Axalta Coating Systems (AXTA)
Second Quarter 2021 Financial Results
July 26, 2021

Introduction and Q2 Financial Highlights

Second Quarter 2021 Highlights

- Q2 2021 net sales increased 72.6% year-over-year to $1,127 million with substantial contributions from all end-markets versus last year's COVID-19-impacted results
  - Performance Coatings price-mix increased 14.0% including ~20% increase in Refinish and up mid-single digits in Industrial
- Income from operations of $190 million versus a loss of $65 million in Q2 2020; Adjusted EBIT of $173 million compared with a loss of $12 million in Q2 2020
  - Adjusted EBITDA of $230 million, with a 20.4% margin; record level LTM Adjusted EBITDA of $992 million
- Diluted EPS of $0.54 versus $(0.35) in Q2 2020; Adjusted diluted EPS of $0.48 versus $(0.15) in Q2 2020
- Net debt to LTM Adjusted EBITDA of 2.6x at June 30; strong cash flow from operations of $108 million
  - Total liquidity of ~$1.7 billion, including $150 million extension of undrawn revolver capacity
- Repurchased 1.9 million shares of common stock ($60 million spend) at $31.73 average price per share; $124 million year-to-date share repurchases, with program expected to remain active in 2H
- On July 7, announced agreement to acquire U-POL, a manufacturer of repair and refinish products




Slide 3: Introduction and Q2 Financial Highlights

Net Sales: Axalta saw solid sequential progression of market recovery and strong underlying demand across nearly all end-markets during the second quarter. Year-over-year growth showed unprecedented gains against the pandemic-impacted period in Q2 2020, making comparisons challenging.

Consolidated Q2 net sales increased 72.6% year-over-year (including a 5.3% FX tailwind). This result included a 56.4% increase in volume and a 9.3% positive price-mix contribution as well as 1.6% M&A contribution. Performance Coatings price-mix increased 14.0%, including a ~20% increase in Refinish and up mid-single digits in Industrial.

Drivers of performance in the quarter centered on continued broad-based recovery from all of Axalta's coatings end-markets globally.

Refinish showed solid sequential recovery from the first quarter, with total net sales up 76.8% year-over-year but also up 3.5% versus Q2 2019. Refinish demand recovered well as country-specific lockdowns eased and vaccination rates improved globally, especially in Western economies. Refinish volumes remain below 2019 levels by mid-single digits, so continued expected recovery in customer demand is required to return to normal business levels pre-COVID-19.

Industrial net sales also increased markedly by 55.6%, a double-digit rate of improvement from Q2 2019 as industrial markets globally have rebounded well from the bottom last year.

While Mobility saw an impressive 88.2% net sales increase year-over-year, the segment remains constrained versus expected demand levels by the ongoing semiconductor chip shortage for OEM customers, and net sales in Q2 2021 were approximately 20% below levels in the comparable 2019 period.

Adjusted EBIT: Adjusted EBIT for the second quarter, excluding restructuring expense as well as the benefit from the partial reversal of the Mobility Coatings operating matter charge, was reported at $173 million (versus a loss of $12 million in Q2 2020), a dramatic improvement from the prior year and moderately below Q1 record levels, including the impact of higher variable cost inflation, constrained Mobility volumes due to supply chain shortages and headwinds from reduced temporary and shorter-term cost savings sequentially.

Adjusted EBITDA was reported at $229.7 million, with a 20.4% margin. This performance contributed to record level LTM Adjusted EBITDA of $992 million, with the lapping of the pandemic-impacted Q2 2020 and including excellent 2H 2020 performance.

Balance Sheet & Cash Flows: Axalta reported strong cash flow in Q2, with cash flow from operations of $108 million and free cash flow of $83 million compared with the largely breakeven free cash flow reported in the COVID-19-impacted period a year ago. The result was driven by strong underlying operating improvement and resulted in net debt to LTM Adjusted EBITDA being reduced from 3.2x at March 31 to 2.6x at June 30, including the lapping of the difficult second quarter operating results from last year. The LTM Adjusted EBITDA as of Q2 end was a record level, totaling $992 million.

Axalta also closed the second quarter with total liquidity of over $1.7 billion, boosted by free cash flow in the period and the upsizing of the undrawn revolving credit facility by $150 million in May.

During second quarter, Axalta repurchased $60 million of common shares under its share repurchase program at an average price of $31.73.

Subsequent to the end of the quarter, on July 7, Axalta announced a definitive agreement to purchase U-POL, a U.K.-based global supplier of Refinish and other automotive aftermarket protective coatings.

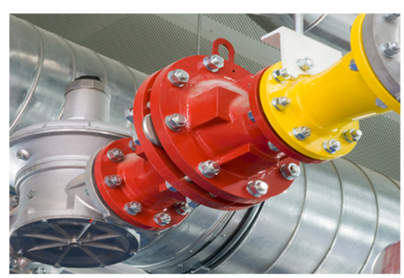
Business Conditions and Cost Actions

Q2 Business Conditions Summary

- Continued recovery in Refinish with net sales 3.5% higher than Q2 2019 levels, though volume remains below 2019 levels by mid-single digits with global recovery from pandemic mobility curtailments ongoing
- Fourth consecutive quarter of sequential growth in Industrial, despite being hampered by raw material supply constraints during Q2; overall demand strong across Industrial end businesses
- Mobility seeing strong underlying market demand, but ongoing customer production impact from semiconductor chip shortages; Axalta Q2 volume growth surpassed global industry build rates

Continued Inflation Response and Cost Structure Actions

- Raw material inflation intensified in Q2, expected to persist into 2H; now expect mid-teens variable cost inflation at COGS level year-over-year
- Offsets via ongoing and incremental pricing actions continue after initial actions taken in 1H; positive mix benefits also contributing
  - Performance Coatings largely offset inflation with price-mix in Q2; Mobility price-cost gap opened in Q2, and we have actions in place to address the gap
- Focus on implementing structural cost control; $22.5 million restructuring charge taken in Q2 with ~$15 million expected annual savings once implemented



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Slide 4: Business Conditions and Cost Structure Update

Business Conditions: Second quarter demand conditions across industrial coatings markets was fairly robust and included continued recovery within Refinish as anticipated.

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Refinish demand benefited from reopening of various countries where COVID-19 related restrictions were in place through the first quarter, as well as the increased pace of vaccinations globally. Refinish net sales increased in the mid-teens on a percentage basis against levels seen in first quarter, though this included pricing tailwinds, with net sales above and volumes moderately below 2019 levels in the period.

Industrial end-market demand remained robust across nearly all end-businesses and geographies. The end-market saw net sales growth increase double digits sequentially from the first quarter as well as compared with the same period in 2019, underscoring strong underlying demand coupled with ongoing organic growth initiatives playing out positively for the business.

