UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

ý **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2015

or

¨ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________.

Commission File Number: 001-36733

AXALTA COATING SYSTEMS LTD.
(Exact name of registrant as specified in its charter)

Bermuda	2851	98-1073028
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

Two Commerce Square
2001 Market Street
Suite 3600
Philadelphia, Pennsylvania 19103
(855) 547-1461

(Address, including zip code, and telephone number, including area code, of the registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Common Shares, $1.00 par value	New York Stock Exchange
(title of class)	(Exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ý No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý No ¨

Indicate by check mark whether the Company is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one): Large accelerated filer ¨ Non-accelerated filer ý Accelerated filer ¨ Small reporting company ¨

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ¨ No ý

As of May 1, 2015, there were 229,861,218 shares of the registrant's common shares outstanding.

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PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Operations (Unaudited)
(In millions, except per share data)

	Three Months Ended March 31,	
	2015	2014
Net sales	$ 989.2	$ 1,047.4
Other revenue	8.3	7.0
Total revenue	997.5	1,054.4
Cost of goods sold	649.8	703.5
Selling, general and administrative expenses	213.0	246.7
Research and development expenses	12.9	11.3
Amortization of acquired intangibles	20.0	21.1
Income from operations	101.8	71.8
Interest expense, net	50.0	59.0
Other expense, net	3.9	4.5
Income before income taxes	47.9	8.3
Provision for income taxes	1.2	12.0
Net income (loss)	46.7	(3.7)
Less: Net income attributable to noncontrolling interests	1.6	0.6
Net income (loss) attributable to controlling interests	$ 45.1	$ (4.3)
Basic net income (loss) per share	$ 0.20	$ (0.02)
Diluted net income (loss) per share	$ 0.19	$ (0.02)
Basic weighted average shares outstanding	229.8	229.1
Diluted weighted average shares outstanding	237.0	229.1

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(In millions)

	Three Months Ended March 31,	
	2015	2014
Net income (loss)	$ 46.7	$ (3.7)
Other comprehensive income (loss), before tax:		
Foreign currency translation adjustments	(109.6)	(7.5)
Unrealized gain (loss) on securities	0.5	(0.2)
Unrealized gain (loss) on derivatives	(4.8)	0.5
Unrealized gain (loss) on pension and other benefit plan obligations	(1.2)	5.5
Other comprehensive loss, before tax	(115.1)	(1.7)
Income tax benefit (provision) related to items of other comprehensive income	2.6	(1.3)
Other comprehensive loss, net of tax	(112.5)	(3.0)
Comprehensive loss	(65.8)	(6.7)
Less: Comprehensive income attributable to noncontrolling interests	1.2	0.6
Comprehensive loss attributable to controlling interests	$ (67.0)	$ (7.3)

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Balance Sheets (Unaudited)
(In millions, except per share data)

	March 31, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 222.9	$ 382.1
Restricted cash	2.8	4.7
Accounts and notes receivable, net	833.0	820.4
Inventories	541.3	538.3
Prepaid expenses and other	82.6	62.9
Deferred income taxes	68.2	64.5
Total current assets	1,750.8	1,872.9
Property, plant and equipment, net	1,411.7	1,514.1
Goodwill	916.8	1,001.1
Identifiable intangibles, net	1,246.8	1,300.0
Deferred financing costs, net	86.8	91.0
Other assets	485.5	473.7
Total assets	$ 5,898.4	$ 6,252.8
Liabilities, Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 458.3	$ 494.5
Current portion of borrowings	41.6	40.1
Deferred income taxes	6.4	7.3
Other accrued liabilities	291.7	404.8
Total current liabilities	798.0	946.7
Long-term borrowings	3,566.7	3,656.3
Accrued pensions and other long-term employee benefits	272.6	306.4
Deferred income taxes	190.6	208.2
Other liabilities	22.3	23.2
Total liabilities	4,850.2	5,140.8
Commitments and contingencies (Note 5)		
Shareholders' equity		
Common shares, $1.00 par, 1,000.0 shares authorized, 229.8 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	229.8	229.8
Capital in excess of par	1,145.9	1,144.7
Accumulated deficit	(181.4)	(226.5)
Accumulated other comprehensive loss	(215.4)	(103.3)
Total Axalta shareholders' equity	978.9	1,044.7
Noncontrolling interests	69.3	67.3
Total shareholders' equity	1,048.2	1,112.0
Total liabilities and shareholders' equity	$ 5,898.4	$ 6,252.8

The accompanying notes are an integral part of these financial statements.

