which are not considered indicative of our ongoing operating performance.

F. Represents costs associated with the secondary offerings of our common shares by Carlyle, acquisition-related costs, including changes in the fair value of contingent consideration associated with our acquisitions, all of which are not considered indicative of our ongoing operating performance.

G. Represents non-cash costs associated with stock-based compensation.

H. Represents costs for certain non-operational or non-cash (gains) losses, unrelated to our core business and which we do not consider indicative of ongoing operations, including equity investee dividends, indemnity losses (gains) associated with the Acquisition, losses (gains) on sale and disposal of property, plant and equipment, losses (gains) on the remaining foreign currency derivative instruments and non-cash fair value inventory adjustments associated with our business combinations.

I. Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned, which are reflected to show cash operating performance of these entities on Axalta's financial statements.

J. As a result of currency devaluations in Venezuela, we recorded non-cash impairment charges relating to a real estate investment of $11 million during the year ended December 31, 2016. Additionally, during the year ended December 31, 2016, we recorded a $58 million non-cash impairment on long-lived assets associated with our Venezuela operations. We do not consider these impairments to be indicative of our ongoing operating performance.

Thank you

Investor Relations Contact:
Chris Mecray
Christopher.Mecray@axaltacs.com
215-255-7970