Light Vehicle demand conditions were mixed, with strong retail sales and curbed production due to the ongoing semiconductor chip shortage. Forecasts of vehicle production have continued to ramp down due to semiconductor chip shortages, and we now assume around 5 million of incremental vehicles removed from global forecasts as production shut-downs occur globally and impact nearly all OEMs in the industry.

Commercial Vehicle underlying demand remained robust through the quarter, with notable strength in North America, particularly with heavy truck orders remaining solid in the last few months. The strength in Commercial Vehicle reflects the broader global industrial recovery and is expected to continue in the balance of the year. China remains the exception given lower production expectations, which does not materially impact Axalta given limited current business volumes in the China truck market.

Cost Structure: The second quarter witnessed substantial increases in cost inflation coming from a broad set of raw materials largely linked to oil and propylene benchmark prices, as well as inflation in packaging, freight, and logistics within variable cost of goods sold. The magnitude of inflation has exceeded prior forecasts, and Axalta has increased its full year assumption of inflation headwinds versus our April guidance from high single digits to mid-teens versus the prior year at the cost of goods sold level.

The company is working to offset this inflation via a combination of incremental pricing actions, as well as doubling down on cost and productivity actions. On the pricing side, Axalta announced a global price increase on July 15 as part of its efforts to close the price-cost gap that opened during second quarter. Incremental pricing actions are necessary to offset the broad and structural inflation that has been witnessed since 2020 at the market spot price level for goods integral to Axalta's products and services.

In addition to pricing actions, Axalta is focused on implementing structural cost control in reaction to inflationary pressures. The $22.5 million restructuring charge taken in Q2 is anticipated to provide approximately $15 million in annual savings once fully implemented over the coming 12-24 months.

Sensitivity: Business Internal

Slide 5: U-POL Acquisition Offers Strong Strategic Fit

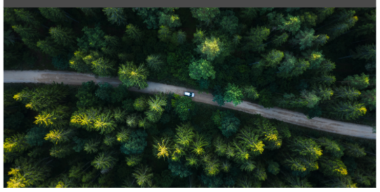
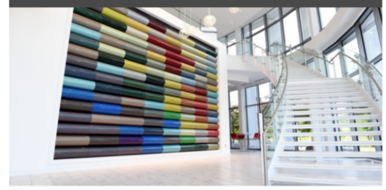
Expected to close in late Q3 or early Q4, the U-POL acquisition is a highly synergistic transaction expected to boost Axalta's global Refinish presence, particularly in DIY and mainstream coatings, while adding new products and formulations to further open addressable markets for the combined businesses. Key points on this strategic fit include:

- Highly complementary to on-going targeted innovation for Mainstream / Economy by leveraging product offerings and market access to tap this growing refinish market segment
- Expands addressable markets in DIY, accessories, and protective costings market segments
- Supports growth in under-represented geographies (UK, Russia, MENA, and APAC)
- Provides access to new channels (e-commerce, retail), synergy with existing distribution, and diversifies access to new markets
- Leverages combined technology and new product development opportunities to enhance U-POL's product offering
- Creates additional optionality for future bolt-on acquisitions with high confidence

Axalta's management team is excited by the opportunity to allocate significant capital in a solidly accretive transaction that creates solid returns if baseline expectations are met, but which could offer substantial upside to returns under a scenario of stronger than modeled commercial synergies. The growth potential for U-POL is seen to be solidly above the baseline forecast for Axalta Net Sales growth, while margins can also see further upside based on growth, realized cost synergies, and further optimization of the product portfolio mix over time.

Sensitivity: Business Internal

Q2 2021 ESG Highlights

Environment	Social	Governance
		

Environment

- Jiading China coatings plant expansion completed to expand sustainable waterborne coatings production for Mobility and Industrial end-markets
- Three Axalta products receive 2021 Edison Awards: Spies Hecker Permahyd 5650 sealer wins bronze in sustainability category

Social

- Continued strong global safety performance – YTD 0.15 total recordable incident rate
- New and continuing Axalta Bright Futures partnerships with local STEM and vocational education organizations

Governance

- Tyrone Michael Jordan joins Axalta Board of Directors, bringing deep Mobility expertise
- ESG Steering Committee completed updated materiality assessment; new set of ESG goals in development
- Maintaining excellent ESG scores from MSCI (AA) and ISS: E: 1 / S: 3 / G: 1 (best in industry)

Axalta's Sustainability Report available at sustainability.axalta.com

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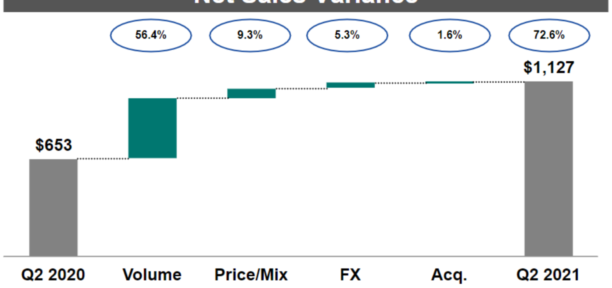
Q2 Consolidated Results

Financial Performance

($ in millions, except per share data)	Q2 2021	Q2 2020	% Change Incl. F/X	% Change Excl. F/X
Performance Coatings	806	482	67.1 %	61.6 %
Mobility Coatings	321	171	88.2 %	83.3 %
Net Sales	1,127	653	72.6 %	67.3 %
Income (loss) from ops	190	(65)	395.2 %	
Adjusted EBIT	173	(12)	1,594.8 %	
% margin	*15.4 %*	*(1.8)%*		
Diluted EPS	0.54	(0.35)	254.3 %	
Adjusted EPS	0.48	(0.15)	420.0 %	

Net Sales Variance



Commentary

Net sales increased YOY from continued volume recovery, price-mix, and M&A

- Q2 net sales growth YOY across all end-markets, lapping prior year lows
- YOY volume growth despite semiconductor chip shortage and other supply constraints
- Strong YOY product price-mix benefit driven by Refinish and Industrial; modest mix headwinds within Light Vehicle and Commercial Vehicle
- Initial M&A contribution from Anhui Shengran
- FX tailwinds driven by the Euro and Chinese Renminbi

Impressive Adjusted EBIT for the second quarter

- YOY improvement driven by continued volume recovery and strong price-mix tempered by raw material headwinds

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Slide 7: Q2 Consolidated Results

Net sales of $1.1 billion represented an increase of 72.6% year-over-year for the second quarter. Organic constant currency net sales increased 65.7% for the period, driven by recovery from the prior

Sensitivity: Business Internal

year pandemic-impacted period as well as by continued sequential volume recovery across most end-markets Axalta serves, though not showing up in Light Vehicle results due to the semiconductor chip shortage impact on volumes in the quarter.