AXALTA COATING SYSTEMS LTD.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In millions)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Operating activities:		
Net income (loss)	$ 46.7	$ (3.7)
Adjustment to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization	72.6	81.1
Amortization of financing costs and original issue discount	5.0	5.2
Debt modification costs	—	3.1
Deferred income taxes	(17.2)	(15.1)
Unrealized loss on derivatives	1.2	3.1
Realized and unrealized foreign exchange losses, net	4.8	3.4
Stock-based compensation	1.8	1.8
Other non-cash, net	(1.1)	(4.9)
Decrease (increase) in operating assets and liabilities:		
Trade accounts and notes receivable	(53.5)	(65.3)
Inventories	(25.9)	(28.3)
Prepaid expenses and other assets	(36.3)	1.9
Accounts payable	(1.0)	29.3
Other accrued liabilities	(91.1)	(76.9)
Other liabilities	(4.7)	(1.9)
Cash used for operating activities	(98.7)	(67.2)
Investing activities:		
Acquisition of controlling interest in investment affiliate (net of cash acquired)	(3.2)	—
Purchase of property, plant and equipment	(31.5)	(50.2)
Restricted cash	1.8	(2.0)
Purchase of intangibles	—	(0.2)
Proceeds from sale of intangible assets	0.4	—
Proceeds from sale of affiliate	2.3	—
Cash used for investing activities	(30.2)	(52.4)
Financing activities:		
Proceeds from short-term borrowings	1.5	16.7
Payments on short-term borrowings	(10.7)	(9.6)
Payments on long-term debt	(6.8)	—
Dividends paid to noncontrolling interests	(3.5)	(0.9)
Debt modification fees	—	(3.0)
Other financing activities	(0.2)	—
Cash provided by (used for) financing activities	(19.7)	3.2
Decrease in cash and cash equivalents	(148.6)	(116.4)
Effect of exchange rate changes on cash	(10.6)	(3.3)
Cash and cash equivalents at beginning of period	382.1	459.3
Cash and cash equivalents at end of period	$ 222.9	$ 339.6

The accompanying notes are an integral part of these financial statements.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(1) BASIS OF PRESENTATION OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements included herein are unaudited. In the opinion of management, these statements include all adjustments, consisting only of normal, recurring adjustments, necessary for a fair statement of the financial position of Axalta Coating Systems Ltd., a Bermuda exempted company limited by shares, and its consolidated subsidiaries ("Axalta," the "Company," "we," "our" and "us") at March 31, 2015 and December 31, 2014, the results of operations and comprehensive income (loss) for the three months ended March 31, 2015 and 2014, and their cash flows for the three months then ended. All intercompany balances and transactions have been eliminated. These interim unaudited condensed consolidated financial statements should be read in conjunction with the consolidated and combined financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America.

The accompanying financial statements include the interim unaudited condensed consolidated balance sheets of Axalta at March 31, 2015 and December 31, 2014, the related interim unaudited condensed consolidated statements of operations and statements of comprehensive income (loss) for the three months ended March 31, 2015 and 2014 and of cash flows for the three months ended March 31, 2015 and 2014. The interim unaudited condensed consolidated financial statements include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained.

The results of operations for the three months ended March 31, 2015 are not necessarily indicative of the results to be expected for a full year.

The acquisition ("Acquisition") by Axalta and certain of its indirect subsidiaries of all the capital stock, other equity interests and assets of certain entities which, together with their subsidiaries, comprised the assets and legal entities, which together with their subsidiaries, compromised the DuPont Performance Coatings business ("DPC"), which was formerly owned by E. I. du Pont de Nemours and Company ("DuPont"), closed on February 1, 2013.

On November 11, 2014, we priced our initial public offering (the "Offering", or the "IPO"), in which certain selling shareholders affiliated with Carlyle sold 57,500,000 common shares at a price of $19.50 per share. We received no proceeds from the Offering.

Certain of our joint ventures are accounted for on a one-month lag basis, the effect of which is not material.

Reclassification and revisions

During 2014, the Company identified errors in the determination of the effective interest rate amortization for the Deferred Financing Costs and Original Issue Discounts that were incurred in 2013. The correction of these items impacted the interim unaudited condensed consolidated statements of operations and statements of comprehensive income (loss) for the three months ended March 31, 2014. Refer to Note 15 for further details.

(In millions, unless otherwise noted)

(2) RECENT ACCOUNTING GUIDANCE

Accounting Guidance Issued But Not Yet Adopted

In April 2015, the FASB issued ASU 2015-03, "Simplifying the Presentation of Debt Issuance Costs", which requires debt issuance costs to be presented in the balance sheet as a direct deduction from the associated debt liability. The standard is effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption is permitted for financial statements that have not been previously issued. We intend to early adopt this new guidance beginning in the second quarter of 2015. The impacts to the balance sheets at March 31, 2015 and December 31, 2014 would have been corresponding decreases to both total assets and total liabilities of $86.8 million and $91.0 million, respectively.

In February 2015, the FASB issued ASU 2015-02 (Accounting Standard Codification 810), "Consolidation", which sets forth guidance on accounting for consolidation of certain legal entities. This ASU is effective for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Although early adoption is permitted, we are still in the process of assessing the impact the adoption of this ASU will have on our financial position, results of operations and cash flows.

In May 2014, the FASB issued ASU 2014-09 (Accounting Standard Codification 606), "Revenue from Contracts with Customers", which sets forth the guidance that an entity should use related to revenue recognition. This ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is not permitted. In April 2015 the FASB proposed a one-year delay in the effective date of the new revenue accounting standard to fiscal years beginning after December 15, 2017, and proposed that companies would be allowed to early adopt the guidance as of the original effective date. We are in the process of assessing the impact the adoption of this ASU will have on our financial position, results of operations and cash flows.

