



Axalta Coating Systems

**2017 Capital Markets Day
Technology Drives Axalta's Performance**

February 22, 2017

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, working capital, depreciation and amortization, diluted shares outstanding, cost savings, contributions from acquisitions, 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, 2015 and our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2016, June 30, 2016 and September 30, 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.

Capital Markets Day Agenda

9:00 AM	Introduction & Agenda	Chris Mecray, VP, Investor Relations
9:05 AM	Axalta's Technology Journey: CEO Perspective	Charlie Shaver, Chairman & CEO
9:40 AM	Technology Drives Axalta's Performance	Barry Snyder, SVP & CTO
10:10 AM	Performance Coatings: Refinish	Michael Carr, VP, President, North America
10:40 AM	BREAK	
11:00 AM	Performance Coatings: Industrial Coatings	Michael Cash, SVP, President, Industrial
11:30 AM	Transportation Coatings Segment	Steven Markevich, EVP, President, Transportation & GC
12:00 PM	Q&A	
12:30 PM	Closing Remarks	Charlie Shaver, Chairman & CEO
12:35 PM	LUNCH	

Additional Axalta Attendees:

- Robert Bryant (EVP, CFO)
- Joseph McDougall (SVP, CHRO)
- Dan Key (SVP, Operations & Supply Chain)
- Dr. Robert Roop (VP, Global Refinish Technology)
- Joanne Hardy (Global Director, Axalta R&D)
- Matt Boland (VP, Global Transportation Technology)



Axalta's Technology Journey: The CEO Perspective

Charles W. Shaver
Chairman and CEO

Axalta's Global Breadth and Scope



\$4.1 Billion in Sales

100,000+
Customers

4,000+
Distributors

13,000+
People

130
Countries

50+
Brands



46
Manufacturing Centers

47
Training Centers

4
R&D Centers

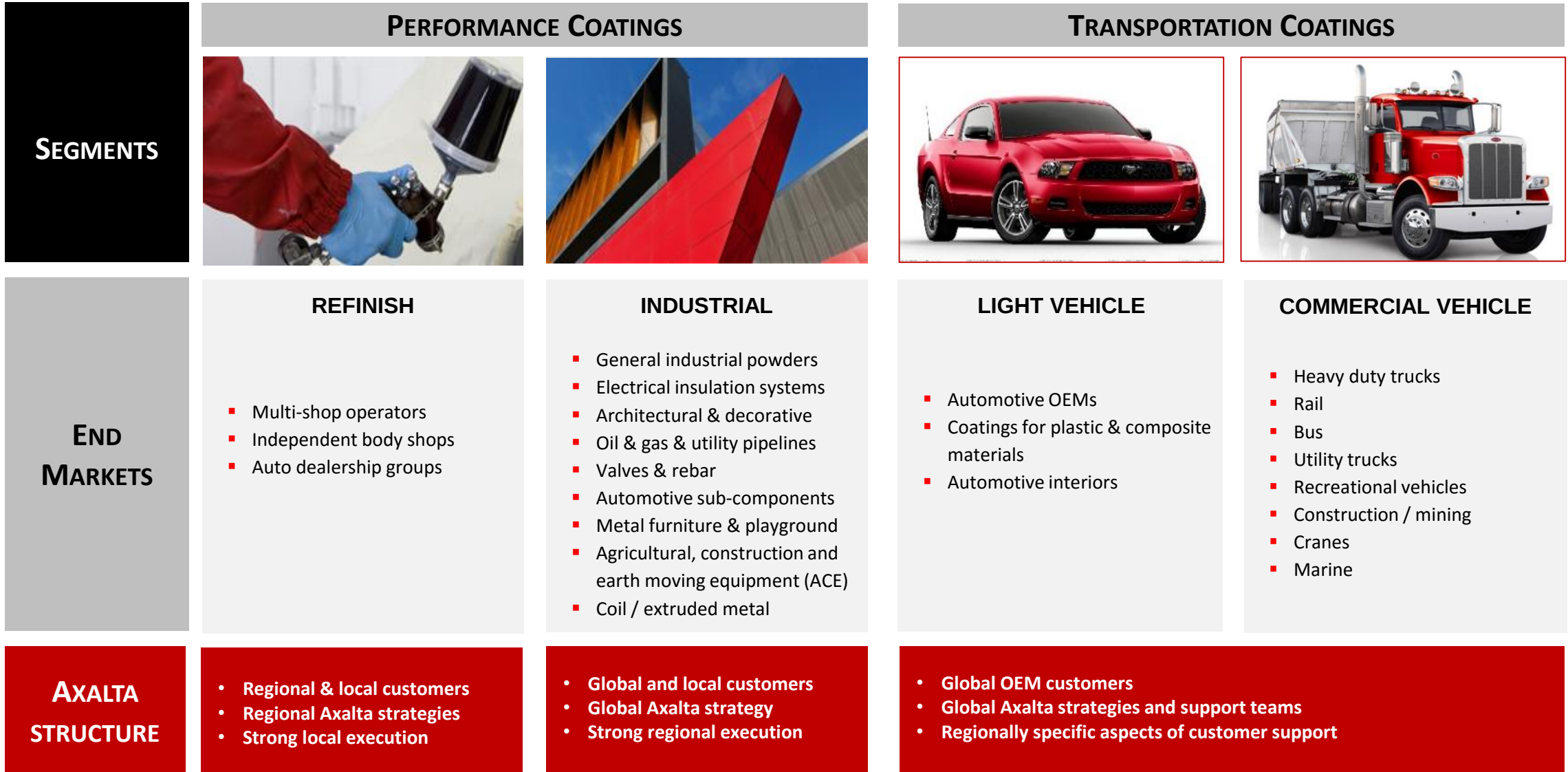
30+
Laboratories

150
Years in the Industry

Durable coatings that protect, enhance productivity and add beauty

Data as of FY 2016, all sales data refers to Net Sales; Mexico is included in Latin America

Axalta's Customer Focused Organization

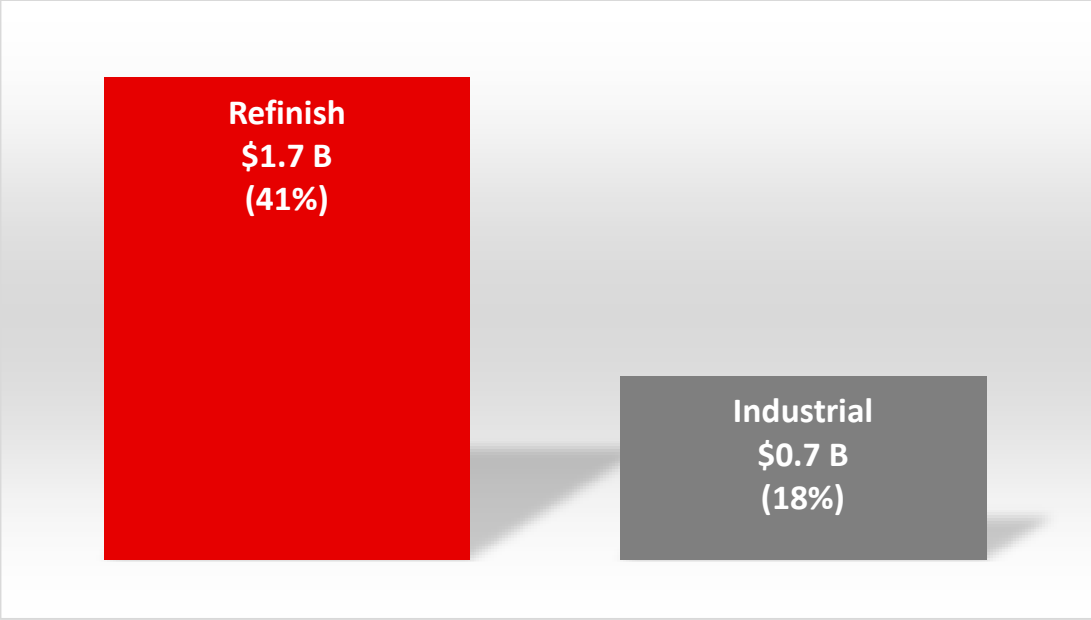


Axalta – A Global Leader In Coatings



Performance Coatings

\$2.4 Billion, 59% of Sales



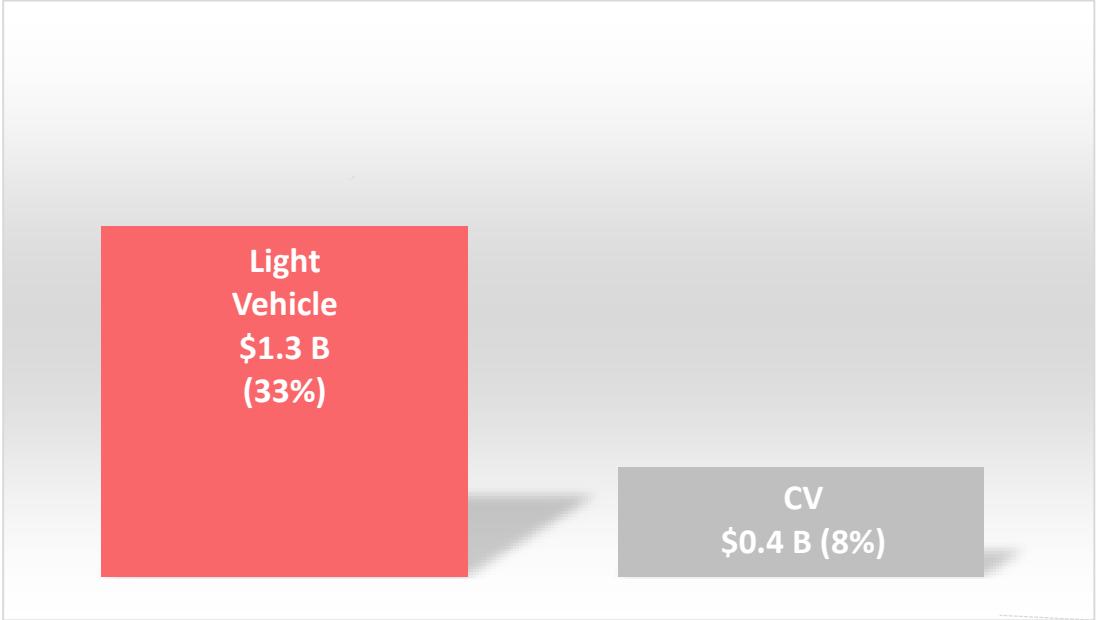
Body Shops

General Industrial,
Electrical Insulation, Architectural

Adjusted EBITDA^{1,2} - \$554 M (23% Margin)

Transportation Coatings

\$1.7 Billion, 41% of Sales



Light Vehicle / Automotive OEMs

Truck, Bus, Rail, Off-road OEMs

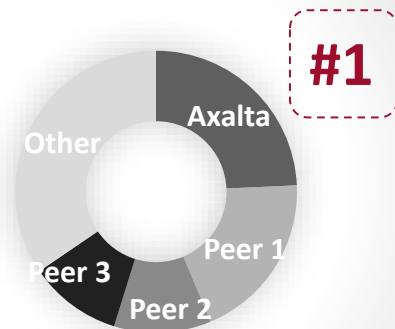
Adjusted EBITDA^{1,2} - \$353 M (21% Margin)

1. Financials for FY 2016, all sales data refers to Net Sales 2. Consolidated Adjusted EBITDA reconciliation can be found in the Appendix

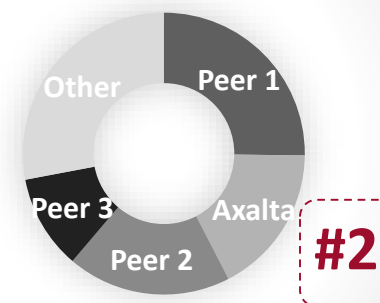
A Global Leader In Our Markets



Performance Coatings: Refinish



Transportation Coatings: Light Vehicle



Performance Coatings: Industrial

- #2 in powder coatings globally
- #2 in energy solutions coatings globally
- #2 in industrial e-coat globally

Transportation Coatings: Commercial Vehicle

- #1 supplier to North America heavy duty truck market
- Leading supplier to other offroad vehicle niches

~90% of Sales from Markets Where Axalta Has #1 or #2 Global Share

Source: Orr & Boss, Axalta estimates (2016)

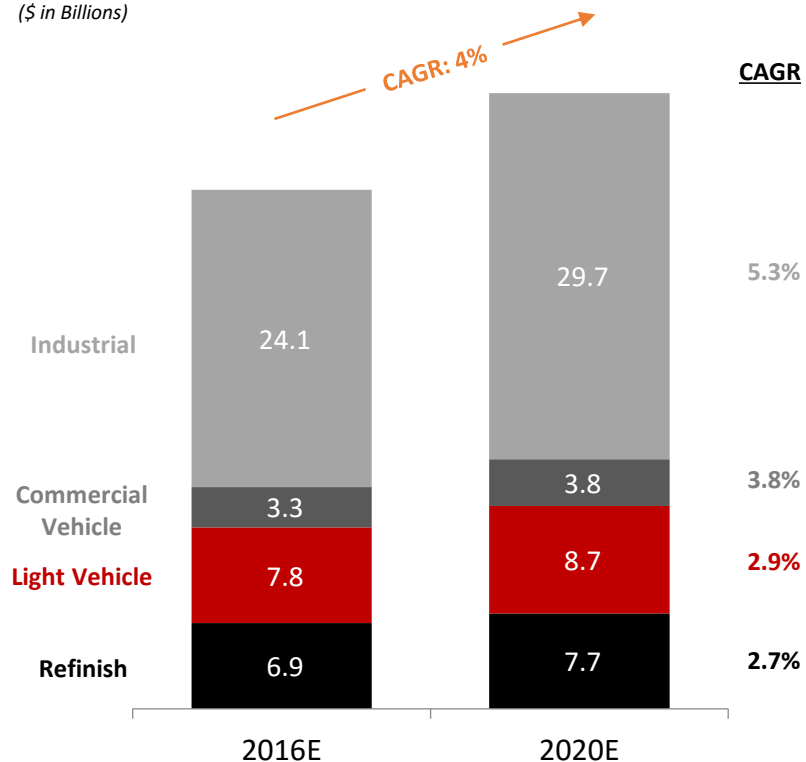
Structurally Attractive Global End-Markets



Strong Coatings Growth Outlook

Coatings Industry Sales

(\$ in Billions)



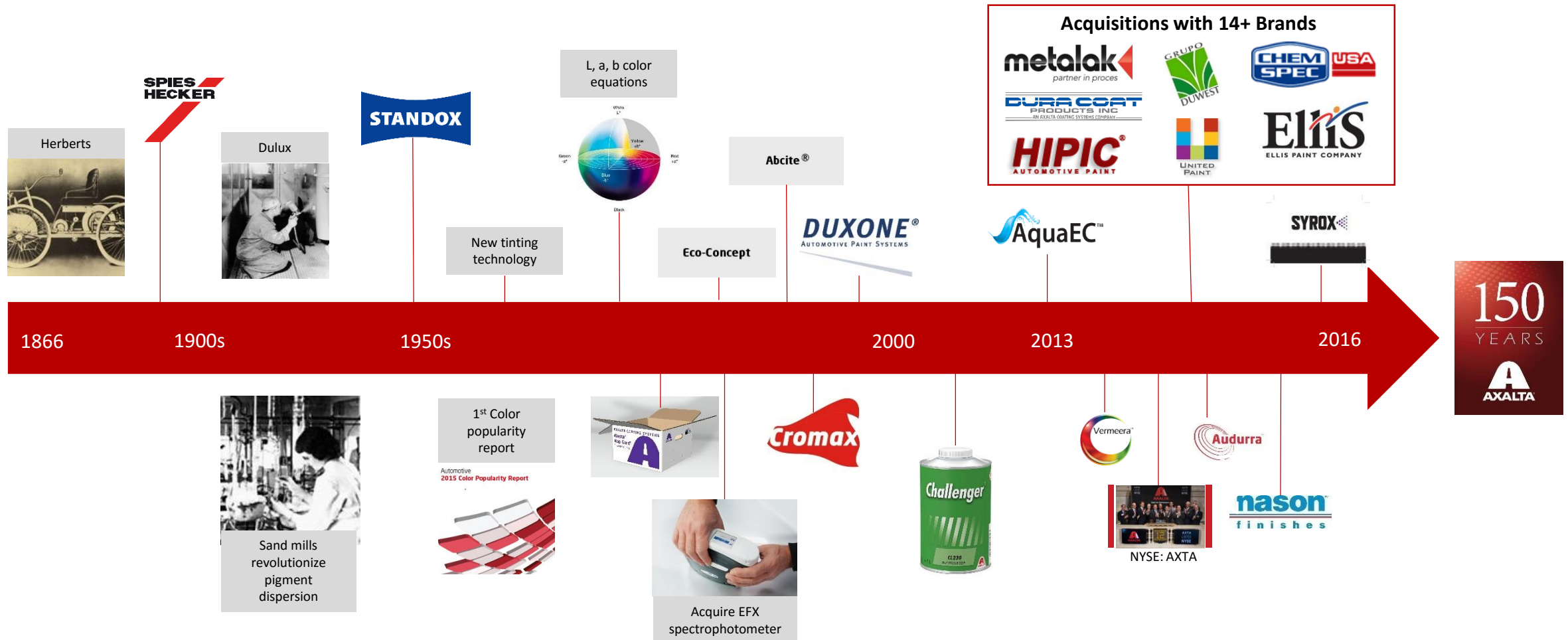
Source: Orr & Boss, Axalta estimates

Diverse Industry Growth Drivers

- **Refinish:** Car parc, miles driven and collision rates
- **Light Vehicle:** Emerging economies and middle classes; ongoing consumer strength in developed markets
- **Commercial Vehicle:** Global consumer markets expanding; infrastructure growth; professionalized logistics management
- **Industrial:** Global GDP and industrial production; application sophistication with enhanced functionality and durability