Notable continued strength was seen across most of Industrial – all end-businesses showed solid growth both year-over-year and versus 2019, while commercial vehicle demand, particularly in North America truck markets, also remained strong. Automotive demand at the retail sales level was also solid and even strong when adjusted for limited inventory on hand.

The 65.7% year-over-year growth in second quarter organic and constant currency net sales included a 59.5% increase from Performance Coatings and 83.3% contribution from Mobility Coatings. Compared with the same period in 2019, Performance Coatings decreased 3.3% and Mobility decreased 24.8%.

The volume increase of 56.4% for the quarter was driven by rebound from all end-markets versus the prior year, though dampened by Light Vehicle headwinds from supply constraints to some degree.

Price-mix contribution was positive in the aggregate (up 9.3%) driven by improvement in Performance Coatings, offset partly by reduced price-mix in Mobility. Refinish benefited from both price increases and mix, including stronger sales of premium products and an easy comparison to the negative mix effect seen in the prior year quarter. Industrial also saw substantial improvement in price-mix, including positive pricing traction and positive mix to a lesser degree.

FX translation was a tailwind of 5.3%, driven by the ongoing strength of the Euro and Chinese Renminbi.

Second quarter Adjusted EBIT was $173 million versus a loss of $12 million in the prior year quarter and compared to $197 million in Q2 2019, as expected given strong demand and volume trends offset in part by variable input cost inflation and substantially reduced temporary cost savings versus Q2 2020. Second quarter Adjusted EBIT excludes the $71.8 million reversal of operating charges associated with the Mobility Coatings operational matter as well as incremental restructuring charges of $22.5 million.

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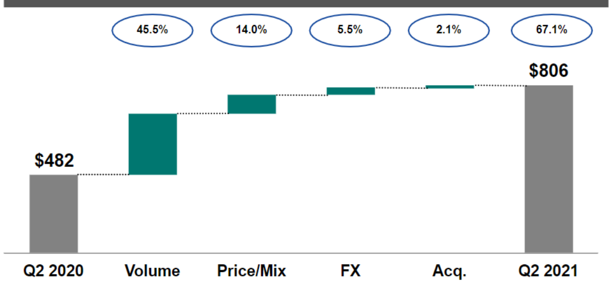
Q2 Performance Coatings Results

Financial Performance

($ in millions)	Q2 2021	Q2 2020	% Change Incl. F/X	% Change Excl. F/X
Refinish	463	262	76.8 %	70.4 %
Industrial	343	220	55.6 %	51.1 %
Net Sales	806	482	67.1 %	61.6 %
Adjusted EBIT	140	2	N/M	
% margin	*17.3 %*	*0.3 %*		

Net Sales Variance



Commentary

Net sales growth driven by Refinish recovery, continued Industrial demand strength, and solid segment price movement

- Continued recovery in Refinish as miles driven improves globally; Industrial delivered strong sales volumes across all businesses, although modestly hindered by supply constraints
- Price-mix tailwinds driven largely by pricing actions across both end-markets as well as favorable product mix in Refinish as volumes rebound
- Initial M&A contribution from Anhui Shengran
- FX tailwinds driven by the Euro and Chinese Renminbi

Improved Adjusted EBIT despite raw material headwinds

- Continued volume recovery and price-mix benefit drove impressive Adjusted EBIT improvement, partly offset by raw material headwinds

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Slide 8: Q2 Performance Coatings Results

Performance Coatings Q2 net sales increased 67.1% year-over-year (increased 61.6% excluding a 5.5% FX tailwind). The result was driven by 45.5% higher volumes and a 14.0% increase in average price-mix as well as 2.1% M&A contribution.

Refinish reported an 76.8% net sales increase (70.4% ex-FX), driven by improved volume globally relative to the pandemic-impacted second quarter of last year. Refinish volumes increased solidly in the mid-teens sequentially from first quarter, underscoring the reopening of Western economies in the period benefiting from early success in vaccinations and reopening after earlier lockdowns. The sequential growth was led by North America. Relative to 2019 Q2 levels, the business remained lower by approximately mid-single digits in volumes, indicating a remaining gap versus pre-COVID-19 levels on a volume basis, despite net sales exceeding 2019 levels due to cumulative pricing as well as FX tailwinds.

Refinish price-mix in the second quarter was up strongly over 20%, which reflected both price headway from first half price increases, but even more significantly from the reversal of mix headwinds from the same period a year ago. Mix during the second quarter 2021 was tilted toward premium refinish brands.

Axalta continued to drive new product innovation in Refinish in the second quarter, including the launch of the Daisy Wheel 3.0, an upgrade of the industry's first fully automated color dosing system in the market enabling the fastest and most accurate color mix system. In China, Axalta continued to expand commercial usage of the first premium Refinish waterborne clearcoat with extension into the Cromax brand, giving customers a fully sustainable refinish system, including the clearcoat layer.

Industrial net sales increased 55.6% year-over-year (51.1% ex-FX), driven by an approximately 40% volume improvement and a strong mid-single digit increase in average price-mix as well as a 4.6% M&A contribution. Demand trends in all of the end-businesses served by Industrial remained healthy during the period, witnessed in the fourth straight quarter of double-digit net sales growth sequentially. Net sales also increased in double-digits relative to second quarter 2019.

Sensitivity: Business Internal

Axalta has benefited from strong demand across all regions in the quarter as well as from most end-businesses, with the exception of customers impacted by the semiconductor shortages at the OEM level and certain supply constraints which impeded upside within Industrial. Particular strength continues in markets linked to North American housing and remodeling.

New product launches in Industrial Coatings also continued this quarter with innovations in aesthetics, corrosion protection, ease of use, and sustainability with a range of new product offerings. The General Industrial business expanded its Flexbase™ product line with the launch of an Ultra Matte Gloss Clear Coat with outstanding appearance. In Powder, ZF Uniprime™ was launched, a new primer which provides excellent edge protection, antigassing, and corrosion protection across a broad array of metal substrates. In Building Products, Axalta introduced advanced primer and enamel products within the award-winning Titan platform, providing improved filling and hiding properties for low density MDF kitchen cabinet applications. Finally, Axalta enhanced its Durapon™ 70 line of 40-year exterior weathering coil products with the introduction of a sustainable PFOA free solution.

The Performance Coatings segment reported Q2 Adjusted EBIT of $140 million versus $2 million in Q2 2020, driven by volume recovery and drop through benefits of stronger average price-mix, offset partly by headwinds from higher variable costs and lack of temporary cost savings which benefited the prior year quarter. The Adjusted EBIT margin for the segment increased to 17.3%, a further increase versus the 16.6% margin seen in the first quarter, driven by increased volumes and improved average price-mix in the sequential period.