(3) GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

Goodwill

The following table shows changes in the carrying amount of goodwill from December 31, 2014 to March 31, 2015 by reportable segment:

	Performance Coatings	Transportation Coatings	Total
At December 31, 2014	$ 933.6	$ 67.5	1,001.1
Goodwill from acquisition	12.5	—	12.5
Foreign currency translation	(90.3)	(6.5)	(96.8)
March 31, 2015	$ 855.8	$ 61.0	$ 916.8

In March 2015, we purchased an additional 25% interest in a previously held equity method investment. See Note 9 for additional information.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Identifiable Intangible Assets

The following table summarizes the gross carrying amounts and accumulated amortization of identifiable intangible assets by major class:

March 31, 2015	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	$ 411.8	$ (86.5)	$ 325.3	10.0
Trademarks - indefinite-lived	284.4	—	284.4	Indefinite
Trademarks - definite-lived	41.9	(6.2)	35.7	14.8
Customer relationships	676.9	(76.5)	600.4	19.4
Non-compete agreements	1.9	(0.9)	1.0	4.6
Total	$ 1,416.9	$ (170.1)	$ 1,246.8	

December 31, 2014	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	$ 411.8	$ (76.3)	$ 335.5	10.0
Trademarks—indefinite-lived	284.4	—	284.4	Indefinite
Trademarks—definite-lived	41.8	(5.5)	36.3	14.8
Customer relationships	713.9	(71.3)	642.6	19.4
Non-compete agreements	2.0	(0.8)	1.2	4.6
Total	$ 1,453.9	$ (153.9)	$ 1,300.0	

Activity related to in process research and development projects for the three months ended March 31, 2015 was:

In Process Research and Development	Activity
Balance at December 31, 2014	$ 5.2
Completed	(1.5)
Abandoned	—
Balance at March 31, 2015	$ 3.7

For the three months ended March 31, 2015 and 2014, amortization expense for acquired intangibles was $20.0 million and $21.1 million, respectively.

The estimated amortization expense related to the fair value of acquired intangible assets for the remainder of 2015 and each of the succeeding four years is:

Remainder of 2015	$ 59.7
2016	$ 79.6
2017	$ 79.2
2018	$ 79.2
2019	$ 79.2

(4) RESTRUCTURING

In accordance with the applicable guidance for Nonretirement Postemployment Benefits, we accounted for termination benefits and recognized liabilities when the loss was considered probable that employees were entitled to benefits and the amounts could be reasonably estimated.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

We have incurred costs associated with involuntary termination benefits associated with corporate-related initiatives associated with our transition and cost-saving opportunities related to the separation from DuPont and our Axalta Way initiatives. During the three months ended March 31, 2015 and 2014 we incurred restructuring costs of $2.2 million and $0.1 million, respectively. These amounts are recorded within selling, general and administrative expenses in the interim unaudited condensed consolidated statements of operations. The payments associated with these actions are expected to be completed by December 2015.

The following table summarizes the activities related to the restructuring reserves, recorded within other accrued liabilities, and expenses from December 31, 2014 to March 31, 2015:

	2015 Activity
Balance at December 31, 2014	$ 48.5
Expense Recorded	2.2
Payments Made	(14.0)
Foreign Currency Changes	(5.0)
Balance at March 31, 2015	$ 31.7

(5) COMMITMENTS AND CONTINGENCIES

Guarantees

We directly guarantee certain obligations under agreements with third parties. At March 31, 2015 and December 31, 2014, we had directly guaranteed $2.1 million and $2.2 million of such obligations, respectively. These guarantees represent the maximum potential amount of future (undiscounted) payments that we could be required to make under the guarantees in the event of default by the guaranteed parties. No amounts were accrued at March 31, 2015 and December 31, 2014.

Other

We are subject to various pending lawsuits and other claims including civil, regulatory, and environmental matters. Certain of these lawsuits and other claims may have an impact on us. These litigation matters may involve indemnification obligations by third parties and/or insurance coverage covering all or part of any potential damage awards against DuPont and/or us. All of the above matters are subject to many uncertainties and, accordingly, we cannot determine the ultimate outcome of the lawsuits at this time.

The potential effects, if any, on the unaudited condensed consolidated financial statements of Axalta will be recorded in the period in which these matters are probable and estimable, and such effects, could be material.

In addition to the aforementioned matters, we are party to various legal proceedings in the ordinary course of business. Although the ultimate resolution of these various proceedings cannot be determined at this time, management does not believe that such proceedings, individually or in the aggregate, will have a material adverse effect on the unaudited condensed consolidated financial statements of Axalta.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(6) LONG-TERM EMPLOYEE BENEFITS

Components of Net Periodic Benefit Cost

The following table sets forth the components of net periodic benefit (gain) cost for the three months ended March 31, 2015 and 2014.

	Pension Benefits	
	Three Months Ended March 31,	
	2015	2014
Components of net periodic benefit cost:		
Net periodic benefit cost:		
Service cost	$ 3.1	$ 4.6
Interest cost	4.6	6.0
Expected return on plan assets	(3.7)	(3.7)
Amortization of actuarial (gain) loss, net	0.3	(0.1)
Amortization of prior service credit, net	(0.1)	—
Net periodic benefit cost	$ 4.2	$ 6.8

	Other Long-Term Employee Benefits	
	Three Months Ended March 31,	
	2015	2014
Components of net periodic benefit (gain) cost:		
Net periodic benefit (gain) cost:		
Service cost	$ —	$ —
Interest cost	—	0.1
Amortization of prior service credit	(0.9)	—
Net periodic benefit (gain) cost	$ (0.9)	$ 0.1

Significant Events

During the three months ended March 31, 2014, the Company amended one of our Non-U.S. defined benefit pension plans. The amendment effectively eliminated the accrual of future benefits for all participants as of March 31, 2014, resulting in a curtailment gain of $5.6 million. As the plan had unrealized losses in excess of the reduction of the projected benefit obligation at the date of amendment, the gain was recorded as a reduction of the projected benefit obligation and a corresponding reduction of unrealized losses within Accumulated other comprehensive loss.