Long Term Alignment With Global Growth

Axalta's Foundation: A Product Development Timeline



Axalta offers >30 coatings brands for 100,000+ customers in 130 countries

Key Achievements in 2016



Stated Objective	Results
Grow the Business	- Net sales growth 4% ex-currency, including acquisitions - Outgrew our end-markets
Extend Core Strengths & Globalize	Extend our strong global foundation
Focus on Operating Improvement	Success in refining our operating model
Productivity Initiatives Improve Cost Structure	Exceeded expectations with \$64 million in combined 2016 cost savings
Continue High IRR Investments	Productivity & growth capex remain in high gear - \$136 M spend in 2016A
Active M&A Pipeline	Completed 6 bolt-on M&A deals in our core end-markets
FCF & Debt Paydown A Priority	Leverage ratios lowered to 3.0x (2.5-3.0x goal) ahead of schedule

2016 Consolidated Results

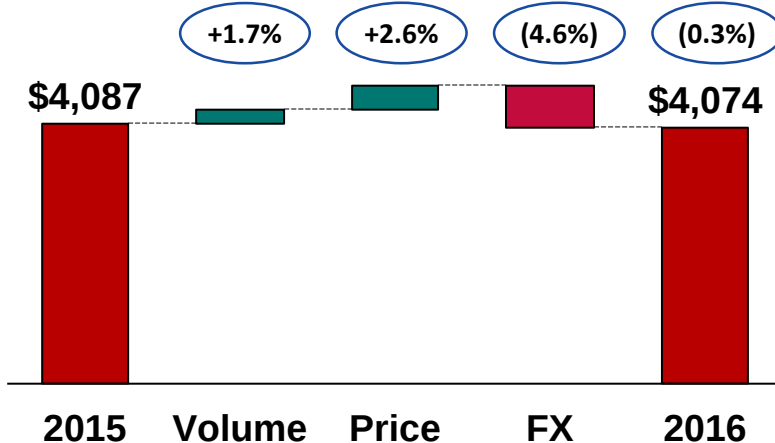
Financial Performance

(\$ in millions)	FY		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Performance	2,403	2,385	0.8%	6.6%
Transportation	1,670	1,702	(1.9%)	1.1%
Net Sales	4,074	4,087	(0.3%)	4.3%
Net Income ⁽¹⁾	42	94		
Adjusted EBITDA	907	867	4.6%	
Cash Flow ⁽²⁾	423	261		

(1) Represents Net Income attributable to Axalta

(2) Cash Flow from Operations less Capital Expenditures

Net Sales Variance



Key Financial Accomplishments

- 4.3% net sales growth, ex-FX
- 110 basis point Adjusted EBITDA margin expansion
- Strong continued progress on productivity initiatives
- Significant free cash flow generation
- Six acquisitions completed
- Completed exit of the Carlyle Group ownership stake
- Comprehensive debt refinancing; additional debt paydown
- Ratings upgrades from S&P and Moody's
- Lower adjusted book income tax rates from key structural initiatives

2016 Highlights



Wins

- 28 million OEM vehicles painted
- 100+ OEM coating systems launched
- 900+ new Industrial accounts
- Continued gains with multi-shop and independent refinish customers



Products

- 225+ new products, line extensions or fit-for-purpose technology applications
- Added 15+ brands from acquisitions



Recognition

- Multiple customer awards for technology, service and support
- Customer and industry awards for innovation and sustainable technologies



Key Goals For 2017



Stated Objective	Expected Results
Outgrow our End-markets	▪ New product introductions, broader global market penetration, benefit from consolidation in key end-markets
Execute on Structural Savings	▪ Continue to execute on structural cost savings through productivity initiatives
Maintain Active Operating Cost Discipline	▪ Begin rollout of global operating model, complexity reduction, active cyclical cost discipline, and footprint optimization
Drive Excellent Customer Service & Innovation	▪ Maintain focus on customer productivity and offering a broad and deep product choice
Disciplined Capital Allocation	▪ Target more bolt-on M&A deals for \$100+ million in cumulative spend
Continue FCF and Financial Discipline	▪ Focus on FCF and maintain leverage goals; begin to accelerate alternative capital allocation beyond debt reduction

Axalta's Journey For Shareholder Value Creation



Grow the Business; Invest to Outgrow our End-markets



Invest in Capacity

- Meet and anticipate global demand for liquid and powder coatings
 - ✓ 7 major completed projects
 - ✓ 2 projects in the pipeline
- 7 new or expanded customer training centers



CHINA
WATERBORNE PRODUCTION EXPANSION



USA
REFINISH WATERBORNE PRODUCTION

Invest in Technology

- Reorganized global team of more than 1,300 scientists, engineers and technicians
- Focused on technology for product, process enhancements and customer technical support
- \$165+ million in R&D spend in 2016
- Building or expanding four facilities



CHINA
ASIA-PACIFIC TECHNOLOGY CENTER



USA
GLOBAL INNOVATION CENTER - 2018

Employee Values and Behaviors to Drive Performance

Clear Values

We put our customers first

We take ownership in everything we do

We are driven to perform every day

We innovate with purpose

We succeed as a united team

- Code of Business Conduct & Ethics
- Incentives and metrics

Expected Behaviors

Service to our customers drives our work

Clear accountability

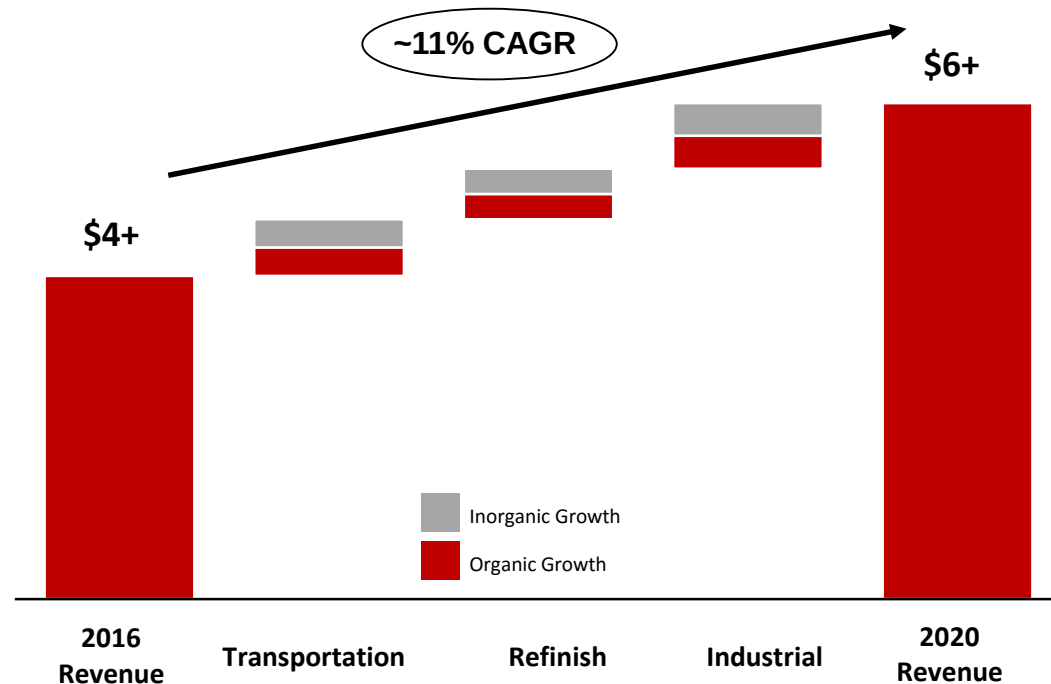
Get results, apply metrics

Commercial technology focus

Inspires and builds capabilities

We Are Driving Long Term Growth

Axalta Annual Sales (\$ billions)



Note: Assuming constant currency in growth projections

Comments

- Mid-single digit core growth assumed in the period
- Seeking to redeploy growing free cash flow in return accretive opportunities
- Improving ROIC from strong capital allocation in internal investment, M&A, and maximizing productivity
- M&A: Seeking better than market hurdle rates of return from bolt-on deals

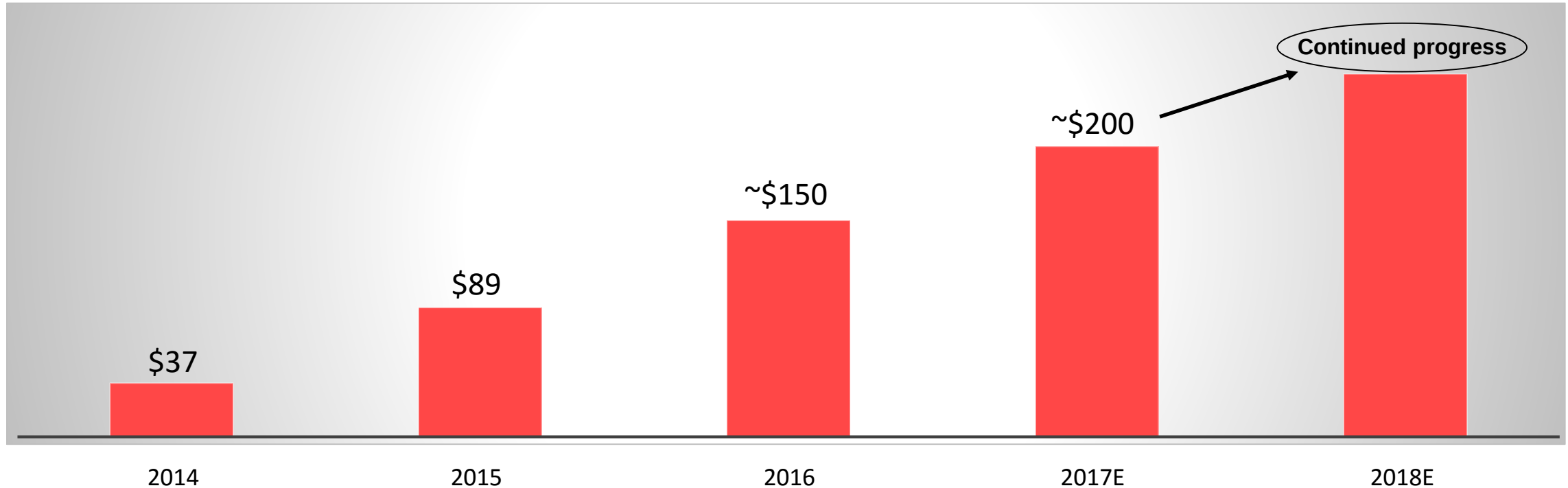
Organic Growth + FCF Deployment = Strong Topline Growth

Axalta's Journey For Shareholder Value Creation



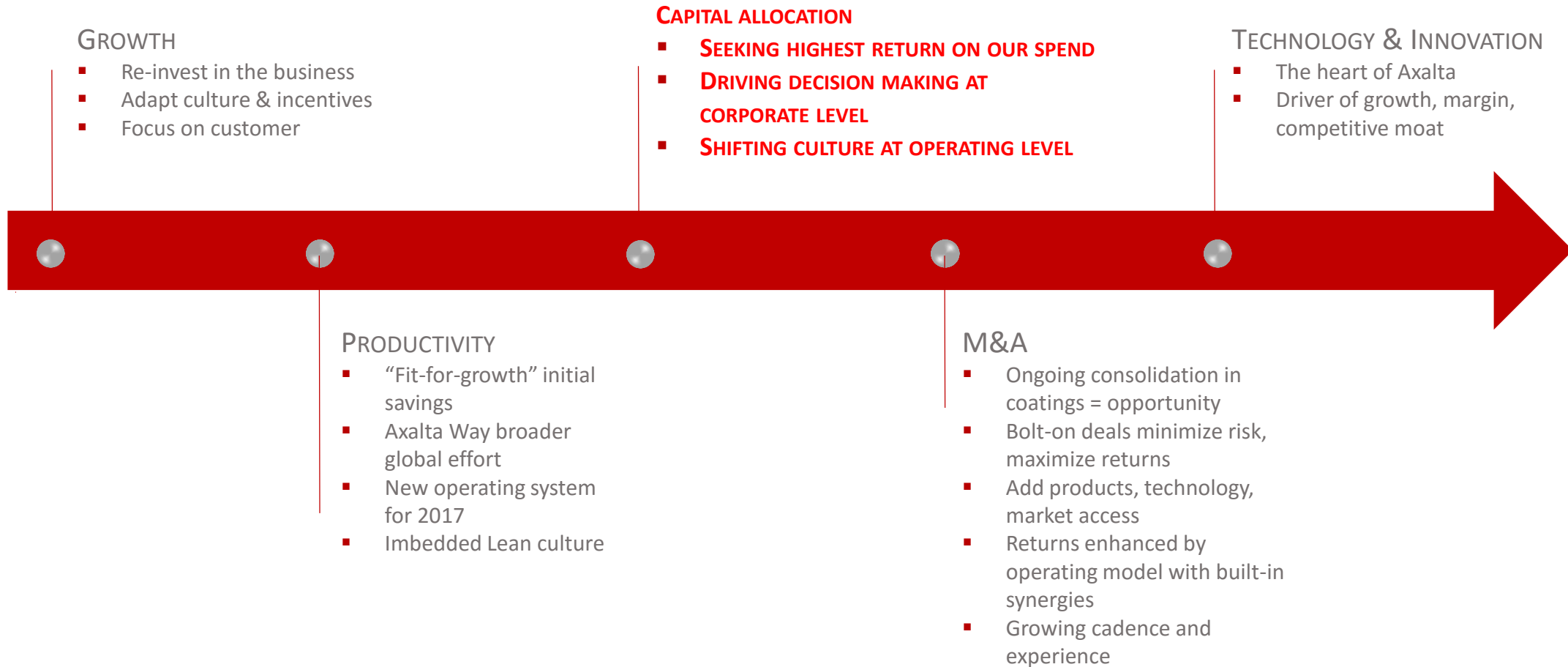
The Axalta Way: Driving Towards World Class Productivity

Cumulative Productivity Savings (\$ millions)