Performance Coatings Demand Environment

Refinish

- The refinish market showed sequential improvement in Q2 with traffic indicators improving across all regions
  - U.S. miles driven have returned to normal levels in Q2 with July expected to be ~5% above 2019 levels; body shop activity down ~10-12% versus 2019 levels
  - Europe miles driven continued to improve markedly in Q2 with June as much as 12% over 2019 levels; body shop activity has recovered to around 10% below 2019 levels in the quarter
  - Latin America miles driven showed sequential improvement in Q2 with Brazil up 14% above pre-COVID levels, while Mexico remained weaker, down 7% below pre-COVID levels in Q2
  - For Asia, COVID related lockdowns impacting miles driven in India in May; China seeing increasing collision claims; Japan (+32%) and Australia (+10%) also strong with traffic growth versus pre-COVID baselines

Industrial

- Broad-based global industrial demand recovery; notable growth from Energy Solutions, Building Products, and General Industrial
- U.S. housing market remains strong, though growth rates slowing
- Raw material supply constraints impacted potential further sales upside in Q2 in Americas Building Products and globally across General Industrial

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Slide 9: Performance Demand Environment

Axalta saw continued sequential recovery during second quarter, with Refinish demand improving notably in the period and Industrial coatings demand broadly remaining at very strong levels.

In **Refinish**, U.S. vehicle traffic improved from the moderate lockdown period of the fourth quarter and early first quarter, achieving sequential improvement through the first quarter and then returning to pre-

Sensitivity: Business Internal

COVID-19 normal levels by late April. Current traffic levels appear close to normal, as vaccination progress has led to reopening and reduced restrictions over the last several months.

Despite normal traffic levels, U.S. collision claims remain lower than normal, and body shop activity is running around 10-12% below normal, though still showing modest improvement sequentially from the first quarter.

In Europe, pandemic-related restrictions eased starting in April, though varying substantially by country across the region and remaining behind the U.S. recovery, reflecting mixed success in vaccination rates by country. Miles driven in EMEA were running 12% above pre-COVID-19 levels by June, however, showing strong rebound once the lockdowns were eased in the Spring.

In Latin America, Mexico miles driven improved solidly during the second quarter to around 5% below normal versus around 10% below normal during Q1, while Brazil also improved sequentially from around even with pre-COVID-19 levels in Q1 and finished Q2 at levels 18-22% stronger than the pre-COVID-19 period.

In China and Asia Pacific, most countries continue to see traffic levels above pre-COVID-19 levels through the second quarter. In China, after increased activity starting in January, overall Refinish volumes in second quarter were up strongly from the year-ago period, including an easy comparison but also reflecting increased collision claims in the region.

In the **Industrial** end-market, Axalta's second quarter results continued to support a view that global industrial demand remains robust across nearly all markets served. All three end-businesses as well as all regions served increased during the quarter versus the prior year period. Axalta witnessed double-digit growth across Industrial both year-over-year and sequentially. Continued strength in North America home building and remodeling as well as general industrial markets remained cornerstones of growth during 2021 to date. The sole apparent exception to strong demand appeared to be automotive, given the supply chain disruption occurring in that market.

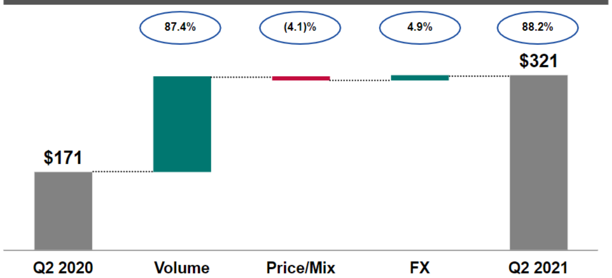
Sensitivity: Business Internal

Q2 Mobility Coatings Results

Financial Performance

($ in millions)	Q2 2021	Q2 2020	% Change Incl. F/X	% Change Excl. F/X
Light Vehicle	244	126	93.1 %	87.7 %
Commercial Vehicle	77	44	74.0 %	71.0 %
Net Sales	321	171	88.2 %	83.3 %
Adjusted EBIT	6	(39)	114.5 %	
% margin	*1.8 %*	*(23.0)%*		

Net Sales Variance



Commentary

Net sales growth almost double from prior year lows, though hindered by customer supply constraints, largely in semiconductors

- Axalta volumes outpacing global production build growth despite semiconductor chip shortage in Light Vehicle as well as parts shortages and customer strike in Commercial Vehicle
- Negative price-mix contribution across both end-businesses driven by unfavorable customer mix
- Modest FX tailwinds driven by the Euro and Chinese Renminbi

Adjusted EBIT and margin expansion

- Adjusted EBIT improvement seen across both end-businesses as volumes continue to recover despite some impact from semiconductor chip shortage and modest tailwinds in operating expenses; raw material headwinds impacting profit in period

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Slide 10: Q2 Mobility Coatings Results

Mobility Coatings net sales, rebounding from the dramatic impacts of COVID-19 on volumes during Q2 2020, increased 88.2% year-over-year in the quarter, including a 4.9% currency tailwind driven by the Euro and Chinese Renminbi. Net sales included a 4.1% headwind from average price-mix and an 87.4% increase in volume.

Light Vehicle second quarter net sales increased 93.1% (87.7% ex-FX). Volume increased approximately 92%, ahead of the global rate of production in the period due to specific customer and geographic exposures for Axalta. Average selling prices and mix decreased 4.6% in the period, reflecting mix effects in the quarter associated with differences in customer mix and geography versus the prior year quarter. Pricing in the period was stable with indexing adjustments expected to begin to offset inflation starting in Q3 and continuing through year end and into next year.

Commercial Vehicle second quarter net sales increased 74.0% including FX tailwinds of 3.0%. This increase was driven by recovery in truck production against the prior year quarter, which was severely impacted by pandemic-related production shut-downs, while current demand remains strong across most global truck markets excluding China. Demand for non-truck vehicle types served also remains broadly solid, including recreational vehicles and sporting equipment. For the quarter, Axalta saw volume increases in North America truck approximately in-line with industry pacing, while EMEA also improved substantially and was generally aligned with the broader regional truck market. Price-mix for Commercial Vehicle was down low single digits versus the prior year period, driven by mix differences from the prior year while pricing remained stable overall.