(7) STOCK-BASED COMPENSATION

During both the three months ended March 31, 2015 and 2014, we recognized $1.8 million, in stock-based compensation expense which was allocated to costs of goods sold, selling, general and administrative expenses, and research and development expenses.

At March 31, 2015, there was $8.6 million of unrecognized compensation cost relating to outstanding unvested stock options expected to be recognized over the weighted average period of 3.1 years. Compensation expense is recognized for the fair values of the stock options over the requisite service period of the awards using the graded-vesting attribution method.

During the three months ended March 31, 2015, we granted 100,945 stock options at an exercise price of $25.49 and a fair value of $6.88 per option. These options have a ten year life and vest serially over three years. We also granted 41,430 shares of restricted stock at a fair value of $25.49. The shares vest serially over three years.

(In millions, unless otherwise noted)

(8) RELATED PARTY TRANSACTIONS

Carlyle Group L.P. and its affiliates ("Carlyle")

We entered into a consulting agreement with Carlyle Investment Management L.L.C. ("Carlyle Investment"), an affiliate of Carlyle pursuant to which Carlyle Investment provides certain consulting services to Axalta. Under this agreement, subject to certain conditions, we were required to pay an annual consulting fee to Carlyle Investment of $3.0 million payable in equal quarterly installments and reimburse Carlyle Investment for out-pocket expenses incurred in providing the consulting services. During the three months ended March 31, 2014, we recorded expense of $0.8 million related to this consulting agreement. During the three months ended March 31, 2015, we recorded no expense as a result of the termination of the consulting agreement upon completion of the IPO in November 2014.

Service King Collision Repair

Service King Collision Repair, a portfolio company of Carlyle, has purchased products from our distributors in the past and may continue to do so in the future. During the third quarter of 2014, Carlyle sold their majority interest in Service King Collision Repair, thus making the entity no longer a related party. Related party sales prior to this transaction were $2.0 million for the three months ended March 31, 2014.

(9) OTHER EXPENSE, NET

	Three Months Ended March 31,	
	2015	2014
Exchange losses, net	$ 8.7	$ 0.1
Management fees and expenses	—	0.8
Other (income) expense	(4.8)	3.6
Total	$ 3.9	$ 4.5

Our net exchange losses for the three months ended March 31, 2015 and 2014 consisted of remeasurement losses primarily related to intercompany transactions denominated in currencies different from the functional currency of the relevant subsidiary partially offset by gains on our Euro borrowings and our Venezuela operations, as discussed below.

Based on our participation in Venezuela's Complementary System of Foreign Currency Administration (SICAD I) auction process during the year ended December 31, 2014, we changed the exchange rate we used to remeasure our Venezuelan subsidiary's financial statements into U.S. dollars to an exchange rate of 12.0 to 1 at December 31, 2014. We determined that the exchange rate of 12.0 to 1 remained the appropriate rate at March 31, 2015 given that we believe the equity of our Venezuelan subsidiary would be realized through a dividend utilizing the auction process through SICAD I.

In February 2015, the Venezuelan government enacted additional changes to its foreign exchange regime. The changes maintain a three-tiered system, including the Official Rate determined by CENCOEX, which remains at 6.3 to 1, and the SICAD I auction market which continued to trade at 12.0 to 1. There was a third market, SICAD II, which has been eliminated and a new, alternative currency market, the Marginal Foreign Exchange System ("SIMADI"), has been created with a floating exchange rate generally based on supply and demand. At March 31, 2015 the exchange rate for the SIMADI market was approximately 180.0 to 1.

At March 31, 2015, our Venezuelan subsidiary was in a net monetary asset position of $13.7 million and had non-U.S. dollar denominated net non-monetary assets of $155.7 million. We continue to assess the impact, if any, of the SIMADI exchange rate as the government of Venezuela issues regulations to implement it, but at this time it is unclear based on the current governmental policies, when considered with the foreign exchange process and other circumstances in Venezuela, whether these events will have any financial impact on the operations of our Venezuelan subsidiary. A change of our exchange rate to the SIMADI exchange rate would potentially have a material impact on our unaudited condensed consolidated financial statements.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

In March 2015, we acquired an additional 25% interest in an equity method investee for a purchase price of $4.3 million, which was previously accounted for as an equity method investment. As a result of the acquisition, we obtained a controlling interest and recognized a gain of $5.4 million on the remeasurement of our previously held equity interest as of the acquisition date. As a result of the acquisition, we consolidated the fair value of the net assets of the joint venture in our interim unaudited condensed consolidated balance sheet at March 31, 2015, with the excess of the purchase price over the net assets acquired resulting in preliminary goodwill of $12.5 million.

(10) INCOME TAXES

Our effective income tax rates for the three months ended March 31, 2015 and March 31, 2014 are as follows:

	Three Months Ended March 31,	
	2015	2014
Effective Tax Rate	2.5%	144.6%

The lower effective tax rate for the three months ended March 31, 2015 was primarily due to the favorable impact of the tax benefits associated with currency exchange losses, which had no impact to income before taxes, and the impact of earnings in jurisdictions where the statutory rate is lower than the U.S. Federal statutory rate of 35%.