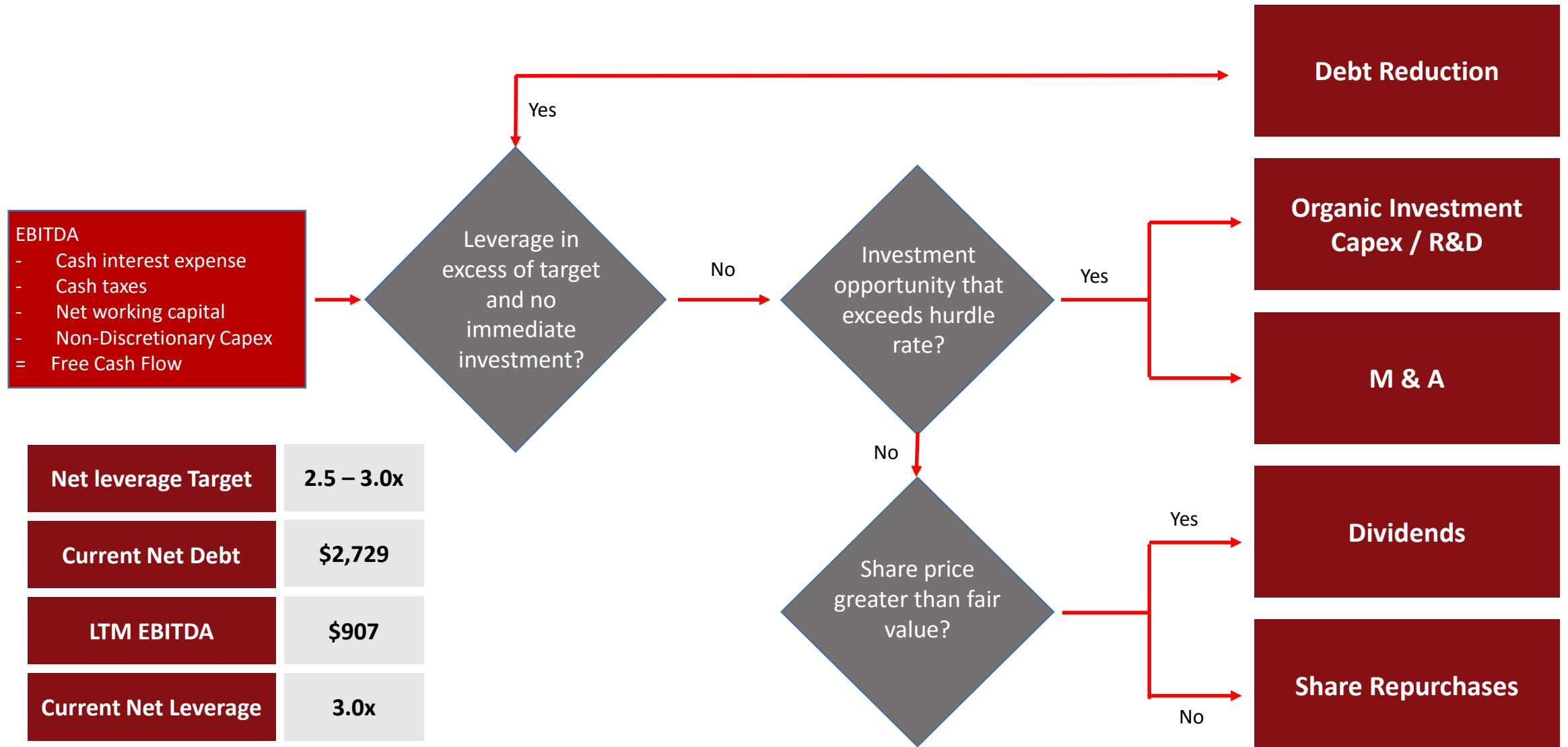


The Axalta Way: “A focused approach to doing business that drives profitability by improving our efficiency, productivity and growth opportunities every day, wherever we do business”

Axalta's Journey For Shareholder Value Creation



Capital Allocation: Optimizing our Deployment



Axalta's Journey For Shareholder Value Creation



M&A: Leveraging a Consolidating Coatings Sector



Acquisitions

- Provide access to new technologies, products, customers, and markets
- Leverage combined supply chains & distribution channels
- Develop process and marketing efficiencies and globalize products

2015



Metalak - Benelux
Refinish



Duwest - Central America
Refinish • Industrial • Architectural



ChemSpec - North America
Refinish

2016



High Performance Coatings
Southeast Asia
Refinish



United Paint
North America
Automotive Interiors



Dura Coat
North America
Industrial Coil Coatings



Ellis Paint
North America
Refinish • Industrial

2017 YTD



Century Industrial Coatings
North America
Industrial

M&A: Leveraging a Consolidating Coatings Sector

Benefits of Coatings Deals

- Immediate & medium-term synergies from procurement & supply chain, R&D, and access to new markets
- Potential to globalize previously regional products
- Ability to access new markets at appropriate cost structure
- Potential to leverage acquired facilities for additional production
- Acceleration of new product introduction plans
- Capital structure and human resource upgrade potential

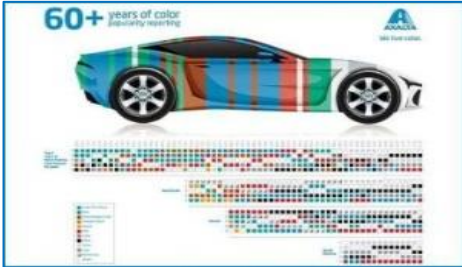
Examples of Technology Acquired

- Solvent- and waterborne rigid plastic coating systems for a variety of substrates
- Economy segment refinish formulations and capacity
- Low VOC paint systems for value segments
- Low VOC refinish poly-primer (sprayable)
- Sector-leading durability and low VOC industrial coil coatings

Axalta's Journey For Shareholder Value Creation



Significant Competitive Advantages

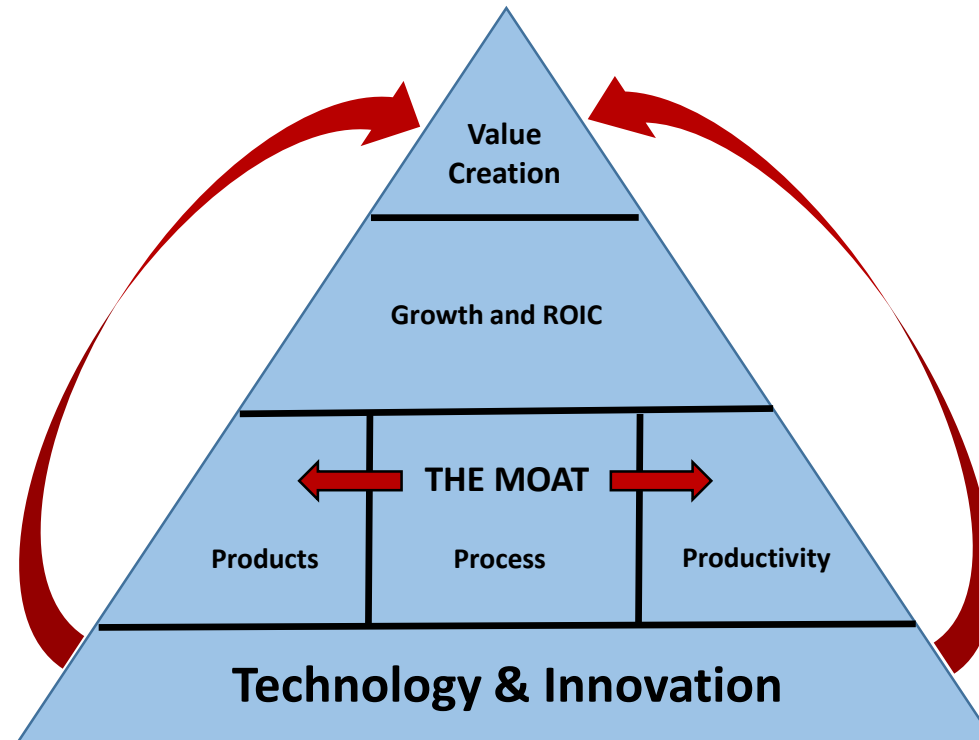
Product		Process	Distribution & Technical Services	
Technology Innovation	Extensive Formulation Database	Deep Process Technology Knowledge	Go-To-Market With Strong Brands	Differentiated Technical Support
				
• 1,300+ technology employees • 800+ patents, 365+ trademarks • \$165+ million annual spend	• 4+ million color variations • Hundreds of formulations in automotive & industrial	▪ 46 plants on 5 continents ▪ Significant legacy capital investment ▪ Process technology is hard to replicate	▪ Deep coatings heritage since 1866 ▪ Broad global brand portfolio	▪ Dedicated employees in OEM plants ▪ Technical support to body shops

Differentiated Franchise with Global Scale and Strong Competitive Advantages

What Is The Role of Technology at Axalta?

Technology is Axalta's Backbone

- Fuels the growth pipeline
- Maintains the competitive edge by ensuring quality, consistency and process improvement
- Helps drive customer productivity and loyalty
- Informs capital investment decisions
- Drives strategic direction



Maximize Technology Leverage

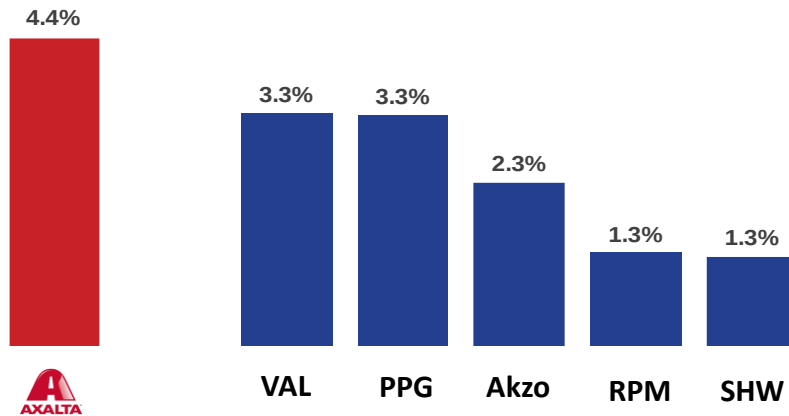
- Technology can drive enhanced returns, not just defend the castle
- Measure, refine, maximize ROI
- From cost-center to strategic partner
- Refocus on the customer vs. reward for patents developed
- Conserve capital for maximum impact projects
- Develop fit-for-market products to serve emerging economies

Technology is the Axis of Value Creation for Axalta

Axalta's Future Rests On A Foundation Of Technology Investment

Significant technology investment

Technology Investment As % Net Sales



Note: Peer data is FY 2015; Axalta is FY 2016

We have an active product pipeline

- We will introduce >250 products in 2017
- >800 new products to be introduced over the next 3 years

We continue to invest for growth

- Philadelphia Global R&D Center – 2018
- New China facility - phased ramp-up of storage, Refinish, OEM & Industrial production
- Other capacity expansions in Argentina, India, France, others

Technology & service drives our growth

- Record total refinish shop conversions in 2016
- New refinish technology enhances productivity moat for premium shops
- Success in OEM productivity gains continues
- Industrial is generating growth from tailored products and services offered

Axalta Success is Driven by the Axis of Product Systems and Focus on the Customer



Thank You



Technology Drives Axalta's Performance

Barry Snyder
SVP, Chief Technical Officer

Technology Is The Foundation Of Axalta's Success

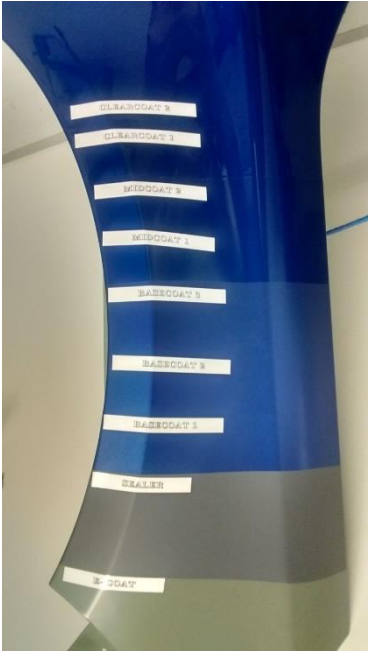
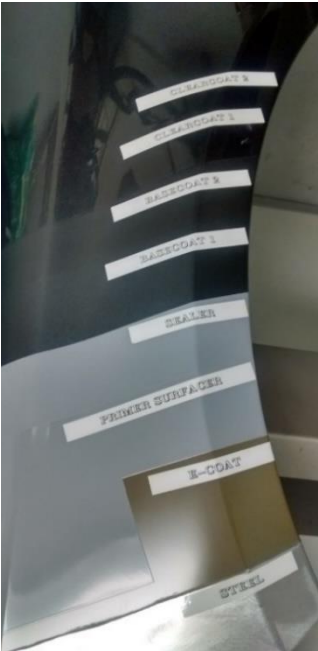
We Innovate with Purpose

- 150+ year track record of coatings innovation
 - ✓ ~4% of sales is invested in technology annually
 - ✓ 4-year Vitality Index >45%
- Comprehensive product range
 - ✓ ~10,000 SKUs tailored to customer needs
 - ✓ Broad and deep offering in automotive, commercial, industrial
- Deep capabilities to meet customers' needs
 - ✓ Applications know-how
 - ✓ Color technology
 - ✓ Polymer and formulation chemistry

Technology at Axalta is based on converting chemistry, physics, and materials science into practical solutions to solve real world problems that improve our customers' businesses.

Our Strong Market Share is Based on a Foundation of Technology and Innovation

Axalta Automotive Coatings: We Build Performance Into Each Layer



	Axalta Technologies	Performance Benefits
Clearcoat	- Resin technology - Proprietary additives	- Appearance - Mar and UV resistance
Basecoat	- Dispersion processes - Proprietary resins & additives - Color modeling	- Color and effect delivery - Productivity
Primer	- Resin technology - Dispersion processes	- Adhesion - Chip protection
Electrocoat	- Catalyst technology - Proprietary additives	- Corrosion resistance - Appearance

Technology Strategy - Driving Differentiation

World-class capabilities...

- Infrastructure
 - ✓ Facilities
 - ✓ Tools and processes
- Organization
 - ✓ Capabilities
 - ✓ Focus
- Core strengths
 - ✓ Color
 - ✓ Polymer chemistry
 - ✓ Customer applications



...aligned with businesses to grow...

- Fit-for-purpose products
 - ✓ Tailored solutions
 - ✓ Rapid turnaround
- Customer support
 - ✓ Color delivery
- Market extensions
 - ✓ Technology translation
 - ✓ Product/technology acquisitions



...and build the future

- Future technology pipeline
 - ✓ Next generation
 - ✓ Lighthouse
- New capabilities
 - ✓ Process technology
 - ✓ Raw materials
- Retooled approach
 - ✓ Complexity management
 - ✓ External innovation



Technology Investment Is Our Foundation

- 1,300+ scientists, engineers and staff
- \$165+ million annual spend; ~4% of net sales

Product	Research & Development	▪ Technology development ▪ Product development
Process	Production & Raw Materials Technology	▪ Manufacturing process improvement ▪ Cost reduction
Service	Customer Technical Support	▪ Product optimization ▪ Customer technical service

Primary Laboratory Facilities Globally



Global Innovation Center (Philadelphia, 2018)

Mt. Clemens MI

Wuppertal, Germany

Shanghai, China

30 Country Facilities & Centers of Excellence

Axalta Connects Technology Innovation To Evolving Customer Requirements

Axalta Technology

Product

Process

Service



Benefits Created At Two Value Chain Steps

Customer

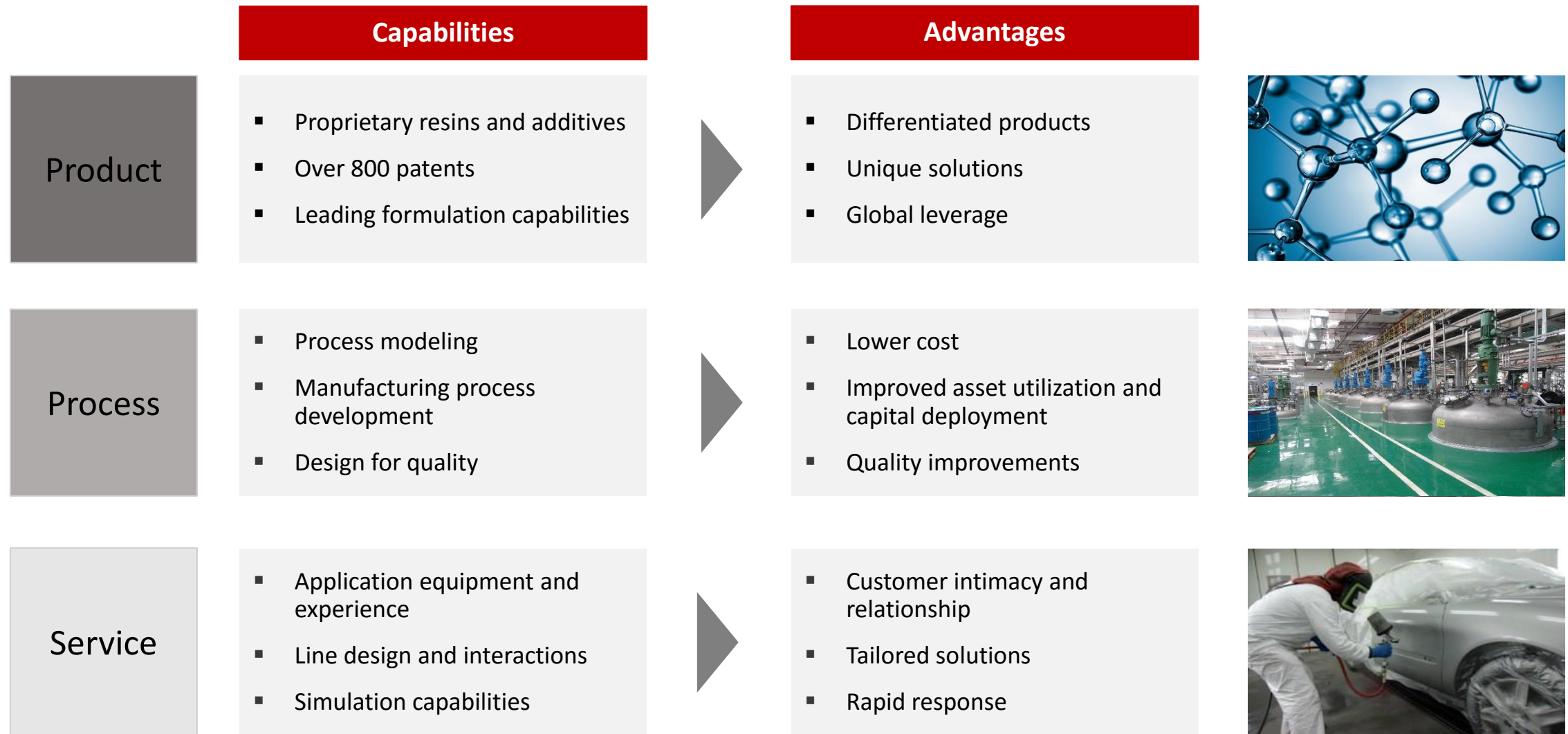
- Ease of use
- Productivity
- Compliance