Axalta's Mobility Coatings business continued to innovate during Q2. In *Core Mobility*, the latest generation of a waterborne consolidated process coatings system for the Light Vehicle market was launched in China, offering improved cost in use while maintaining premium appearance. In support of *Advanced Mobility*, the Aqua Flex™ broad bake e-coat system, a new Axalta technology, gained OEM customer approvals in Europe for introduction during Q3. This exciting new e-coat system enables coatings for more complex integrated body structures associated with electric vehicle designs by

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enhancing cure rates at lower temperatures. During Q2, Axalta also co-presented at Surcar (a global event dedicated to automotive coatings innovations) with Daimler on the latest predictive modeling techniques for color design capability, further illustrating our leadership in advanced automotive coatings.

Mobility Coatings reported second quarter Adjusted EBIT of $6 million versus a loss of $39 million in the second quarter of 2020. Profit and associated margins in Q2 were impacted by the volume loss during the quarter due to the semiconductor shortages, which dramatically impacted production at the customer level and Net Sales volumes for Axalta.

Mobility Coatings Demand Environment

Light Vehicle

- LV market recovery continues to be hindered by the semiconductor shortage; estimated impact of ~7 million deferred builds in 2021
- Global LV production increased 48.6% YOY in Q2; forecasts call for a (4.5%) decline for Q3 and a 6.9% increase for FY 2021 (revised down from 11.9% in April)
- Axalta Net Sales outpaced the market in Q2 driven by performance in EMEA, Latin America, and China Commercial Vehicle

Commercial Vehicle

- The global truck market continues to recover with strong order intake in North America and EMEA
- Global CV production, excluding China, increased 72.5% YOY in Q2; forecasts call for continued recovery with 20.1% and 26.4% increases for Q3 and FY 2021, respectively
- Supply chain shortages have been more limited within CV versus LV, though still impacted moderately

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Slide 11: Mobility Demand Environment

Axalta's **Mobility Coatings** segment performance is closely linked to global automotive and commercial vehicle OEM global production rates for the customers and plants served globally. Axalta generally expects to track the recovery rate of the global vehicle markets, and this has been the case in recent periods, though adjusted for specific countries served and including a somewhat smaller footprint of customers in China versus other regions.

In the second quarter, the Light Vehicle market continued to be supported by very strong demand globally coming out of the pandemic period, as witnessed by retail sales and other consumer data globally. Despite strong underlying demand, the market remained impacted by the ongoing shortage of semiconductor chip supply, which has caused rolling line shutdowns and curtailments since early in the first quarter.

Industry forecast reductions from one leading forecast group have now totaled 4 million since the start of the year with additional impacted builds in second half, bringing the global forecast for 2021 production growth to 10.0%, down from 11.9% in April and expected full year growth of 13.4% at year-end 2020. The April expectation of approximately 1 million vehicles deferred for second quarter was revised nearly weekly to end the period at a loss of 2.6 million vehicles for the quarter. The current

Sensitivity: Business Internal

forecast calls for third quarter production impacts of 700,000 vehicle, though Axalta expects the actual amount to exceed this forecast, as has been the trend for six months. Axalta is currently assuming a total production loss of 7 million units, including 3 million expected deferrals from second half production to bring our revised full year 2021 global production build estimate to 6.9%.

Despite near-term production constraints, retail sales demand remains firm. In the U.S., April auto sales (SAAR) were 18.6 million, a post-pandemic record, followed by 17.0 million in May, which was believed to be impacted by tight available inventory on retail lots. June demand has remained firm, and adjusted for limited inventory, it appears that demand in the U.S. is near all-time highs. Strong data globally also suggests that the market recovery is anticipated, though the full extent of upside will not be apparent until supply tightness eases.

For the quarter, global light vehicle production increased 48.6% year-over-year. Growth rates were led by Latin America (+223.1%), North America (+120.4%), EMEA (+83.6%), and Asia Pacific (+20.0%). Axalta Net Sales volumes outpaced global production, driven by outgrowth in EMEA, Latin America, and China. Axalta's forecasts call for a 6.9% increase in global builds for the full year 2021 inclusive of our 7 million semiconductor build impact with third quarter production down 4.5% versus prior year, yet up sequentially with growth of +4.4% from the second quarter. Axalta sees incremental risk to the current forecast and has chosen to take a more conservative view of global production and customer demand for the third and fourth quarters given risk from further chip shortage impacts.

For the Commercial Vehicle end-market, overall global Class 4-8 truck production increased 10.0% in the second quarter. This included a 92.3% increase in North America, and a 70.1% increase in EMEA, offset by a 9.2% decrease in Asia Pacific (14.0% decrease in China) as a truck downcycle continues to hamper production in China. Axalta Net Sales in Commercial Vehicle for the quarter increased 74.0%, underscoring the customer leaning to markets outside of China, and with a share emphasis towards North America.

Industry forecasters are calling for a 26.4% increase in 2021 production (Class 4-8) globally excluding China. This includes 27.6% and 19.9% increases in North America and Europe, respectively. China is expected to decrease 11.6% in 2021 after the strong rebound witnessed in 2020. Axalta's Commercial Vehicle business is not substantially exposed to the China market currently.

Sensitivity: Business Internal

Debt and Liquidity Summary

Capitalization

($ in millions)	Interest	@ 6/30/2021	Maturity
Cash and Cash Equivalents		$ 1,231	
Debt:			
Revolver ($550 million capacity) (1)	Variable	—	2026(2)
First Lien Term Loan (USD)	Variable	2,037	2024
Total Senior Secured Debt		**$ 2,037**	
Senior Unsecured Notes (EUR) (3)	Fixed	531	2025
Senior Unsecured Notes (USD)	Fixed	493	2027
Senior Unsecured Notes (USD)	Fixed	690	2029
Finance Leases		63	
Other Borrowings		40	
Total Debt		**$ 3,854**	
Total Net Debt (4)		**$ 2,623**	
LTM Adjusted EBITDA		992	
Total Net Leverage (5)		**2.6x**	
Interest Coverage Ratio (6)		**6.9x**	

(1) $516 million available on our undrawn revolver net of letters of credit
(2) Maturity will be accelerated to 2024 in certain circumstances as set forth in Amendment No. 10
(3) Assumes exchange rate of $1.1906 USD/Euro
(4) Total Net Debt = Total Debt minus Cash and Cash Equivalents
(5) Total Net Leverage = Total Net Debt / LTM Adjusted EBITDA
(6) Interest Coverage Ratio = LTM Adjusted EBITDA / LTM Interest Expense

Commentary

- Net leverage of 2.6x at June 30, 2021 improved from 3.2x at March 31, 2021
- Over $1.7 billion in available liquidity at June 30, 2021
- Increased revolving credit facility capacity to $550 million from $400 million in May 2021
- Weighted average cost of debt of 3.08% at June 30, 2021

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Slide 12: Debt and Liquidity Summary

Axalta's balance sheet and liquidity profile improved markedly in the second quarter, benefiting from improved operating performance, record levels of LTM Adjusted EBTIDA ($992 million), and enhanced liquidity following the upsizing of its undrawn revolver by $150 million during the quarter. The company ended the quarter with over $1.7 billion in total liquidity, including $1.2 billion in cash on the balance sheet, and $516 million of available capacity in our undrawn revolver.