(11) EARNINGS (LOSS) PER COMMON SHARE

Basic earnings (loss) per common share excludes the dilutive impact of potentially dilutive securities and is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per common share includes the effect of potential dilution from the exercise of outstanding stock options and restricted shares. Potentially dilutive securities have been excluded in the weighted average number of common shares used for the calculation of earnings (loss) per share in periods of net loss because the effect of such securities would be anti-dilutive. A reconciliation of the Company's basic and diluted earnings (loss) per common share is as follows (in millions, except earnings (loss) per share):

	Three Months Ended March 31,	
(In millions, except per share data)	2015	2014
Net income (loss) to common shareholders	$ 45.1	$ (4.3)
Basic weighted average shares outstanding	229.8	229.1
Diluted weighted average shares outstanding	237.0	229.1
Earnings per Common Share:		
Basic net income (loss) per share	$ 0.20	$ (0.02)
Diluted net income (loss) per share	$ 0.19	$ (0.02)

The number of anti-dilutive shares that have been excluded in the computation of diluted earnings (loss) per share for the three months ended March 31, 2015 and 2014 were 0.0 million and 16.2 million, respectively.

(In millions, unless otherwise noted)

(12) ACCOUNTS AND NOTES RECEIVABLE, NET

	March 31, 2015	December 31, 2014
Accounts receivable—trade, net	$ 664.1	$ 638.3
Notes receivable	42.9	45.5
Other	126.0	136.6
Total	$ 833.0	$ 820.4

Accounts and notes receivable are carried at amounts that approximate fair value. Accounts receivable—trade, net are net of allowances of $9.5 million and $9.9 million at March 31, 2015 and December 31, 2014, respectively. Bad debt expense, within selling, general, and administration expenses, was $0.7 million and $1.2 million for the three months ended March 31, 2015 and 2014, respectively.

(13) INVENTORIES

	March 31, 2015	December 31, 2014
Finished products	$ 316.3	$ 323.7
Semi-finished products	87.9	81.3
Raw materials and supplies	137.1	133.3
Total	$ 541.3	$ 538.3

Stores and supplies inventories of $20.8 million and $20.9 million at March 31, 2015 and December 31, 2014, respectively, were valued under the weighted average cost method.

(14) PROPERTY, PLANT AND EQUIPMENT, NET

Depreciation expense amounted to $41.3 million and $48.4 million for the three months ended March 31, 2015 and 2014, respectively.

	March 31, 2015	December 31, 2014
Property, plant and equipment	$ 1,776.3	$ 1,858.2
Accumulated depreciation	(364.6)	(344.1)
Property, plant, and equipment, net	$ 1,411.7	$ 1,514.1

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(15) BORROWINGS

Borrowings are summarized as follows:

	March 31, 2015	December 31, 2014
Dollar Term Loan	$ 2,159.8	$ 2,165.5
Euro Term Loan	425.0	481.0
Dollar Senior Notes	750.0	750.0
Euro Senior Notes	270.4	305.3
Short-term borrowings	14.3	12.2
Other borrowings	6.1	0.7
Unamortized original issue discount	(17.3)	(18.3)
	$ 3,608.3	$ 3,696.4
Less:		
Short term borrowings	$ 14.3	$ 12.2
Current portion of long-term borrowings	27.3	27.9
Long-term debt	$ 3,566.7	$ 3,656.3

Senior Secured Credit Facilities, as amended

On February 3, 2014, Axalta Coating Systems Dutch B B.V. ("Dutch B B.V."), as "Dutch Borrower", and its indirect wholly-owned subsidiary, Axalta Coating Systems U.S. Holdings Inc. ("Axalta US Holdings"), as "US Borrower", executed the second amendment to the Senior Secured Credit Facilities (the "Amendment" or the "Refinancing"). The Amendment (i) converted all of the outstanding Dollar Term Loans ($2,282.8 million) into a new class of term loans (the "New Dollar Term Loans"), and (ii) converted all of the outstanding Euro Term Loans (€397.0 million) into a new class of term loans (the "New Euro Term Loans" and, together with the New Dollar Term Loans and the Revolving Credit Facility (as defined herein), the "Senior Secured Credit Facilities"). The New Dollar Term Loans are subject to a floor of 1.00%, plus an applicable rate after the Amendment Effective Date. The applicable rate for such New Dollar Term Loans is 3.00% per annum for Eurocurrency Rate Loans as defined in the credit agreement governing the Senior Secured Credit Facilities (the "Credit Agreement") and 2.00% per annum for Base Rate Loans as defined in the Credit Agreement. The applicable rate for both Eurocurrency Rate Loans as well as Base Rate Loans is subject to a further 25 basis point reduction if the Total Net Leverage Ratio as defined in the credit agreement governing the Senior Secured Credit Facilities is less than or equal to 4.50:1.00. The New Euro Term Loans are also subject to a floor of 1.00%, plus an applicable rate after the Amendment Effective Date. The applicable rate for such New Euro Term Loans is 3.25% per annum for Eurocurrency Rate Loans. New Euro Term Loans may not be Base Rate Loans. The applicable rate is subject to a further 25 basis point reduction if the Total Net Leverage Ratio is less than or equal to 4.50:1.00. During the third quarter of 2014, our Total Net Leverage Ratio was confirmed to be less than 4.50:1.00. Consequently, the applicable rates were changed to 2.75% for the New Dollar Term Loans and 3.00% for the New Euro Term Loans through March 31, 2015.