End-User

- Appearance
- Durability
- Protection

Value Creation Stems From the Integration of Products, Quality, Consistency, and Customer Support

Unique Technology Capabilities Create Competitive Advantage



Improving Axalta's Technology Function

Current State Assessment

Approach

Innovation Philosophy	
Technology Base	
Business Integration	
Competitiveness	

Evolving

- Balance portfolio
- Close capabilities gaps
- Partner with businesses
- Complete product lines

Infrastructure

Laboratory Footprint	
Organization & People	

Maturing

- Integrated facilities with centers of excellence
- Focused organizational units
- Delivery mentality

Processes & Systems

Metrics	
Quality	
Process Improvement	
Globalization	

Developing

- Processes and metrics drive performance
- Quality by design
- Global technologies/local products

Significant Opportunity to Build on our Solid Foundation

The Axalta Way: Improving Technology Capabilities and Operations



Processes

- Portfolio Management
- Project Management
- Change Management

Productivity

- Integrated Facilities
- Global Platforms
- Complexity Management

Output

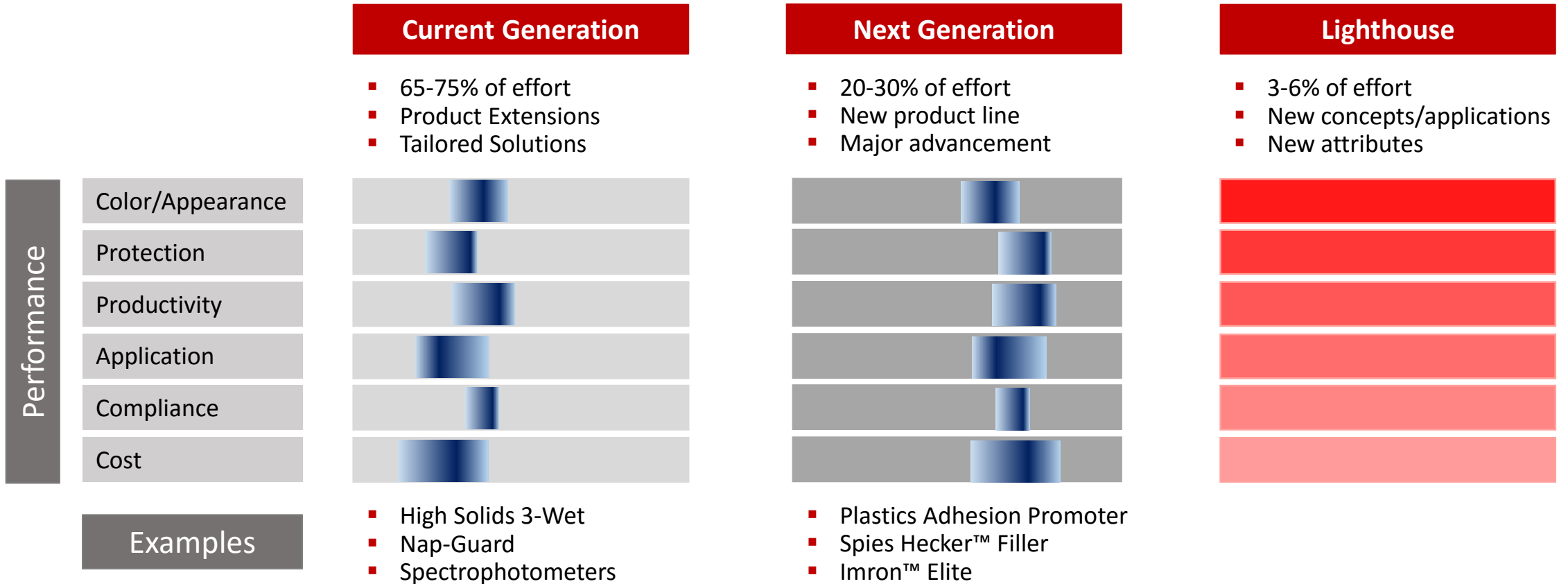
- Flawless Launch
- Design for Quality



Shanghai, China Technology Center

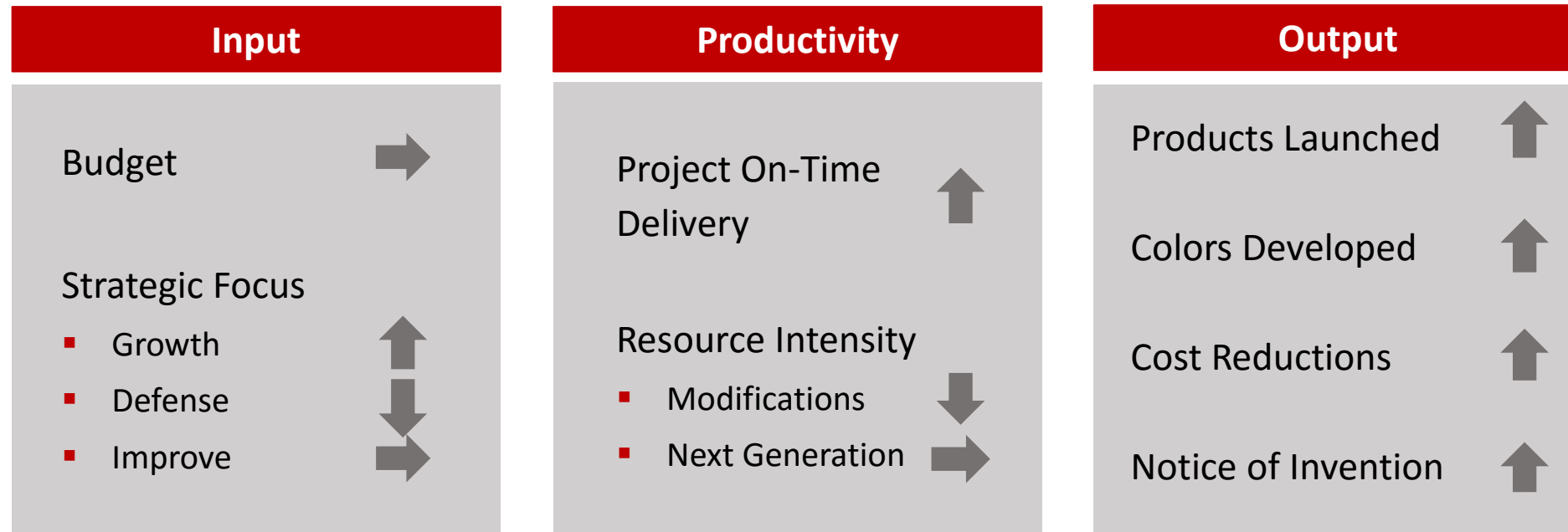


Portfolio Management & Roadmaps Drive Axalta Innovation



Balanced Approach to Delivering Solutions for Today's and Tomorrow's Customer Needs

Metrics Drive Performance Improvement In Technology



Goals and Tools

- | | | |
|---|---|----------------------------|
| ▪ Cost control | ▪ Improved execution | ▪ Growth & customer impact |
| ▪ Align investments with growth targets and Axalta Way business improvement | ▪ Improve efficiency with standardized work practices | ▪ Increased innovation |

Axalta Coating Technologies – Tailored Solutions To Meet Customer Needs

Refinish	Industrial Coatings	Transportation Coatings
Coatings ▪ 1 and 2 Component ▪ Water- and Solventborne ▪ Acrylic, Urethane, Proprietary Compositions ▪ Solid, Effect and High Chroma Dispersions	Liquid Coatings ▪ Water- and Solventborne ▪ Oligomer Chemistry ▪ Epoxy, Fluoropolymers, Alkyds, Polyamideimide, Urethanes, Polyesters ▪ Anti Corrosive Technology, Zinc-rich Systems ▪ Electrodeposition	Light Vehicle ▪ 1 and 2 Component ▪ Low VOC, Waterborne, Medium and High Solids Solvent-borne ▪ Urethanes, Acrylics, Melamine, Silane-functional ▪ Conventional and Harmonized Coatings Technologies™
Color Tools ▪ Color Modeling ▪ Effect Modeling ▪ Match and Formulation Algorithms ▪ Spectrophotometric Systems	Powder Coatings ▪ 100% Solids ▪ Functional Epoxies, Fluoropolymers, Acrylics ▪ Bonded Metallics ▪ Heat Reflective	Commercial Vehicle ▪ Water- and Solventborne ▪ Acrylic, Urethane, Silane Functionality ▪ Fast Cure and Low Temperature Cure ▪ Rheology Control

Axalta Technology Is Driving Hundreds Of Product Launches



Refinish



Mainstream Easy Application Waterborne Basecoat



Low VOC Solventborne Basecoat



Economy Basecoat



Ultra Productive Primer

Industrial Coatings



Alesta®
AR400 Arcadia Silver
New Architectural Grade Silver Metallic

Alesta®
AR400 Anodic Natura
New Architectural Grade Silver Metallic



AquaEC™
Series 6100 Electrocoat



Made in Austria
Voltatex® 1262



Made in Austria
Voltatex® 1250 V

Transportation Coatings



Premium Clear Coat



Productive Coating Systems



Plastics and Interiors



Carbon Fiber Coatings



High Chroma Colors



- Technology investment is our foundation
- Axalta connects technology innovation to evolving customer requirements
- Axalta builds performance into each coating layer
- Technology drives business growth, enhanced returns, and protects our competitive moat





Thank You

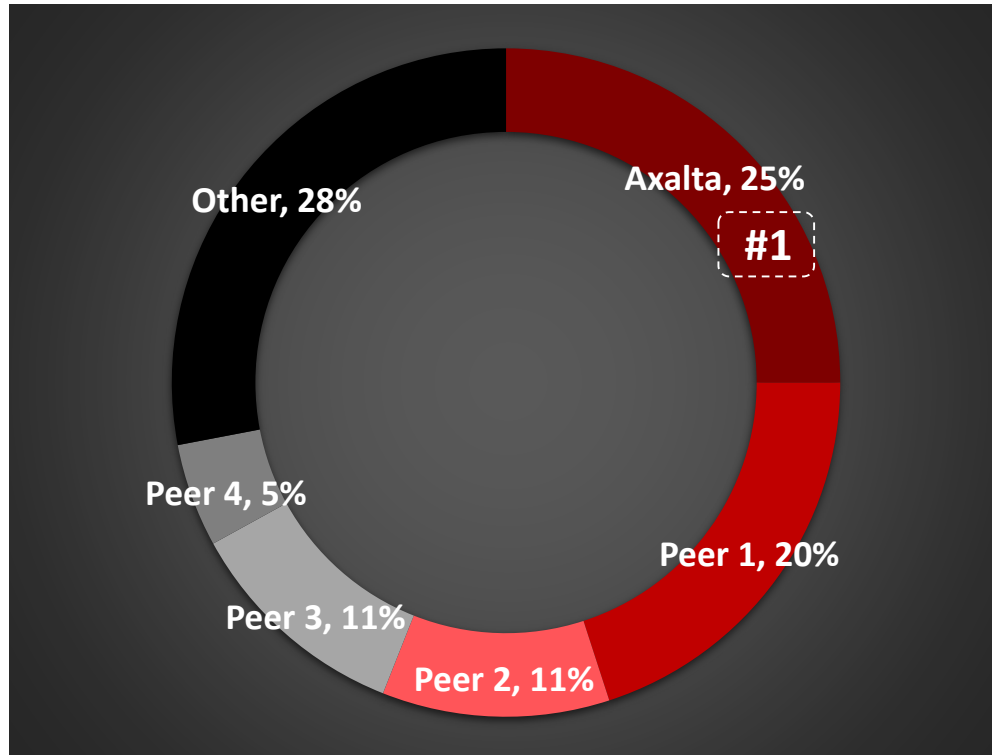


Refinish Technology

Michael Carr
VP, President, North America

Axalta Is The Leader In Global Refinish Coatings

Refinish End-Market Share \$6.9 Billion Sales



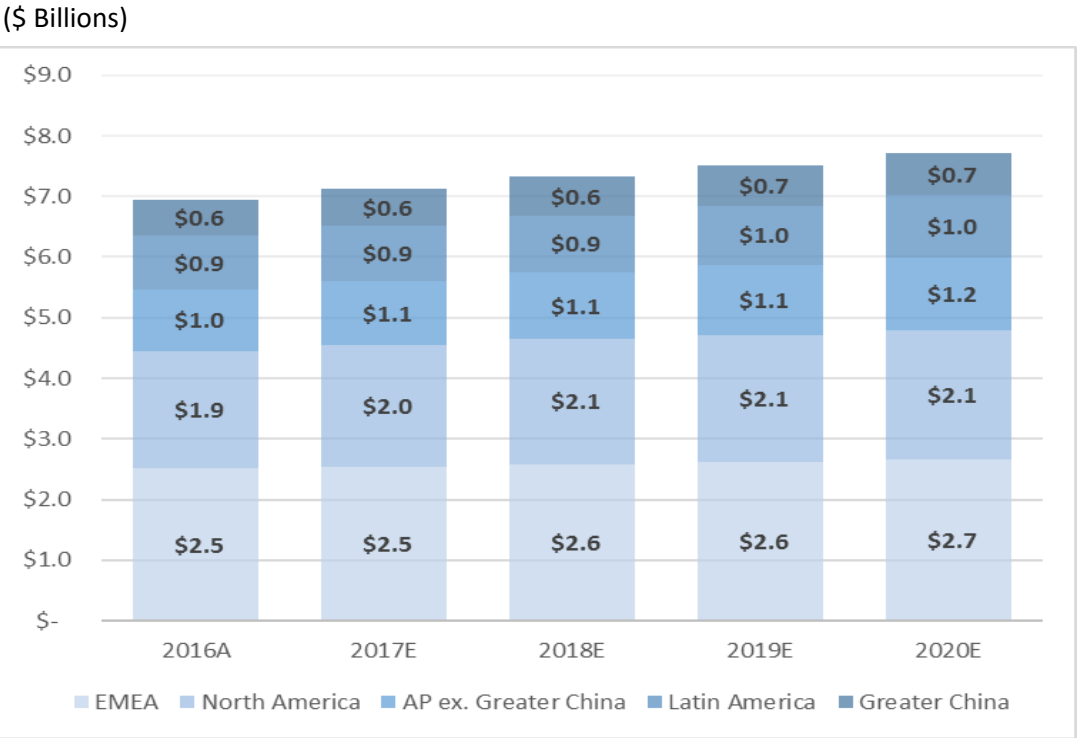
Source: Orr & Boss (2017)

A Strong Position in a Growing Industry

- Leading market share position; industry estimated to grow at ~3% CAGR through 2020
- We are the Refinish technology leader, driving productivity and value for our customers
- Segment, market and competitive forces support favorable profit dynamic
- Broad and diverse brand presence that fits all customer needs across the value spectrum
- Strong global presence drives diverse growth opportunities

The Global Refinish Market Is Attractive And Dynamic

Refinish Industry Sales by Region



3.6% CAGR 2016-2020

EMEA	North America	AP ex. Greater China	Latin America	Greater China
2.0%	3.0%	6.1%	4.5%	6.7%

Industry Dynamics Align with our Core Competencies

- Growing eco-regulations require innovations
- Performance needs drive technology improvements
- Consolidation trend supported by field sales model

Market Requires Innovation to Drive Growth

- Color requirements continue to increase
- Productivity demands innovation
- Targeted channel strategies aligned to customers
- Field service addresses training challenges

Source: Orr & Boss (2017)

The Market Opportunity In Global Refinish



North America

- Axalta benefits from MSO consolidation
- Leading VOC-compliant products meet environmental regulation shifts
- Opportunity for growth in value product lines



EMEA

- Strong market access through leading brands and distributors
- Diverse region with both mature and developing markets
- Environmental regulations driving waterborne adoption