Axalta's net leverage ratio improved from 3.2x at March 31 to 2.6x at June 30, driven by improved operating earnings, solid free cash flow, and record LTM Adjusted EBITDA with the weaker Q2 2020 operating result now lapped. This is inclusive of $124 million in share repurchases made year-to-date. There are no affirmative financial covenants on current outstanding indebtedness, and the nearest debt maturities are for Term Loans in 2024. The quarter end net leverage was the first time Axalta had closed a quarter below 3.0x and approached the company's medium-term target of 2.5x net leverage.

Free cash flow for the quarter totaled $82.6 million versus a use of $17.8 million in Q2 2020, driven by improved operating profit, and inclusive of $8.8 million in higher capital expenditures versus the comparable year ago period. During Q2, Axalta used $60 million to repurchase common shares at an average price of $31.73 under our share repurchase program, bringing total year-to-date repurchases to a use of $124 million.

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Financial Guidance Update

Full Year 2021 Guidance:

- Net Sales: ~+20-22%, including ~3% FX and ~1% M&A benefit
- Adjusted EBIT: $685-725 million
  - Q3 ~20% of full year
  - Q4 ~30% of full year
- Adjusted Diluted EPS: $1.85-2.00
- Interest Expense: ~$135 million
- Tax Rate: ~21-22%
- Diluted Shares: ~234 million
- Free Cash Flow: $445-485 million; including $165 million capex
- D&A: ~$318 million; including $106 million step-up D&A

Key Assumptions

- Raw material inflation expected at mid-teens growth YoY versus prior high single digit growth expectation; Q3 inflation at ~23% growth YoY
- Semiconductors: ~7 million assumed market level production shortfall in guidance construct; ~3 million in 2H driving ~$60 million estimated net sales impact to Mobility versus prior assumption of minimal 2H impact
- Gradual recovery in Refinish volumes from COVID impacts continues
- No additional share repurchases assumed
- FCF still assumes no impact from operational matter
- U-Pol acquisition, expected to close in 2H, not included in guidance

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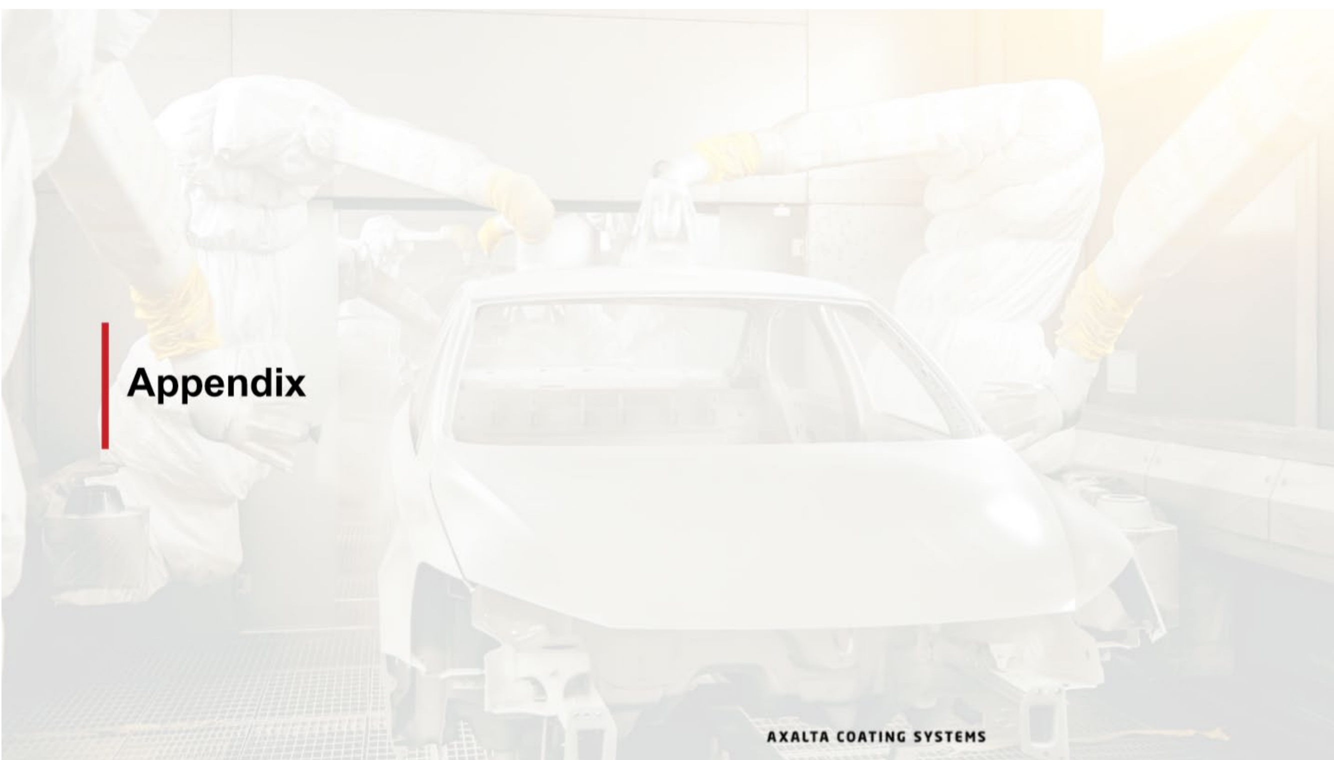

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Full Year 2021 Assumptions

Macroeconomic Assumptions

- Global GDP growth of ~5.0% for Q3 2021 and ~5.8% for FY 2021
- Global industrial production growth of ~6.3% for Q3 2021 and ~7.1% for FY 2021
- Global auto build change expected to be at ~(4.5%) for Q3 2021 and ~6.9% for FY 2021
- Global truck production increase of ~20.1% for Q3 2021 and ~26.4% for FY 2021, excluding China
- Significant raw material inflation since December 2020 as downstream chemicals demand surged with supply imbalances as well as outages from Weather events (Winter Storm Uri) and severe logistical bottlenecks
- Expect the inflationary raw material trend to persist into 2H before starting to soften first in solvents and monomers