The Senior Secured Credit Facilities are secured by substantially all assets of Axalta Coating Systems Dutch A B. V. ("Dutch A B.V.") and the guarantors. The Dollar Term Loan and Euro Term Loan mature on February 1, 2020 and the Revolving Credit Facility matures on February 1, 2018. Principal is paid quarterly on both the Dollar Term Loan and the Euro Term Loan based on 1% per annum of the original principal amount with the unpaid balance due at maturity.

Interest is payable quarterly on both the New Dollar Term Loan and the New Euro Term Loan. Prior to the Amendment, interest on the Dollar Term Loan was subject to a floor of 1.25% for Eurocurrency Rate Loans plus an applicable rate of 3.50%. For Base Rate Loans, the interest was subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate, an Adjusted Eurocurrency Rate, or 2.25% plus an applicable rate of 2.50%. Interest on the Euro Term Loan, a Eurocurrency Loan, was subject to a floor of 1.25% plus an applicable rate of 4.00%.

Under the Senior Secured Credit Facilities, interest on any outstanding borrowings under the Revolving Credit Facility is subject to a floor of 1.00% for Eurocurrency Rate Loans plus an applicable rate of 3.50% (subject to an additional step-down to 3.25%). For Base Rate Loans, the interest is subject to a floor of the greater of the federal funds rate plus 0.50%, the Prime Lending Rate, an Adjusted Eurocurrency Rate, or 2.00% plus an applicable rate of 2.50% (subject to an additional step-down to 2.25%).

Under circumstances described in the Credit Agreement, we may increase available revolving or term facility borrowings by up to $400.0 million plus an additional amount subject to the Company not exceeding a maximum first lien leverage ratio described in the Credit Agreement.

Any indebtedness under the Senior Secured Credit Facilities may be voluntarily prepaid in whole or in part, in minimum amounts, subject to the make-whole provisions set forth in the Credit Agreement. Such indebtedness is subject to mandatory prepayments amounting to the proceeds of asset sales over $25.0 million annually, proceeds from certain debt issuances not otherwise permitted under the Credit Agreement and 50% (subject to a step-down to 25.0% or 0% if the First Lien Leverage Ratio falls below 4.25:1.00 or 3.50:1.00, respectively) of Excess Cash Flow.

We are subject to customary negative covenants as well as a financial covenant which is a maximum First Lien Leverage Ratio. This financial covenant is applicable only when greater than 25% of the Revolving Credit Facility (including letters of credit not cash collateralized to at least 103%) is outstanding at the end of the fiscal quarter.

Deferred financing costs of $92.9 million and original issue discounts of $25.7 million were incurred at the inception of the Senior Secured Credit Facilities. These amounts are amortized as interest expense over the life of the Senior Secured Credit Facilities.

Amortization expense related to deferred financing costs, net for the three months ended March 31, 2015 and 2014 was $3.2 million and $3.3 million, respectively.

Amortization expense related to original issue discounts for the three months ended March 31, 2015 and 2014 were $0.8 million and $0.9 million, respectively.

At March 31, 2015 and December 31, 2014 there were no borrowings under the Revolving Credit Facility. At March 31, 2015 and December 31, 2014, letters of credit issued under the Revolving Credit Facility totaled $21.3 million and $15.5 million, respectively, which reduced the availability under the Revolving Credit Facility. Availability under the Revolving Credit Facility was $378.7 million and $384.5 million at March 31, 2015 and December 31, 2014, respectively.

Senior Notes

On February 1, 2013, Dutch B B.V., as "Dutch Issuer", and Axalta US Holdings, as "US Issuer" (collectively the "Issuers") issued $750.0 million aggregate principal amount of 7.375% senior unsecured notes due 2021 (the "Dollar Senior Notes") and related guarantees thereof. Additionally, the Issuers issued €250.0 million aggregate principal amount of 5.750% senior secured notes due 2021 (the "Euro Senior Notes" and, together with the Dollar Senior Notes, the "Senior Notes") and related guarantees thereof. Cash fees related to the issuance of the Senior Notes were $33.1 million, are recorded within deferred financing costs, net and are amortized as interest expense over the life of the Senior Notes. At March 31, 2015 and December 31, 2014, the remaining unamortized balance was $24.3 million and $25.3 million, respectively. The expense related to the amortization of the deferred financing costs was $1.0 million for both of the three months ended March 31, 2015 and 2014.

The Senior Notes are unconditionally guaranteed on a senior basis by Dutch A B.V. and certain of the Issuers' subsidiaries.

The indentures governing the Senior Notes contain covenants that restrict the ability of the Issuers and their subsidiaries to, among other things, incur additional debt, make certain payments including payment of dividends or repurchase equity interest of the Issuers, make loans or acquisitions or capital contributions and certain investments, incur certain liens, sell assets, merge or consolidate or liquidate other entities, and enter into transactions with affiliates.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(i) *Euro Senior Notes*

The Euro Senior Notes were sold at par and are due February 1, 2021. The Euro Senior Notes bear interest at 5.750% and are payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Euro Senior Notes were $10.2 million, are recorded within "Deferred financing costs, net" and are amortized into interest expense over the life of the Euro Senior Notes. At March 31, 2015 and December 31, 2014, the remaining unamortized balances was $7.4 million and $7.7 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Euro Senior Notes at the following redemption prices (expressed as percentages of principal amount):

Period	Euro Notes Percentage
2016	104.313%
2017	102.875%
2018	101.438%
2019 and thereafter	100.000%

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Euro Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Euro Senior Notes), at a redemption price of 105.750% plus accrued and unpaid interest, if any, to the redemption date.