Asia Pacific

- Growth driven primarily by expansion of the Chinese car parc
- Significant OEM influence in collision repair and insurance industry
- Opportunity for growth in value product lines

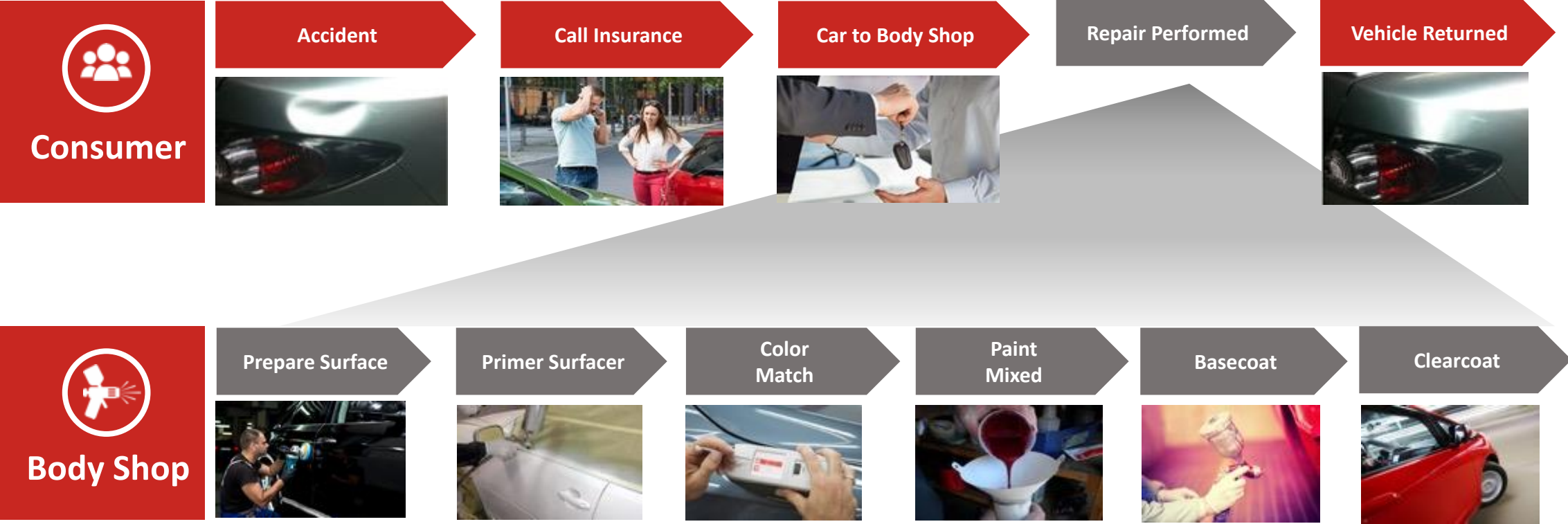


Latin America

- Mexico and Brazil represent Axalta's largest Latin America markets
- Price increases help offset inflation and currency devaluation
- Opportunity for growth in value product lines

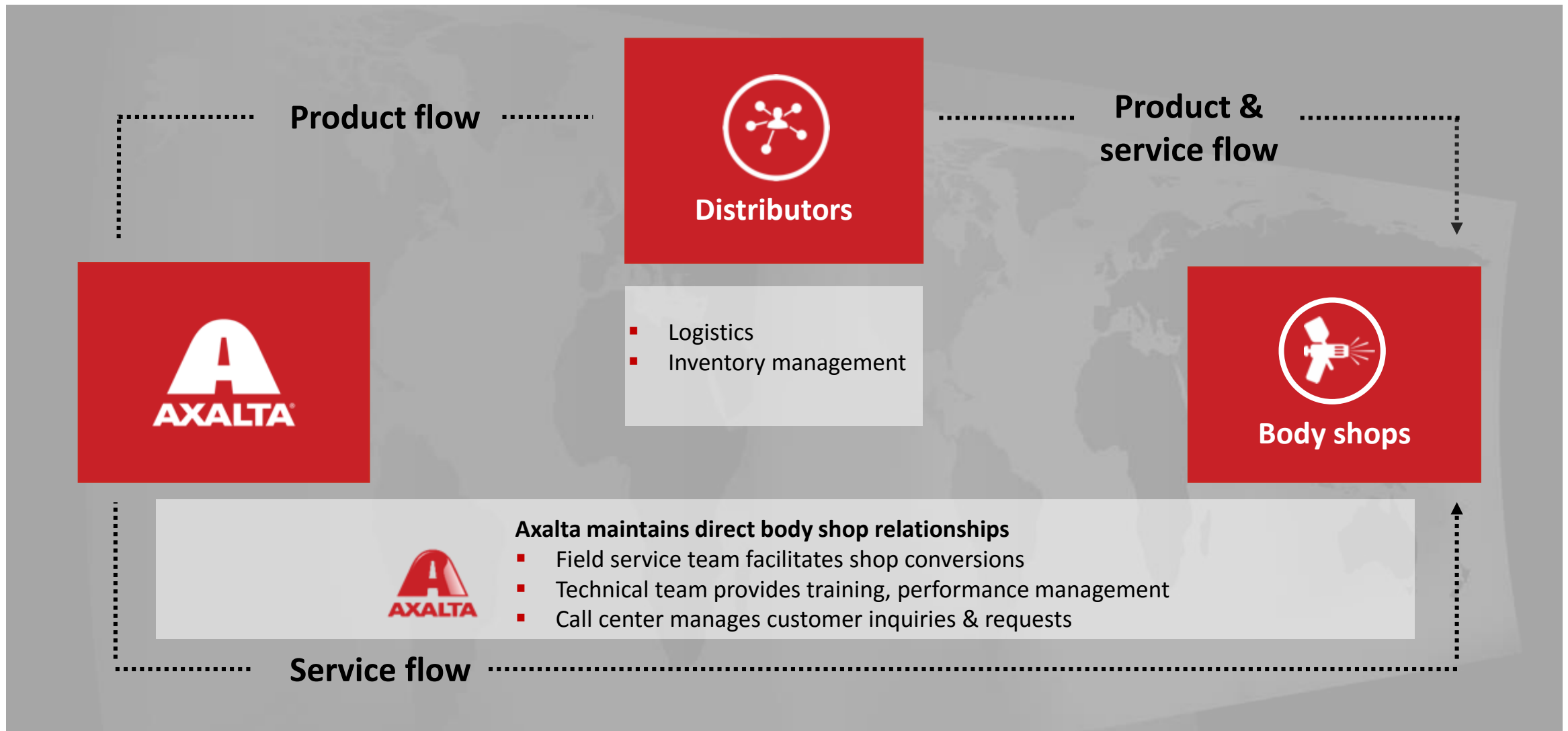


The Refinish Process At A Glance



Customer Satisfaction Depends on Quick, High-Quality, Cost-Effective Repairs

The Refinish Market Uses A Sell-Through Model



Axalta Had Many Successes In 2016



Launched Innovative Products and Services to Address Customer Challenges



Ultra-Productive, Low-Energy Clearcoats



40,000th Spectrophotometer Shipped



Easy Application Waterborne Basecoat



Ultra-Productive Primer



New Training Center in Charlotte



MSO Growth Drives Axalta Market Share Gain



Motorsports Partnerships Drive Customer Engagement



Axalta's Product Technology Addresses Customer Challenges

Customer Challenges

- Insurance KPI performance
 - Cycle time (car delivery)
 - Productivity and facility utilization
 - Organic growth (same store sales)
-
- Quality – customer satisfaction
 - Color Match and final Appearance
 - Labor shortage
 - Painter turnover and learning Curve
-
- Environmental and regulatory compliance



Axalta's Product Innovation Response

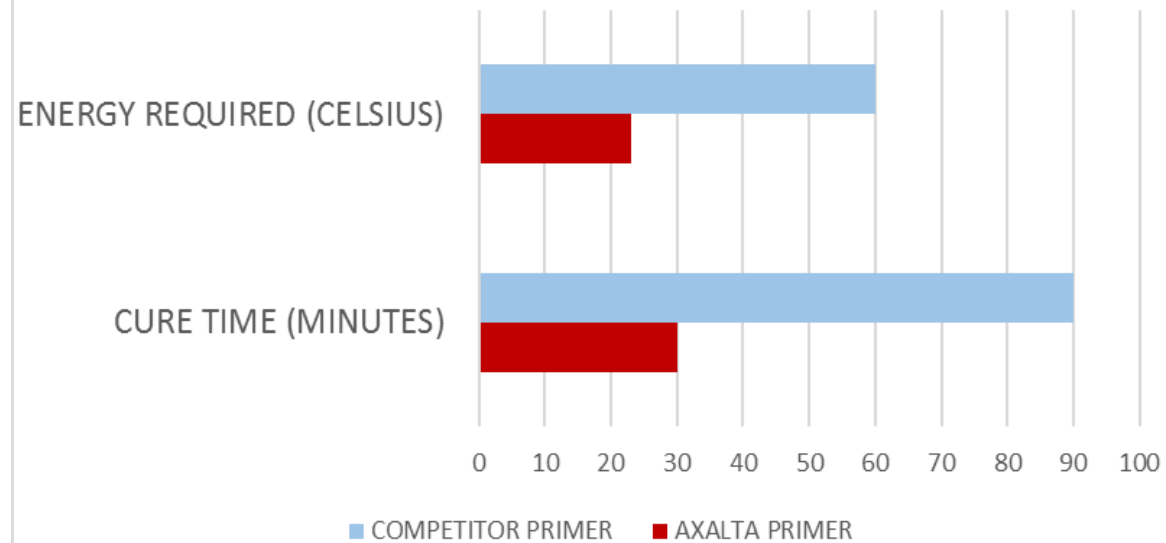
- Industry leading productivity
 - 50% less coats to hide
 - Easy, non stop wet-on-wet process
 - Fast clears/primers
- Color
 - Rapid match via spectrophotometer
 - Most OE approvals in the market
- Environmental
 - VOC compliant products
 - Energy savings

Refinish Product Example

High Productivity Primer

- Axalta primer improving productivity by close to 3x
- Direct to metal application improves cycle time
- Axalta primer improves profitability and sustainability

Primer cure time and energy requirements



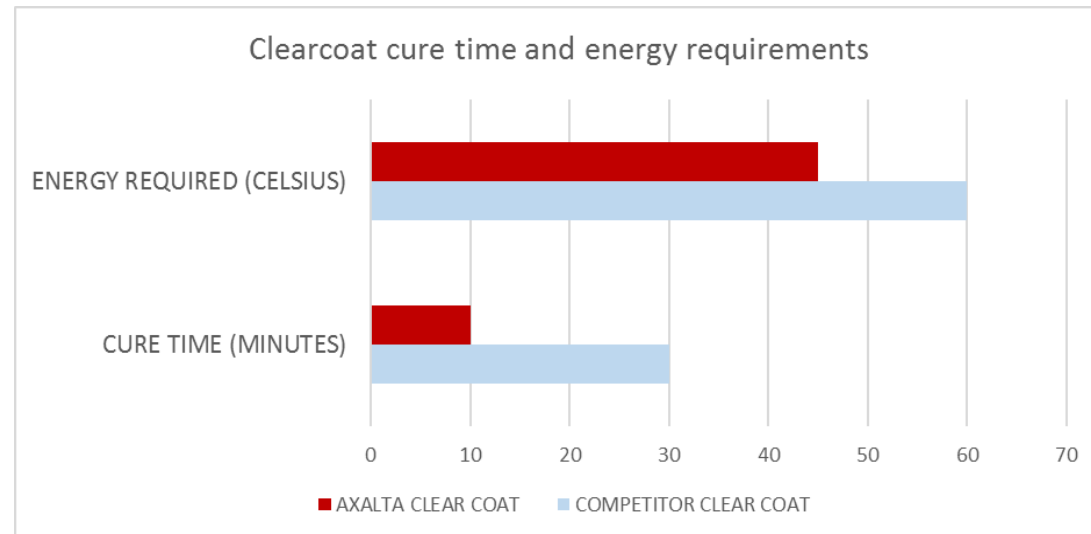
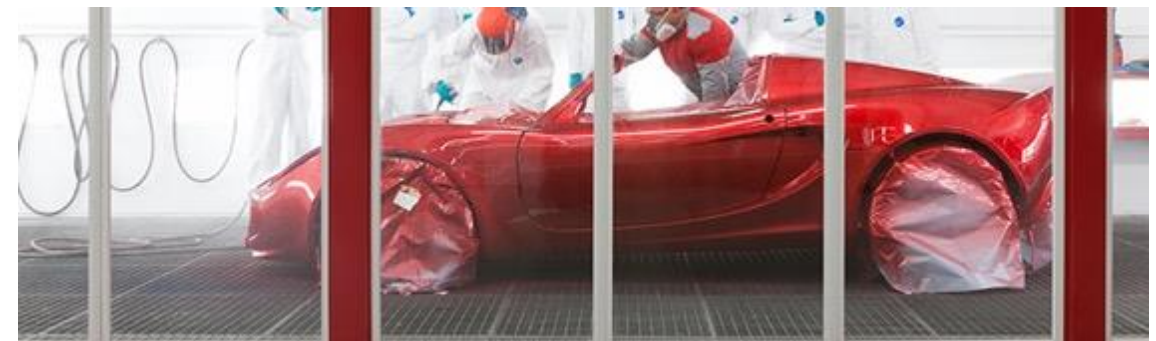
A graphic consisting of three overlapping squares. The central square has a red border. Two other squares, one with a white border and one with a black border, are partially visible behind it, offset to the top-left and bottom-right. The text "SURFACER TECHNOLOGY FOR REFINISH" is centered within the red-bordered square.

SURFACER TECHNOLOGY
FOR REFINISH

Refinish Product Example

High Productivity Clearcoat

- Clearcoat technology requires 33% less energy
- Axalta cure time is 66% less than competitive products
- Superior appearance appeals to customers; won Renault supplier award
- Gained significant market share in first two years



A graphic consisting of three overlapping squares. The central square has a thick red border. The two squares behind it have thin white borders and are slightly offset. The text is centered within the red square.

HIGH PRODUCTIVITY REFINISH
CLEARCOAT TECHNOLOGY

Axalta's Refinish Service Model Delivers Innovation

Customer Challenges

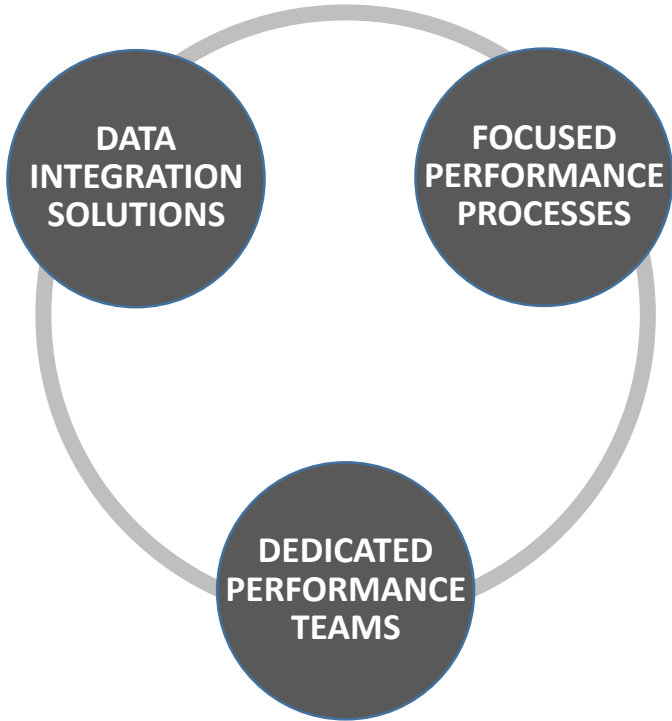
- Insurance KPI performance
 - Cycle time (car delivery)
 - Productivity and facility utilization
 - Organic growth (same store sales)
-
- Quality – customer satisfaction
 - Color Match and final appearance
 - Labor shortage
 - Painter Turnover and learning curve
-
- Environmental and regulatory compliance



ProfitNet



Service & Digital Innovation



Axalta Differentiates Through Services and Support



Leverage Information Technology to Improve Productivity

PROFITNET



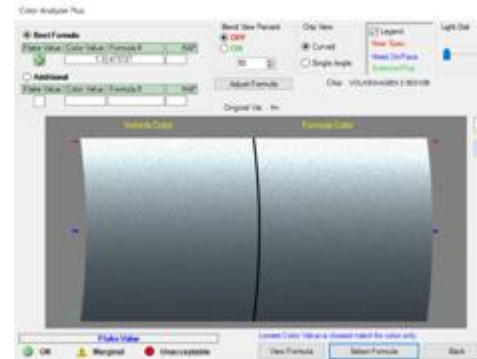
- Management System
- Collect Sales Data
- Key Input for Performance