Currency Assumptions

Currency	2020 % Axalta Net Sales	2020 Average Rate	2021 Average Rate Assumption	USD % Impact of FX Rate Change
US$ per Euro	~28%	1.14	1.21	6.1%
Chinese Yuan per US$	~9%	6.90	6.43	6.8%
US$ per British Pound	~3%	1.28	1.40	9.4%
Brazilian Real per US$	~3%	5.15	5.25	(1.9%)
Mexican Peso per US$	~2%	21.46	20.08	6.4%
US$ per Canadian Dollar	~2%	0.75	0.81	8.0%
Indian Rupee per US$	~1%	74.13	73.30	1.1%
Other	~53%	NA	NA	0.4%

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Adjusted EBIT Reconciliation

	($ in millions)		Q2 2021		Q2 2020
	Income (loss) from operations	$	190.4	$	(64.5)
	Other income, net		(8.1)		(2.2)
	Total	$	198.5	$	(62.3)
A	Debt extinguishment and refinancing related costs		0.2		—
B	Termination benefits and other employee related costs		22.7		15.2
C	Strategic review and retention costs		2.2		6.7
D	Offering and transactional costs		1.4		0.1
E	Impairment charges		—		2.7
F	Pension special events		—		(0.6)
G	Accelerated depreciation		0.6		0.4
H	Indemnity income		(0.1)		—
I	Operational matter		(71.8)		—
J	Brazil indirect tax		(8.3)		—
K	Step-up depreciation and amortization		28.0		26.2
	Adjusted EBIT	$	173.4	$	(11.6)
	Segment Adjusted EBIT:				
	Performance Coatings	$	139.7	$	1.5
	Mobility Coatings		5.7		(39.3)
	Total	$	145.4	$	(37.8)
K	Step-up depreciation and amortization		28.0		26.2
	Adjusted EBIT	$	173.4	$	(11.6)

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Adjusted EBIT Reconciliation (cont'd)

A Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
B Represents expenses and associated changes to estimates related to employee termination benefits and other employee-related costs. Employee termination benefits are primarily associated with Axalta Way initiatives. These amounts are not considered indicative of our ongoing operating performance.
C Represents costs for legal, tax and other advisory fees pertaining to our review of strategic alternatives that was concluded in March 2020, as well as retention awards for certain employees which will be earned over a period of 18-24 months, ending September 2021. These amounts are not considered indicative of our ongoing performance.
D Represents acquisition and divestiture-related expenses, all of which are not considered indicative of our ongoing operating performance.
E Represents impairment charges, which are not considered indicative of our ongoing performance.
F Represents certain defined benefit pension costs associated with special events, including pension curtailments, settlements and special termination benefits, which we do not consider indicative of our ongoing operating performance.
G Represents incremental depreciation expense resulting from truncated useful lives of the assets impacted by our manufacturing footprint assessments, which we do not consider indicative of our ongoing operating performance.
H Represents indemnity income associated with acquisitions, which we do not consider indicative of our ongoing operating performance.
I Represents expenses, changes in estimates and insurance recoveries for probable liabilities related to an operational matter in the Mobility Coatings segment, which is not indicative to our ongoing operating performance.
J Represents non-recurring income related to a law change with respect to certain Brazilian indirect taxes which was recorded within other income, net.
K Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.

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Adjusted Net Income (Loss) Reconciliation

	($ in millions, except per share data)		Q2 2021		Q2 2020
	Net income (loss)	$	126.4	$	(83.2)
	Less: Net income attributable to noncontrolling interests		—		(0.4)
	Net income (loss) attributable to controlling interests	$	126.4	$	(82.8)
A	Debt extinguishment and refinancing related costs		0.2		—
B	Termination benefits and other employee related costs		22.7		15.2
C	Strategic review and retention costs		2.2		6.7
D	Offering and transactional costs		1.4		0.1
E	Impairment charges		—		2.7
F	Pension special events		—		(0.6)
G	Accelerated depreciation		0.6		0.4
H	Indemnity income		(0.1)		—
I	Operational matter		(71.8)		—
J	Brazil indirect tax		(8.3)		—
K	Step-up depreciation and amortization		28.0		26.2
	Total adjustments	$	(25.1)	$	50.7
L	Income tax provision impacts		(10.8)		2.8
	Adjusted net income (loss)	$	112.1	$	(34.9)
	Diluted adjusted net income (loss) per share	$	0.48	$	(0.15)
	Diluted weighted average shares outstanding		233.5		235.2

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Adjusted Net Income (Loss) Reconciliation (cont'd)

A Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.

B Represents expenses and associated changes to estimates related to employee termination benefits and other employee-related costs. Employee termination benefits are primarily associated with Axalta Way initiatives. These amounts are not considered indicative of our ongoing operating performance.

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D Represents acquisition and divestiture-related expenses, all of which are not considered indicative of our ongoing operating performance.

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H Represents indemnity income associated with acquisitions, which we do not consider indicative of our ongoing operating performance.

I Represents expenses, changes in estimates and insurance recoveries for probable liabilities related to an operational matter in the Mobility Coatings segment, which is not indicative to our ongoing operating performance.

J Represents non-recurring income related to a law change with respect to certain Brazilian indirect taxes which was recorded within other income, net.

K Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.

L The income tax impacts are determined using the applicable rates in the taxing jurisdictions in which expense or income occurred and includes both current and deferred income tax expense (benefit) based on the nature of the non-GAAP performance measure. Additionally, the income tax impact includes the removal of discrete income tax impacts within our effective tax rate which were expenses of $2.1 million, $3.8 million, $3.4 million and benefits of $30.5 million for the three month and six months ended June 30, 2021 and 2020, respectively. The tax benefits for the six months ended June 30, 2020 include the removal of a significant one-time benefit associated with the recognition of a deferred tax asset related to an intra-entity transfer of certain intellectual property rights. The tax expenses for the six months ended June 30, 2021 include the deferred tax benefit ratably amortized into our adjusted income tax rate as the tax attribute is realized.