In addition, we have the option to redeem up to 10% of the Euro Senior Notes during any 12-month period from issue date until February 1, 2016 at a redemption price of 103.0%, plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Euro Senior Notes have the right to require us to repurchase all or any part of the Euro Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Euro Senior Notes and related guarantees is secured on a first-lien basis by the same assets that secure the obligations under the Senior Secured Credit Facilities, subject to permitted liens and applicable local law limitations, is senior in right of payment to all future subordinated indebtedness of the Issuers, is equal in right of payment to all existing and future senior indebtedness of the Issuers and is effectively senior to any unsecured indebtedness of the Issuers, including the Dollar Senior Notes, to the extent of the value securing the Euro Senior Notes.

(ii) *Dollar Senior Notes*

The Dollar Senior Notes were sold at par and are due May 1, 2021. The Dollar Senior Notes bear interest at 7.375% and are payable semi-annually on February 1 and August 1. Cash fees related to the issuance of the Dollar Senior Notes were $22.9 million, are recorded within "Deferred financing costs, net" and are amortized as interest expense over the life of the Dollar Senior Notes. At March 31, 2015 and December 31, 2014, the remaining unamortized balances was $16.9 million and $17.6 million, respectively.

On or after February 1, 2016, we have the option to redeem all or part of the Dollar Senior Notes at the following redemption prices (expressed as percentages of principal amount)

Period	Dollar Notes Percentage
2016	105.531%
2017	103.688%
2018	101.844%
2019 and thereafter	100.000%

(In millions, unless otherwise noted)

Notwithstanding the foregoing, at any time and from time to time prior to February 1, 2016, we may at our option redeem in the aggregate up to 40% of the original aggregate principal amount of the Dollar Senior Notes with the net cash proceeds of one or more Equity Offerings (as defined in the indenture governing the Dollar Senior Notes), at a redemption price of 107.375% plus accrued and unpaid interest, if any, to the redemption date.

Upon the occurrence of certain events constituting a change of control, holders of the Dollar Senior Notes have the right to require us to repurchase all or any part of the Dollar Senior Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest, if any, to the repurchase date.

The indebtedness evidenced by the Dollar Senior Notes is senior unsecured indebtedness of the Issuers, is senior in right of payment to all future subordinated indebtedness of the Issuers and is equal in right of payment to all existing and future senior indebtedness of the Issuers. The Dollar Senior Notes are effectively subordinated to any secured indebtedness of the Issuers (including indebtedness of the Issuers outstanding under the Senior Secured Credit Facilities and the Euro Senior Notes) to the extent of the value of the assets securing such indebtedness.

Future repayments

Below is a schedule of required future repayments of all borrowings outstanding at March 31, 2015.

Remainder of 2015	$ 34.2
2016	29.7
2017	29.2
2018	28.1
2019	27.3
Thereafter	3,477.1
	$ 3,625.6

Reclassifications and revisions

During 2014, the Company identified errors in the determination of the effective interest rate amortization for the Deferred Financing Costs and Original Issue Discounts that were incurred in 2013. The correction of these items impacted the condensed consolidated statement of operations and statements of comprehensive income (loss) for the three months ended March 31, 2014. The Company assessed the applicable guidance and concluded that these errors were not material to the Company's consolidated financial statements for the aforementioned prior periods; however, the Company did conclude that correcting these prior misstatements would be significant to the three and nine-month periods ended September 30, 2014 condensed consolidated statement of operations. As a result of this analysis, the unaudited condensed consolidated financial statements at March 31, 2014 presented herein have been revised to reflect the correction of the aforementioned errors. The correction had an impact of $2.8 million on Net income (loss) and Net income (loss) attributable to controlling interests for the three months ended March 31, 2014 through a reduction in interest expense of $3.1 million (net of a tax provision of $0.3 million).

(16) FAIR VALUE ACCOUNTING

Fair value of financial instruments

Available for sale securities - The fair value of available for sale securities was $4.5 million at both March 31, 2015 and December 31, 2014. The fair value was based upon either Level 1 inputs when the securities are actively traded with quoted market prices or Level 2 when the securities are not frequently traded.

Long-term borrowings - The fair values of the Dollar Senior Notes and Euro Senior Notes at March 31, 2015 were $813.8 million and $284.6 million, respectively. The fair values at December 31, 2014 were $795.0 million and $320.5 million, respectively. The estimated fair values of these notes are based on recent trades, as reported by a third party pricing service. Due to the infrequency of trades of the Dollar Senior Notes and the Euro Senior Notes, these inputs are considered to be Level 2 inputs.

(In millions, unless otherwise noted)

The fair values of the New Dollar Term Loan and the New Euro Term Loan at March 31, 2015 were $2,149.0 million and $428.2 million, respectively. The fair values at December 31, 2014 were $2,100.5 million and $478.0 million, respectively. The estimated fair values of the Dollar Term Loan and the Euro Term Loan are based on recent trades, as reported by a third party pricing service. Due to the infrequency of trades of the Dollar Term Loan and the Euro Term Loan, these inputs are considered to be Level 2 inputs.