ACQUIRE PLUS EFX



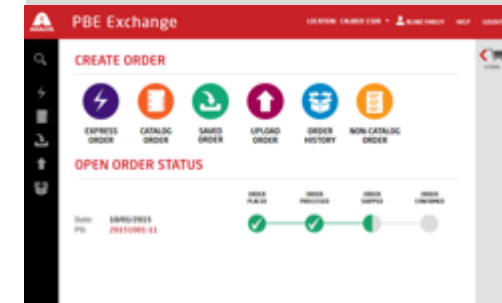
- Read Color and Flake
- Fastest way to find right match

COLORNET



- Color Retrieval System
- Find and Match Color Fast
- Mix Calculator based on Sales

PBE EXCHANGE



- Ordering System
- Inventory and Budget Control
- Consumption Based Purchase

Proprietary Information Systems Improve Productivity and Lower Customer Costs

Refinish Service Example

Color Match

- Most critical customer attribute
- Simple color retrieval for painters
- Improves cycle time and productivity
- Best in Class spectrophotometers allow fast, easy access to color formulas



COLOR MEASUREMENT
TECHNOLOGY

Axalta Differentiates Through Services and Support



End Customer Focused Performance Management Process

P&M SCORECARD



- Performance Dashboard
- Real Time Data Collection
- Drive Resource Deployment

AREAS OF FOCUS



- P&M Profitability
- SOPs Implementation
- Estimations Improvement
- Top Line Sales Growth

RESOURCES



- Focus on Account Management
- Act on data not collect data
- Process and Product Usage
- Productivity and Consumption

TRAINING



- In Shop or On Demand
- Tailored Content by Customer
- Technical and Business
- Online Content with Usage

Uniform Shop Management, Training Processes, and the Largest Technical Sales Force

The Future Roadmap



Color & Aesthetics



- Perfect color match for new vibrant colors
- Unique pigments
- Improved gloss

Productivity



- Next generation productive basecoats
- Faster cure clearcoats and primers
- Lower complexity, easy to use spray systems

Environmental



- Environmentally friendly waterborne product lines
- Products with reduced energy consumption
- Renewable raw materials

Targeted M&A To Complement Organic Growth



- Global M&A is a key component of the Axalta growth strategy
- Target profile: Attractive, bolt-on businesses offering new technology, incremental channels and/or expanded market access

Refinish Summary



- Axalta is the global market leader in the growing refinish market
- Our strong market presence enables growth opportunities in every region
- Innovative product technology differentiates Axalta and drives body shop productivity
- Customer-focused service offering addresses evolving body shop challenges
- Targeted M&A complements organic growth





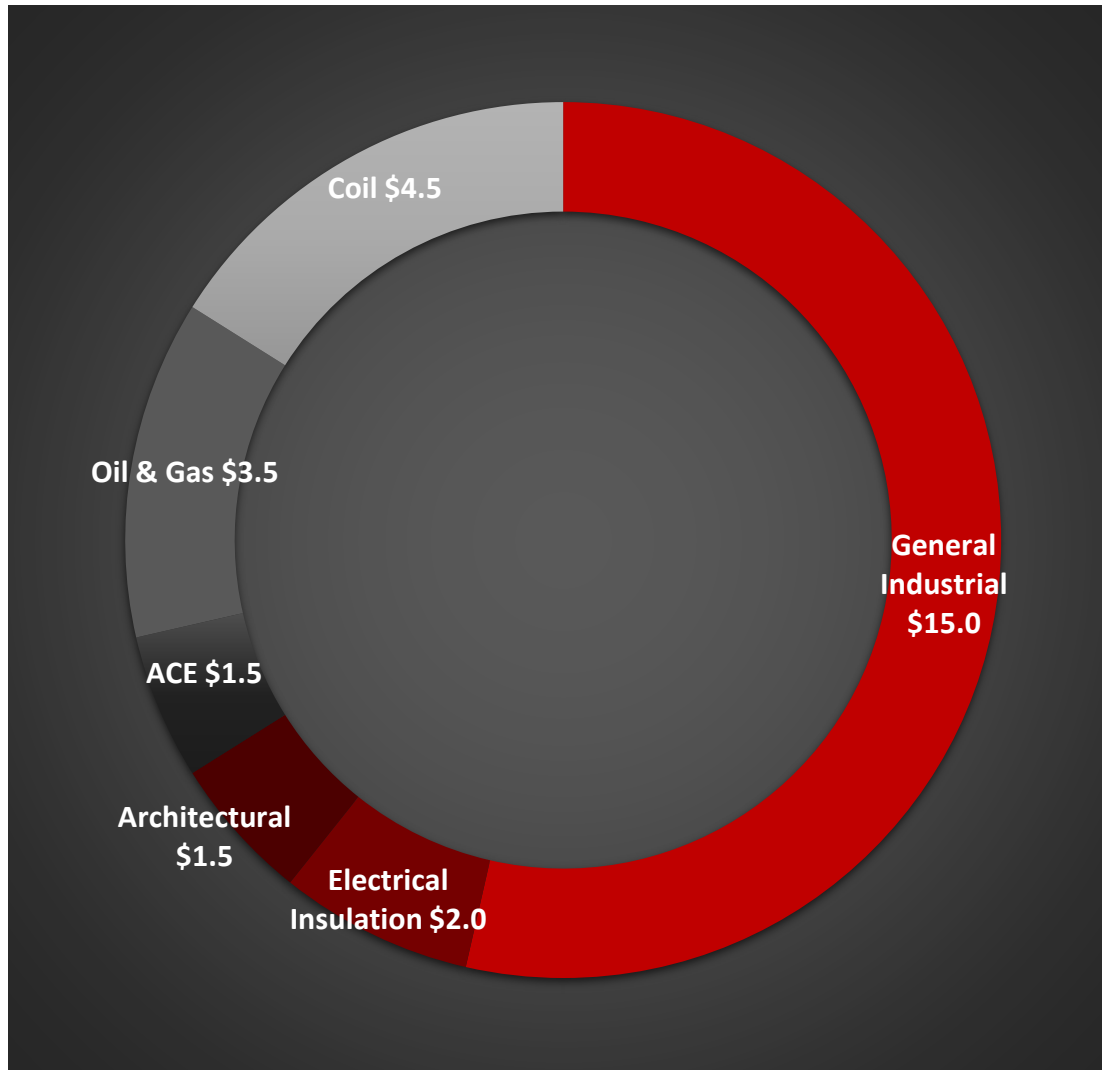
Thank You



Performance Coatings: Industrial

Michael Cash
SVP, President, Industrial

Industrial Coatings: A \$28 Billion Market Opportunity For Axalta



Source: Coatings World, Axalta estimates

Industrial Coatings Drivers

Volume growth driven by global GDP and Industrial Production

- China drives >40% of global industrial coatings consumption
- Commercial architectural market has seen ongoing recovery

Coatings suppliers are consolidating

- Consolidation driven by scale advantages and globalization of some end-markets; many niches remain regional and fragmented

Technology innovation is a catalyst for growth

- Drivers include demand for environmentally sustainable products, customer focus on productivity, improved corrosion and wear resistance and enhanced color choices

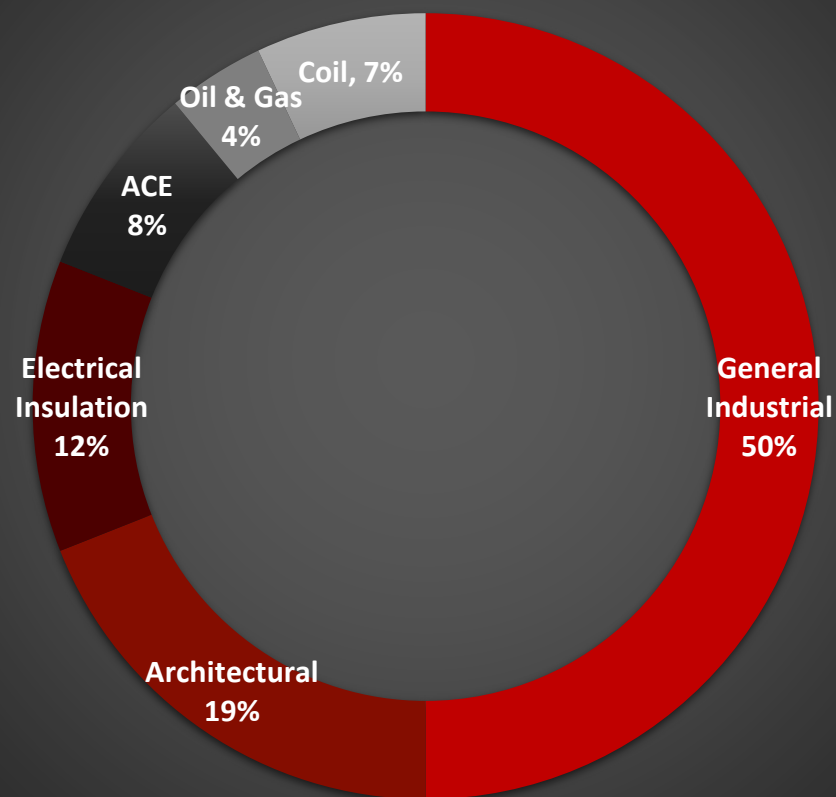
Customers are globalizing

- Local product must meet global specifications consistently across regions

Global infrastructure growth is driving demand

- High temperature resistance required for energy applications
- Demand for electrical insulation products linked to infrastructure

Net Sales by Segment



	Product Examples	Market Drivers
General Industrial	▪ Metal furniture ▪ Appliances ▪ Shelving/racking ▪ Electrical boxes	▪ GDP ▪ Industrial Production
Electrical Insulation	▪ Electric motors ▪ Transformers	▪ Electric motor production ▪ Power transmission production
Architectural	▪ Commercial building windows and curtain walls ▪ Residential windows and doors	▪ Commercial construction ▪ Residential construction starts
ACE	▪ Construction equipment ▪ Agricultural equipment ▪ Mining equipment	▪ GDP ▪ Industrial production
Oil & Gas	▪ Deep sea pipelines ▪ Oil well conveyance lines	▪ Infrastructure growth ▪ Population growth ▪ Pipeline projects
Coil	▪ Commercial/residential siding ▪ Garage doors ▪ Gutters, downspouts, lighting housings ▪ Appliances	▪ GDP ▪ Construction starts

Established Target Segments



ACE



Architectural



Coil



**Electrical
Insulation**



Oil & Gas



General Industrial

POWDER

LIQUID

E-COAT

#2

**Global Powder Coatings
Supplier**

#2

**Global Electrical Motor
Sector Supplier**

#2

**Global Industrial
E-Coat Supplier**

Axalta Revenue Per Segment



ACE

- 60% Liquid
- 25% Powder
- 15% E-coat



Architectural

- 30% Liquid
- 70% Powder



Coil

- 99% Liquid
- 1% Powder



Electrical
Insulation

- 99% Liquid
- 1% Powder



Oil & Gas

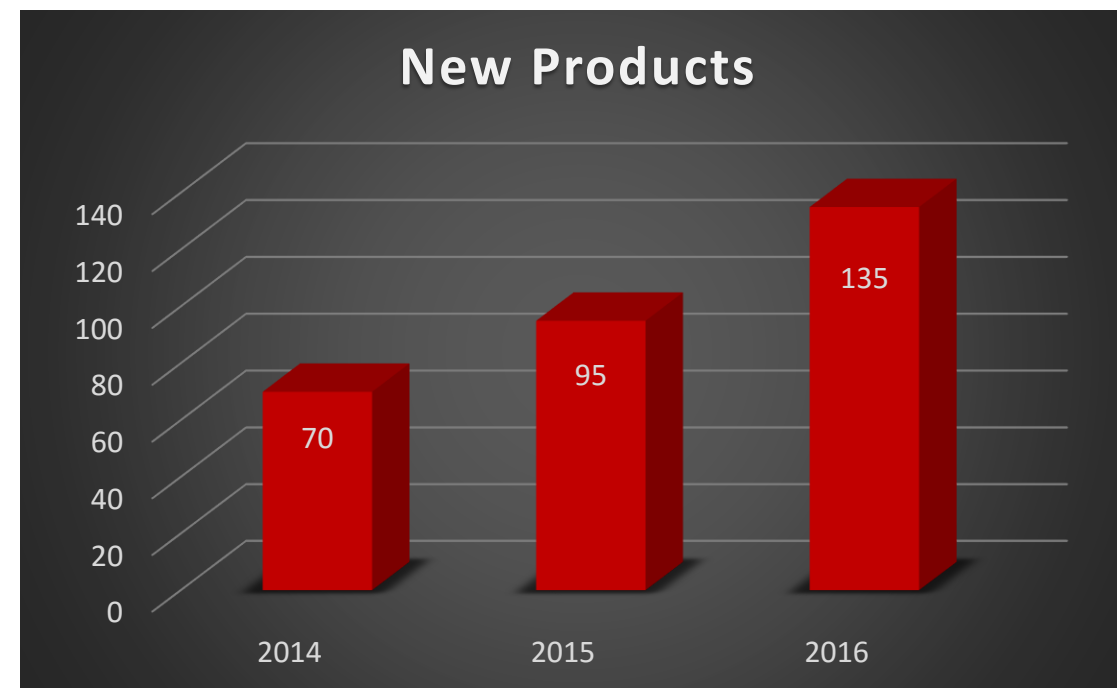
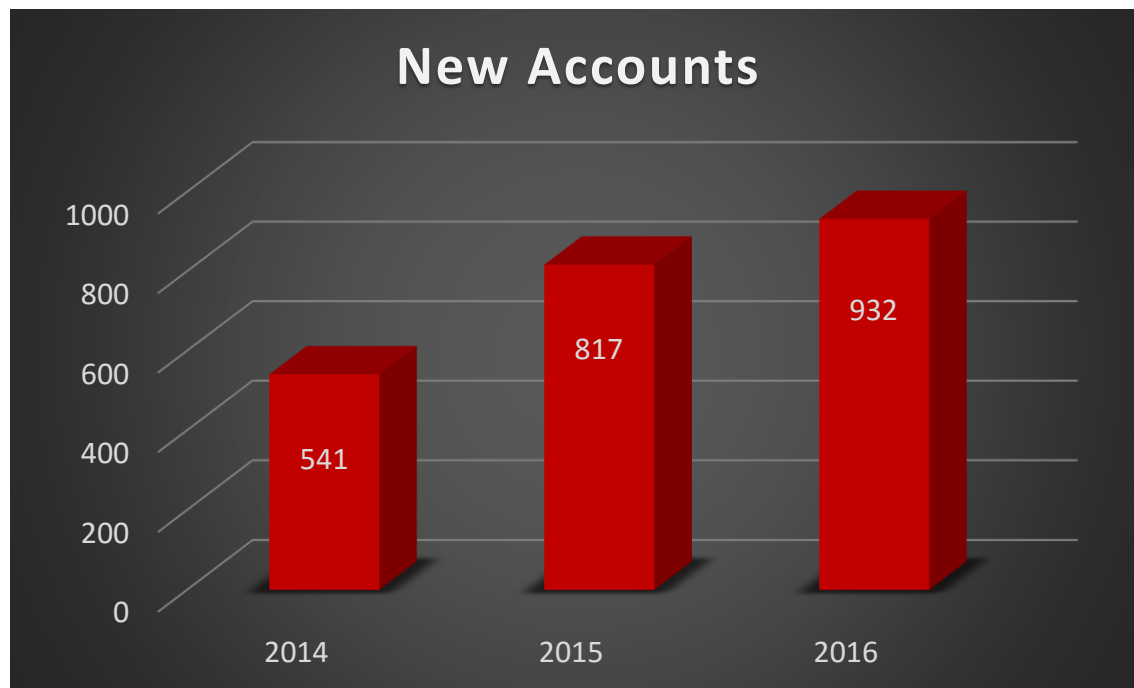
- 10% Liquid
- 90% Powder



General Industrial

- 10% Liquid
- 65% Powder
- 25% E-coat

Industrial Coatings: Key Business Drivers



Our Competitive Advantages: The Moat



Product

- Product innovation to meet exacting customer specs
- Wide range of sustainable product solutions
- Breadth of technology for OEM's and sub-suppliers
- Fit-for-purpose products



Process

- Global reach, scale and consistency
- Streamlined technical approval and launch process
- Rapid response time



Service

- Highly engaged technical service team
- Sales teams considered partners in customer objectives

Agricultural, Construction, and Earthmoving (ACE) Equipment



2016 Highlights



- Topcoats approved for Direct-to-Plastics
- **Tufcote** epoxy primer for local China market
- 21 new approvals from global OEMs to increase our total to 99 achieved to-date
- Launched **AquaEC 6100**: Tin-free, low-bake, low-temp curing solution

Looking Forward



- 75+ active development and approval projects around the world targeted at top global ACE manufacturers
- Launch of **Alesta Lync** dry-on-dry powder coating system for high durability applications
- Anti-skid/Anti-slip coatings
- Gaining traction with sub-suppliers to the Big 5, as well as regional manufacturers



ADM Transport Tanks



Sinopec Plant



Sui Northern Gas Pipelines



FBE Powder Coated Pipe

2016 Highlights



- Adapted **Abcite** technology to supply to water pipe projects (Berlin)
- Successfully launched **Nap-Gard** ID internal pipe coating
- Awarded Pakistan 3LPE project due to global responsiveness
- Launched **Procor HS** (Pemex)
- Awarded pipeline projects for CNPC in China

Looking Forward



- 100% solids liquid epoxy for pipeline applications
- 3-Layer PP primer for deep water pipelines
- Expanding our liquid protective coatings offering
- Higher temperature resistant pipe coatings for transmission pipelines

A graphic consisting of several overlapping squares. The central square has a thick red border. Other squares behind it have thin white borders. The text is centered within the red-bordered square.