Free Cash Flow Reconciliation

($ in millions)	Q2 2021	Q1 2021	YTD 2021	Q2 2020	Q1 2020	YTD 2020
Cash provided by (used for) operating activities	$ 107.5	$ 39.6	$ 147.1	$ (1.7)	$ (0.8)	$ (2.5)
Purchase of property, plant and equipment	(28.5)	(31.8)	(60.3)	(19.7)	(22.7)	$ (42.4)
Interest proceeds on swaps designated as net investment hedges	3.6	3.5	7.1	3.6	3.7	$ 7.3
Free cash flow	$ 82.6	$ 11.3	$ 93.9	$ (17.8)	$ (19.8)	$ (37.6)

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Adjusted EBITDA Reconciliation

($ in millions)	LTM 6/30/2021	Q2 2021	Q1 2021	Q2 2020	Q1 2020	FY 2020
Net income (loss)	$ 294.9	$ 126.4	$ 15.7	$ (83.2)	$ 52.4	$ 122.0
Interest expense, net	144.2	33.4	33.5	36.1	36.5	149.9
Provision (benefit) for income taxes	82.5	38.7	3.8	(15.2)	(24.6)	0.2
Depreciation and amortization	312.5	79.0	76.4	76.6	86.6	320.3
EBITDA	**$ 834.1**	**$ 277.5**	**$ 129.4**	**$ 14.3**	**$ 150.9**	**$ 592.4**
A Debt extinguishment and refinancing related costs	32.2	0.2	—	—	2.4	34.4
B Termination benefits and other employee related costs	65.7	22.7	2.8	15.2	19.5	74.9
C Strategic review and retention costs	20.1	2.2	5.4	6.7	11.5	30.7
D Offering and transactional costs	1.7	1.4	0.2	0.1	0.1	0.3
E Impairment charges	2.5	—	—	2.7	0.5	5.7
F Foreign exchange remeasurement losses	8.8	1.8	1.8	(0.3)	2.3	7.2
G Long-term employee benefit plan adjustments	1.1	(0.3)	(0.2)	(0.6)	(1.1)	(0.1)
H Stock-based compensation	11.7	4.2	3.6	6.1	5.1	15.1
I Dividends in respect of noncontrolling interest	(1.1)	—	(0.7)	—	(0.5)	(0.9)
J Operational matter	22.6	(71.8)	94.4	—	—	—
K Brazil indirect tax	(8.3)	(8.3)	—	—	—	—
L Other adjustments	0.4	0.1	—	(0.1)	0.2	0.4
Total Adjustments	$ 157.4	$ (47.8)	$ 107.3	$ 29.8	$ 40.0	$ 167.7
Adjusted EBITDA	**$ 991.5**	**$ 229.7**	**$ 236.7**	**$ 44.1**	**$ 190.9**	**$ 760.1**

Adjusted EBITDA Reconciliation (cont'd)

A Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.

B Represents expenses and associated changes to estimates related to employee termination benefits and other employee-related costs. Employee termination benefits are primarily associated with Axalta Way initiatives. These amounts are not considered indicative of our ongoing operating performance.

C Represents costs for legal, tax and other advisory fees pertaining to our review of strategic alternatives that was concluded in March 2020, as well as retention awards for certain employees which will be earned over a period of 18-24 months, ending September 2021. These amounts are not considered indicative of our ongoing performance.

D Represents acquisition and divestiture-related expenses, all of which are not considered indicative of our ongoing operating performance.

E Represents impairment charges, which are not considered indicative of our ongoing performance.

F Eliminates foreign exchange 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.

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

H Represents non-cash impacts associated with stock-based compensation.

I Represents the payment of dividends to our joint venture partners by our consolidated entities that are not 100% owned, which are reflected to show the cash operating performance of these entities on Axalta's financial statements.

J Represents expenses, changes in estimates and insurance recoveries for probable liabilities related to an operational matter in the Mobility Coatings segment, which is not indicative to our ongoing operating performance.

K Represents non-recurring income related to a law change with respect to certain Brazilian indirect taxes which was recorded within other income, net.

L Represents certain non-operational or non-cash gains and losses unrelated to our core business and which we do not consider indicative of ongoing operations, including indemnity (income) losses associated with the acquisition by Axalta of the DuPont Performance Coatings business, gains and losses from the sale and disposal of property, plant and equipment, gains and losses from the remaining foreign currency derivative instruments and from non-cash fair value inventory adjustments associated with our business combinations.

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AXALTA COATING SYSTEMS

Cautionary Statement Concerning Forward-Looking Statements

This release may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding Axalta and its subsidiaries including our outlook, which includes net sales growth, currency effects, acquisition or divestment impacts, Adjusted EBIT, Adjusted diluted EPS, Adjusted EBITDA, interest expense, income tax rate, as adjusted, free cash flow, capital expenditures, depreciation and amortization and diluted shares outstanding and the effects of COVID-19 on Axalta's business and financial results. Axalta has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "outlook", "projects," "forecasts," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable or similar terminology. All of these statements are based on management's expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. These statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of Axalta's control, including the effects of COVID-19, that may cause its business, industry, strategy, financing activities or actual results to differ materially. The impact and duration of COVID-19 on our business and operations is uncertain. Factors that will influence the impact on our business and operations include the duration and extent of COVID-19, the extent of imposed or recommended containment and mitigation measures, and the general economic consequences of COVID-19. More information on potential factors that could affect Axalta's financial results is available in "Forward-Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" within Axalta's most recent Annual Report on Form 10-K, and in other documents that we have filed with, or furnished to, the U.S. Securities and Exchange Commission. Axalta undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

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 constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio. 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, Adjusted EBIT and Adjusted diluted EPS consist of EBITDA, EBIT and Diluted EPS, respectively, adjusted for (i) certain non-cash items included within net income, (ii) certain items Axalta does not believe are indicative of ongoing operating performance or (iii) certain nonrecurring, unusual or infrequent items that have not occurred within the last two years or we believe are not reasonably likely to recur within the next two years. 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. Adjusted net income shows the adjusted value of net income (loss) attributable to controlling interests after removing the items that are determined by management to be items that we do not consider indicative of our ongoing operating performance or unusual or nonrecurring in nature. Our use of the terms constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio may differ from that of others in our industry. Constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio should not be considered as alternatives to net sales, net income (loss), income (loss) before operations or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio 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 release 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 constant currency net sales growth, Adjusted EBIT, Adjusted EBITDA, Adjusted diluted EPS, income tax rate, as adjusted, or free cash flow 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 these items and they may have a substantial and unpredictable impact on our US GAAP results.

Constant Currency

Constant currency or ex-FX percentages are calculated by excluding the impact of the change in average exchange rates between the current and comparable period by currency denomination exposure of the comparable period amount.

Organic Growth

Organic growth or ex-M&A percentages are calculated by excluding the impact of recent acquisitions and divestitures.

Segment Financial Measures

The primary measure of segment operating performance is Adjusted EBIT, 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

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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.

About Axalta Coating Systems

Axalta is a global leader in the coatings industry, providing customers with innovative, colorful, beautiful and sustainable coatings solutions. From light vehicles, commercial vehicles and refinish applications to electric motors, building facades and other industrial applications, our coatings are designed to prevent corrosion, increase productivity and enhance durability. With more than 150 years of experience in the coatings industry, the global team at Axalta continues to find ways to serve our more than 100,000 customers in over 130 countries better every day with the finest coatings, application systems and technology. For more information, visit axalta.com and follow us @axalta on Twitter.

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