NAP-GARD POWDER COATING
TECHNOLOGY



Sany Wind Turbines



REA Magnet Wire Coating



Sam Dong Production Plant

2016 Highlights



- Maintained flow of product innovation - 50 active development projects
- Built leading position in the Electric Vehicle (EV) market
- Introduced two new impregnating resin product lines, including **Voltahyd**, the first waterborne IR line on the market
- Commercialized **Voltatex** formvar wire enamel product line

Looking Forward



- Build upon innovation leadership with:
 - Waterborne impregnating resin for stator application
 - Low formaldehyde C3 electrical steel coating
 - Corona resistant wire enamel
- Introducing **Voltaprem** impregnating resin for high voltage application
- FBE powder magnet wire insulation



Rio 2016 Olympic Torch



Ameristar Fences



Roberti Rattan Outdoor Furniture



Schutt Sports Helmets

2016 Highlights



- Coated Rio Olympic torches which became inspiration for **Alesta** Iconica collection
- Introduced next-gen **Nap-Gard** FBE Rebar products
- Expanded offering for metal auto parts
- Awarded business for unique two-layer application of our **AquaEC 6100** and **Aqua EC 5100** technology
- Launched **FlexBase** plastic coating system

Looking Forward



- NSF approval for **AquaEC 6100**
- Powder primer launch for automotive OEM body
- Powder clear coat for aluminum wheels
- Damage-resistant rebar coating
- Waterborne epoxy one-layer system for metal auto parts

The image features a central graphic consisting of three overlapping squares. The top square is white with a thin black border. The middle square is black with a thin white border. The bottom square is black with a thick red border. The text "TECHNOLOGY FOR COATING PLASTICS" is centered within the black squares in a white, sans-serif font. The word "PLASTICS" is larger and more prominent than "TECHNOLOGY FOR COATING".

TECHNOLOGY FOR COATING
PLASTICS



Signature Tower in Kuala Lumpur



King Abdulaziz International Airport



2016 Highlights



- Launched Global Warranty program for **Alesta**
- Awarded 25+ major building projects around the world
- Acquired brands to add liquid technology to our architectural portfolio
- Investment in France and China facilities to create world-class bonded metallic capability

Looking Forward



- Anodic color range
- Sublimation products
- Broader powder and liquid portfolio of product solutions for Architects
- Introduce designed **Alesta** Iconica collection of colors, which will be produced in new bonding facilities

BONDED METALLIC POWDER
COATING TECHNOLOGY

Coil Coatings



Schneider Transport Trailer



Precoat Metals Lighting White Products



Calgary Hospital Durapon 70



Alcoa Aluminum Panels

2016 Highlights



- Introduced **Kryptstone** wrinkle finishes for steel roofing
- Launched high durability acrylic system **DurAcryl** and became leading supplier of coil coatings in the truck, trailer and RV siding industry
- Spray PVDF for improved flow and ease of application
- Introduced high reflectance lighting white products
- Launched high gloss **Durapon 70** product line

Looking Forward



- Anti-mottling PVDF coating
- HS Spray PVDF
- **Ceranamel XT-40** super polyester coating
- Universal primer system
- Leverage our global capability to launch Dura Coat technology and products to other regions
- **Hydropon** innovative waterborne PVDF coating system

COIL COATING
TECHNOLOGY

Acquisitions



- ✓ Industry leading coil and architectural extrusion coating products



- ✓ Low-VOC top coats
- ✓ Extensive Industrial primers



- ✓ Structural steel coatings
- ✓ Industrial top coats

Market Drivers



- Less energy consumption
- Lower VOC emissions
- Adhesive properties for electrical motor coatings
- Coatings to enable longer lasting products
- Easier access to colors and broader color ranges

The Product Innovation Pipeline



- Low cure powder coating for plastic substrates
- Smart coating systems for underground pipelines
- Grain-oriented electrical steel coating systems
- Powder coating technology for magnetic wire applications
- Improved corrosion resistant systems
- Systems to withstand high heat elements (eg. pipelines, tractors, electric motors)
- Digital color applications to be available globally



Thank You



Transportation Coatings

Steven R. Markevich
EVP, President, Transportation and Greater China

Segment Overview



Axalta Transportation

Light Vehicle

- Original Equipment Manufacturers
- Plastics and composite materials
- Metal coatings
- Interior coatings
- Accessories

#2 global supplier to light vehicle OEMs

Synergies

Market Drivers

Global OEM Alliances

Focused Support Models

Commercial Vehicle

- Commercial trucks
- Rail
- Bus
- Utility trucks
- Recreational / off-road, pleasure craft
- General aviation

#1 global supplier to heavy duty truck and bus segments



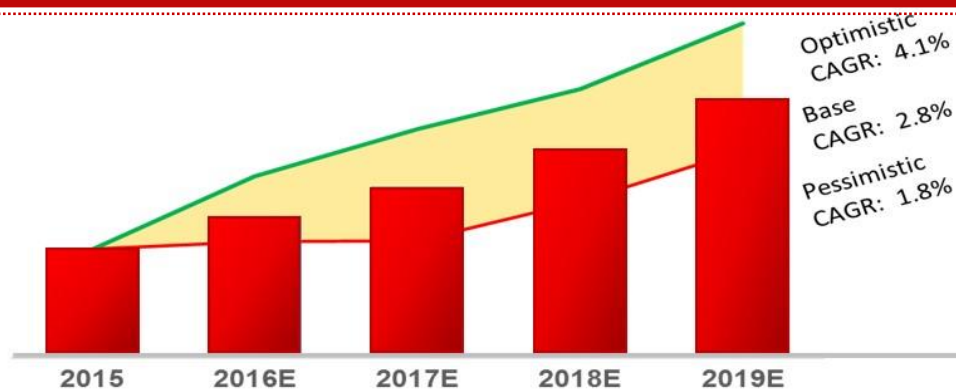
Transportation Global Coatings Market

Global Share Position

2016 Industry Sales: \$10 billion



Projected Industry Sales



Based on IHS

Market Insights

- **Axalta has leading positions across our markets**
 - ✓ Customer focused global teams with single point of contact for quick, coordinated responses
 - ✓ The global leader in consolidated coating systems
 - ✓ The global leader in heavy duty truck and bus
 - ✓ A global leader in on-site color customization
 - ✓ Proven track record of delivering success

- **Axalta is well positioned for megatrends**
 - ✓ Emerging market growth
 - ✓ Global requirements
 - ✓ New materials and lightweighting
 - ✓ Productivity demands

Our Vision Is Above Market Growth

Strategies

- Gain share with existing customers
- Grow underserved regions and customers including JOEMs, KOEMs, domestic OEMs
- Redefine and increase content per vehicle
- Leverage “what good looks like” into new regions, customers and markets
- Align product technology to evolving customer and market needs including VOC, ambient flash, more
- M&A in adjacent markets (interior, components, etc.)

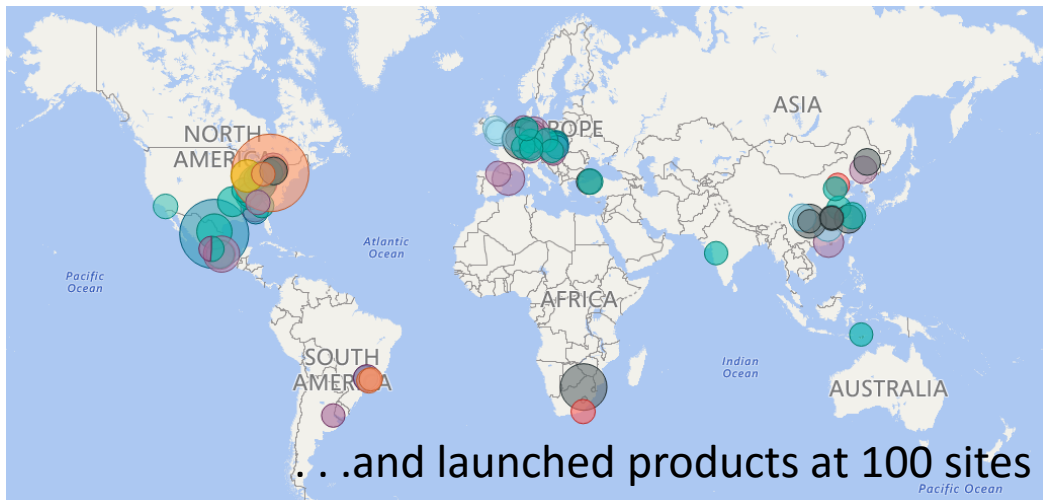
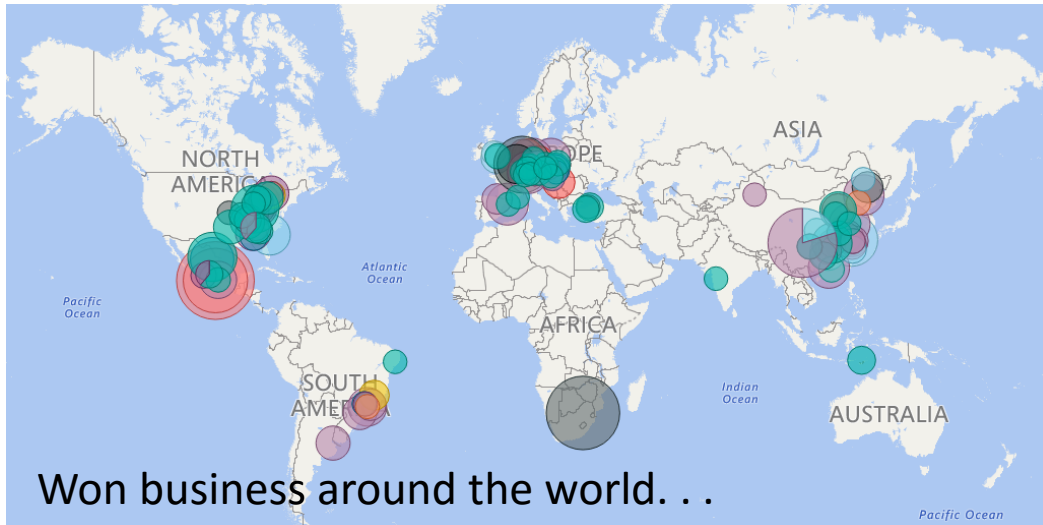


Key Tactics / Programs

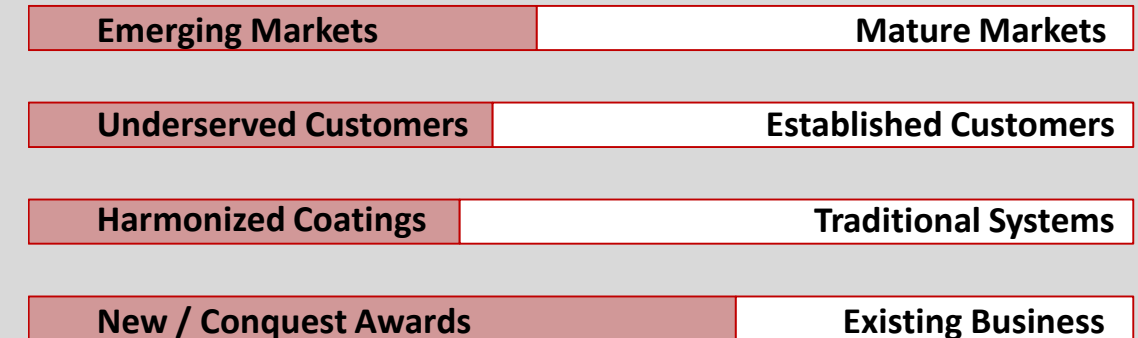
- Build capabilities in global and regional roles
- Expand customer and third party relationships
- Fit-for-purpose decorative and functional coatings
- Localize supply chain ensuring competitive cost structure
- Best-in-class Line Service Excellence
- Drive complexity management discipline
- Axalta Way: “Run it like we own it”



Transportation | Recent Wins And Launches



2016 Wins by Strategic Focus (% of revenue)



Focused Growth

New business underscores key customer value drivers:

- Global service capability and consistency
- Productive systems
- Energy and waste reduction
- Flawless launch execution
- Higher value-add through innovation
- Relationships from the senior suite to the paint shop

Transition To Growth: Customer Recognition



2014 & 2015
Worldwide
Supplier of the
Year



Supplier
Excellence in
Brazil



Daimler Global
Masters of
Quality Award



Best Supplier
in Brazil



Best
Supplier
Quality
Performance



Aligned
Business
Framework



China National
Coatings
Industry
Recognition



Quality
Excellence
Awards in
Germany,
China



“Back-to-Back”
GM Supplier of the Year



Daimler Masters of Quality

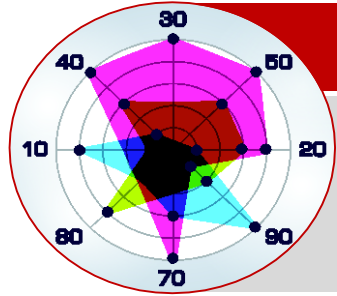


China National Coatings
Industry Top 100 Award



Honda Preferred Supplier

Axalta's Value Is More Than A "Can Of Paint"



Product

- Multi-layered system solutions
- Global consistency and color capability
- Engineered to demanding requirements
- Environmentally responsible



Process

- Optimized for customers' environment and processes
- Flawless launch
- First run defect free
- Energy efficient solutions



Service

- Line Service Excellence
- Continuous improvement and problem solving capability
- Increased productivity
- Best in class finished vehicle appearance



Axalta Value Proposition Case Studies



Harmonized
Coating
Technologies



Custom
Color

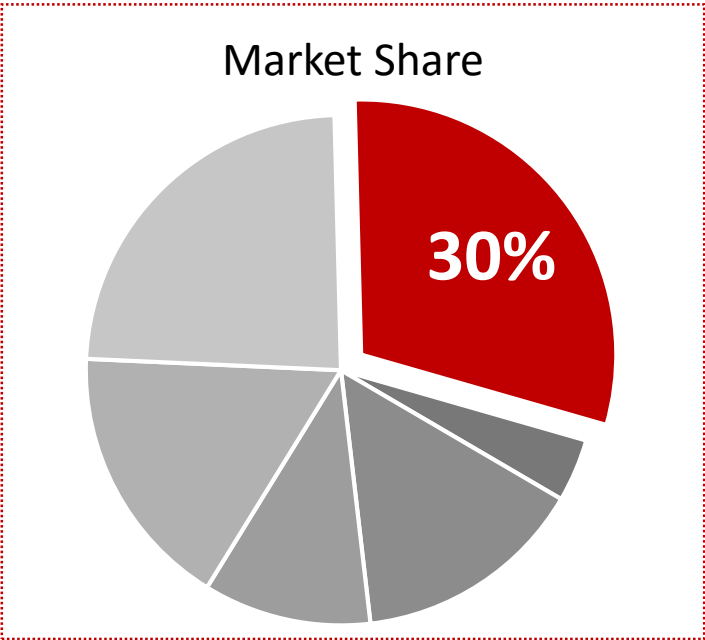


Corrosion
Protection



Enabling
Lightweight
Substrates

The Leader In Harmonized Coatings Technologies™



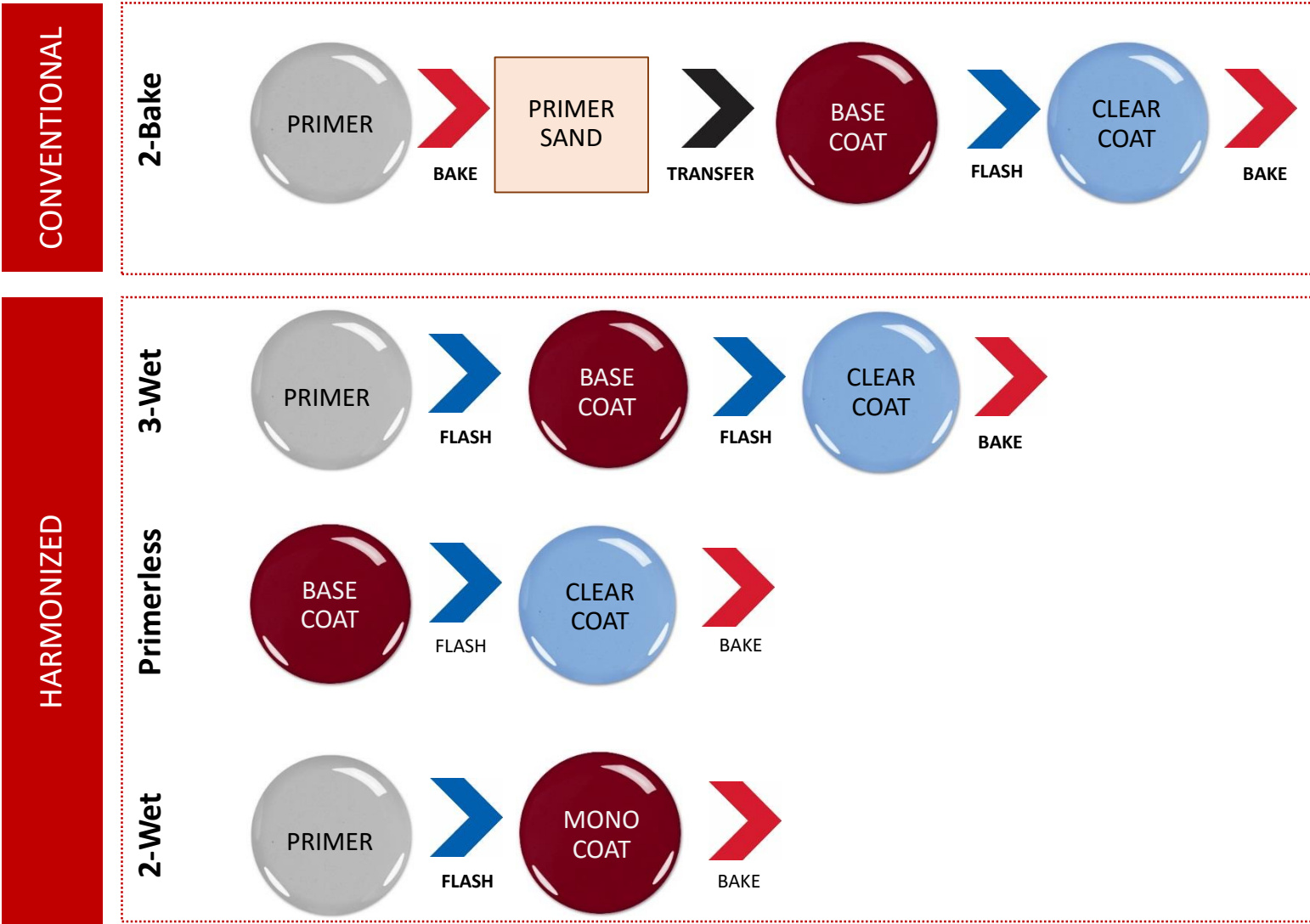
18 Harmonized Coatings patents in the United States and Europe

3 Automotive News PACE Award recognitions

2004 WINNER

2007 WINNER

2015 FINALIST

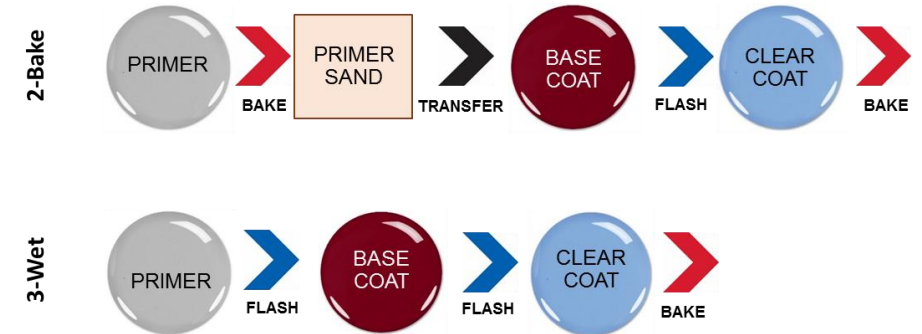


A graphic consisting of three overlapping squares. The central square is solid black and contains white text. It is framed by a white border. Behind this, there are two more squares: one with a white border and one with a red border, both slightly offset to the right and bottom. The entire graphic is centered on a black background.

HIGH SOLIDS SOLVENTBORNE
3-WET TECHNOLOGY

Harmonized Coatings Technologies Drive Efficiency In China

- 3-Wet technology jointly developed with the customer
- 30% reduction in material consumption
- 50% reduction in VOC emissions
- Lowered energy consumption
- Earned SURCAR 2016 award for environmental footprint including air emissions



GLOBALLY PROVEN
SYSTEM

7

SEVEN U.S.
PATENTS

X

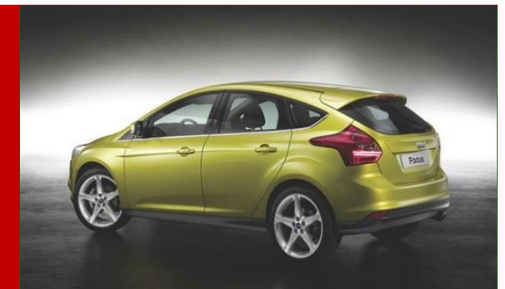
ELIMINATES PRIMER OVEN
AND SANDING DECK



REMOVES 50%
PRIMER APPLICATORS



20% ENERGY
REDUCTION



Axalta Provides Mass Color Customization Solutions

Color Selected



- Brand Color
- Favorite from past
- Favorite object
- Select from Axalta library of colors

Custom Formulation



- Formula library
- Color formulating algorithms
- Proprietary formula software

Coating Manufactured



- Engineered intermediates
- Standard process
- Strict quality criteria

Vehicle Painted



- Quick delivery
- Sprayed in customer system
- Original Equipment standards

Custom Results



- Premium product
- Meets consumer needs
- Repair product readily available

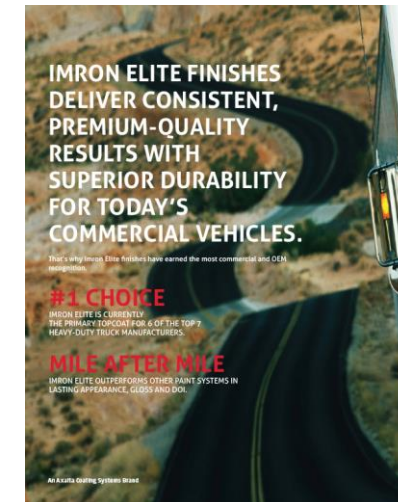
We use science to help our customers deliver color and confidence to their consumers

The logo features the text "IMRON ELITE TECHNOLOGY" in a white, sans-serif font, centered within a square frame. The frame is composed of two overlapping squares: a white one in the background and a red one in the foreground. The red square is slightly offset to the right and bottom, creating a layered effect. The entire logo is set against a solid black background.

IMRON ELITE
TECHNOLOGY

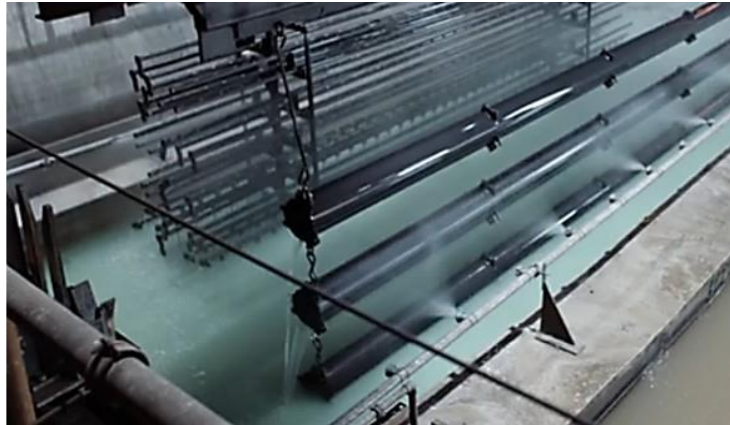
Axalta's Imron™ Is The Choice For Ambulance Builder

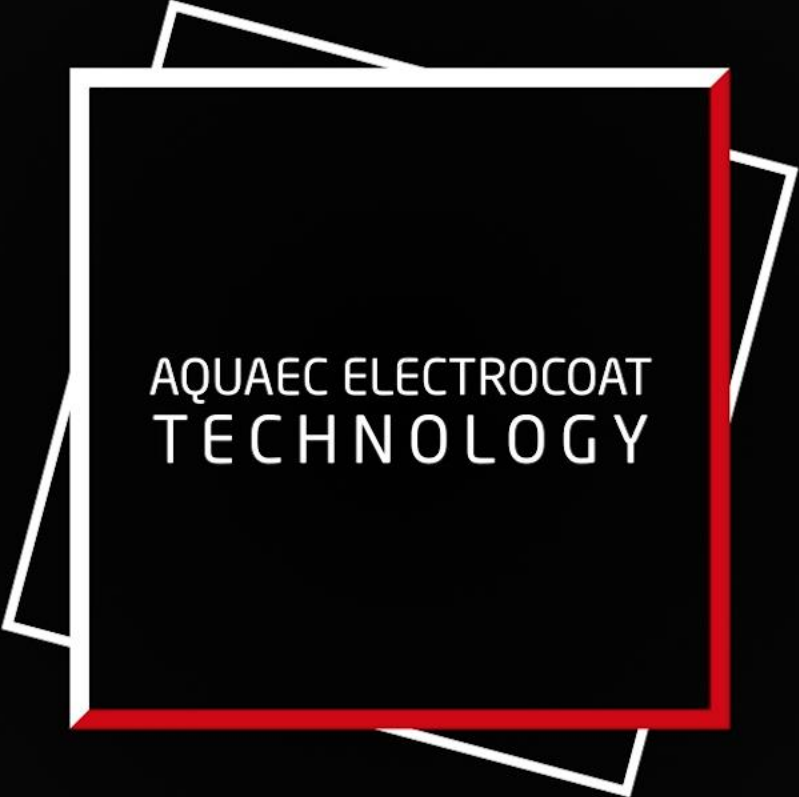
- Axalta's Imron™ brand adds value to the customer's offering
- Manufacturer increased line production without an increased footprint
- Reduced emissions by 40 percent; lower oven temperature saves costs and energy
- Color capability provides customer confidence to meet any requirement
- Industry leading appearance helps differentiate Braun in the marketplace



Corrosion Resistance For Lasting Protection

- Electrodeposition coating is one of the most efficient coating methods
- Provides excellent coverage to all metallic parts of the vehicle
- AquaEC™ brand family meets the needs of today's transportation customers
 - ✓ Excellent throw power
 - ✓ Formulated to meet regulations
 - ✓ Excellent edge protection
 - ✓ Reduced energy and material consumption
 - ✓ Less waste generation



The logo features a central square with a thick red border. This square is layered over several other squares, some of which are outlined in white and slightly offset, creating a sense of depth and movement. The text "AQUAEC ELECTROCOAT TECHNOLOGY" is centered within the red square in a white, sans-serif font.

AQUAEC ELECTROCOAT
TECHNOLOGY

Many benefits recognized by our customers

- Tin-free formulation
- Lower cure temperature saved energy
- Less waste water generated
- Lower bake off losses
- Less residual dust created in ovens
- Fewer defects
- Clean edges
- Improved yield
- Lower emissions



Leading the Way in Coating Alternative Substrates

- Automakers are looking to light weight materials
 - ✓ Meet fuel economy and CO₂ emission regulations
 - ✓ Improve vehicle performance
- Axalta provides solutions
 - ✓ Uniform appearance across multiple substrates
 - ✓ Corrosion protection for new and mixed material construction
 - ✓ Maintain requirements for adhesion, chip and scratch protection, color and gloss retention
 - ✓ Lower bake coating systems provide optimal appearance and performance



COATING TECHNOLOGIES FOR
LIGHTWEIGHT SUBSTRATES

Axalta Unifies Substrates On Iconic Sports Car

- Automakers worldwide are introducing new designs, materials and joining methods to achieve weight reduction, cost reduction, process optimization, production repeatability and improved performance
- Class A panel composite passes all OEM paint and quality tests and shaves 20 pounds from the vehicle
- Axalta enables the use of new materials and is prepared to evolve with our customers



No Matter What the Future Brings, Coatings Will Play A Key Role

Consumer Driven



- High Chroma
- New effect colors
- Mass color customization

Regulation Driven



- Light weighting – coatings for multiple substrates
- Corrosion protection for mixed materials

Productivity Driven



- Lower cure temperatures
- Fewer Process Steps

Future Trend Driven



- Autonomous
- Shared

Transportation Summary



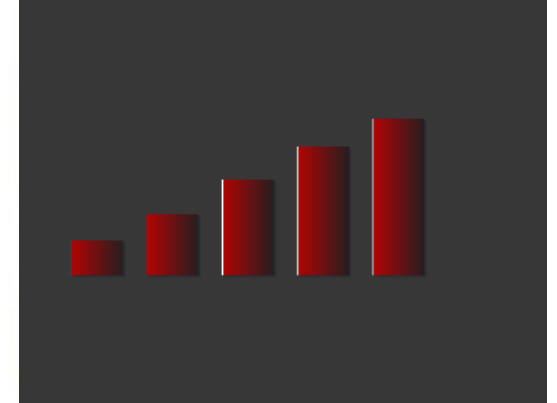
**Leading global
transportation coatings
systems provider**



**Recent wins and awards
are evidence of success**



**Strong products and
great service drive
customer value**



**Axalta's advanced
coatings technologies
will enable growth and
value creation**



Thank you

Appendix

Adjusted EBITDA Reconciliation

(\$ in millions)	FY 2016	FY 2015	Q4 2016	Q4 2015
Net Income (Loss)	\$48	\$98	(34)	\$39
Interest Expense	178	197	37	47
Provision for Income Taxes	40	63	16	15
Depreciation & Amortization	322	308	86	82
Reported EBITDA	\$588	\$665	\$106	\$183
A Debt extinguishment and refinancing related costs	98	3	13	3
B Foreign exchange remeasurement losses	31	94	1	4
C Long-term employee benefit plan adjustments	2	-	(1)	-
D Termination benefits and other employee related costs	62	36	37	17
E Consulting and advisory fees	10	24	2	7
F Transition-related costs	-	(3)	-	(3)
G Offering and transactional costs	6	(2)	2	-
H Stock-based compensation	41	30	10	8
I Other adjustments	5	(6)	-	(5)
J Dividends in respect of noncontrolling interest	(3)	(5)	-	-
K Asset impairment	68	31	58	-
Total Adjustments	\$319	\$202	\$121	\$30
Adjusted EBITDA	\$907	\$867	\$227	\$213

Note: Numbers might not foot due to rounding.

Adjusted EBITDA Reconciliation (cont'd)

- A. During the three months and years ended December 31, 2016 and 2015 we prepaid principal on our term loans, resulting in non-cash extinguishment losses of \$3 million, \$10 million, \$3 million and \$3 million, respectively. During the three months and year ended December 31, 2016, we amended our Credit Agreement and refinanced our indebtedness, resulting in additional losses of \$10 million and \$88 million, respectively. We do not consider these items to be indicative of our ongoing operating performance.
- B. 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. Exchange effects attributable to the remeasurement of our Venezuelan subsidiary represented gains of \$1 million and losses of \$24 million for the three months and year ended December 31, 2016, respectively, and gains of \$1 million and losses of \$52 million for three months and year ended December 31, 2015.
- C. Eliminates the non-cash, non-service cost (gain) 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 a change in estimate associated with the transition costs from DuPont to a standalone entity, including certain indemnities. We do not consider these items to be indicative of our ongoing operating performance.
- G. Represents costs associated with the secondary offerings of our common shares by Carlyle and acquisition-related expenses, including changes in the fair value of contingent consideration, all of which are not considered indicative of our ongoing operating performance.
- H. Represents non-cash costs associated with stock-based compensation, including \$8 million of expense during the year ended December 31, 2015 attributable to the accelerated vesting of all issued and outstanding stock options issued under the 2013 Plan as a result of the Change in Control.
- I. Represents costs for 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 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.
- J. 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.
- K. As a result of currency devaluations in Venezuela, we recorded non-cash impairment charges relating to a real estate investment of \$11 million and \$31 million during the years ended December 31, 2016 and 2015, respectively. 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.