(17) DERIVATIVE FINANCIAL INSTRUMENTS

We selectively use derivative instruments to reduce market risk associated with changes in foreign currency exchange rates and interest rates. The use of derivatives is intended for hedging purposes only and we do not enter into derivative instruments for speculative purposes. A description of each type of derivative used to manage risk is included in the following paragraphs.

During the year ended December 31, 2013, we entered into five interest rate swaps with notional amounts totaling $1,173.0 million to hedge interest rate exposures related to variable rate borrowings under the Senior Secured Credit Facilities. The interest rate swaps are in place until September 29, 2017. The interest rate swaps qualify and are designated as effective cash flow hedges.

The following table presents the location and fair values using Level 2 inputs of derivative instruments that qualify and have been designated as cash flow hedges included in our condensed consolidated balance sheet:

	March 31, 2015	December 31, 2014
Other assets:		
Interest rate swaps	$ 0.8	$ 5.9
Total assets	$ 0.8	$ 5.9
Other liabilities:		
Interest rate swaps	$ 2.5	$ 1.5
Total liabilities	$ 2.5	$ 1.5

The following table presents the location and fair values using Level 2 inputs of derivative instruments that have not been designated as hedges included in our condensed consolidated balance sheet:

	March 31, 2015	December 31, 2014
Other assets:		
Interest rate cap	$ 0.1	$ 0.1
Total assets	$ 0.1	$ 0.1

For derivative instruments that qualify and are designated as cash flow hedges, the effective portion of the gain or loss on the derivative is reported as a component of Accumulated other comprehensive loss and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Gains and losses on the derivative representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in current earnings.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

The following tables set forth the locations and amounts recognized during the three months ended March 31, 2015 and 2014 for these cash flow hedges.

Derivatives in Cash Flow Hedging Relationships in three months ended March 31, 2015:	Amount of (Gain) Loss Recognized in OCI on Derivatives (Effective Portion)	Location of (Gain) Loss Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of (Gain) Loss Reclassified from Accumulated OCI to Income (Effective Portion)	Location of (Gains) Losses Recognized in Income on Derivatives (Ineffective Portion)	Amount of (Gain) Loss Recognized in Income on Derivatives (Ineffective Portion)
Interest rate contracts	$ 4.8	Interest expense, net	$ 1.6	Interest expense, net	$ 1.2

Derivatives in Cash Flow Hedging Relationships in three months ended March 31, 2014:	Amount of (Gain) Loss Recognized in OCI on Derivatives (Effective Portion)	Location of (Gain) Loss Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of (Gain) Loss Reclassified from Accumulated OCI to Income (Effective Portion)	Location of (Gains) Losses Recognized in Income on Derivatives (Ineffective Portion)	Amount of (Gain) Loss Recognized in Income on Derivatives (Ineffective Portion)
Interest rate contracts	$ (0.5)	Interest expense, net	$ 1.6	Interest expense, net	$ 1.3

Also during the year ended December 31, 2013, we purchased a €300.0 million 1.5% interest rate cap on our Euro Term Loan that is in place until September 29, 2017. We paid a premium of $3.1 million for the interest rate cap. The interest rate cap was not designated as a hedge and the changes in the fair value of the derivative instrument are recorded in current period earnings and are included in interest expense.

Fair value gains and losses of derivative contracts, as determined using Level 2 inputs, that do not qualify for hedge accounting treatment are recorded in income as follows:

Derivatives Not Designated as Hedging Instruments under ASC 815	Location of (Gain) Loss Recognized in Income on Derivatives	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Foreign currency forward contract	Other expense, net as a component of Exchange (gains) losses	$ (1.8)	$ 1.2
Interest rate cap	Interest expense, net	—	1.8
		$ (1.8)	$ 3.0

(18) SEGMENTS

The Company identifies an operating segment as a component: (i) that engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance; and (iii) that has available discrete financial information.

We have two operating segments, which are also our reportable segments: Performance Coatings and Transportation Coatings. The CODM reviews financial information at the operating segment level to allocate resources and to assess the operating results and financial performance for each operating segment. Our CODM is identified as the Chief Executive Officer because he has final authority over performance assessment and resource allocation decisions. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment, we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Through our Transportation Coatings segment, we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed. The end-markets within this segment are light vehicle and commercial vehicle.

Our business serves four end-markets globally as follows:

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Performance Coatings		
Refinish	$ 393.2	$ 435.2
Industrial	164.0	180.9
Total Net sales Performance Coatings	557.2	616.1
Transportation Coatings		
Light Vehicle	333.2	339.6
Commercial Vehicle	98.8	91.7
Total Net sales Transportation Coatings	432.0	431.3
Total Net sales	$ 989.2	$ 1,047.4

Asset information is not reviewed or included with our internal management reporting. Therefore, the Company has not disclosed asset information for each reportable segment.

	Performance Coatings	Transportation Coatings	Total
For the Three Months Ended March 31, 2015			
Net sales (1)	$ 557.2	$ 432.0	$ 989.2
Equity in earnings in unconsolidated affiliates	0.1	0.3	0.4
Adjusted EBITDA (2)	107.1	74.9	182.0
Investment in unconsolidated affiliates	4.0	6.5	10.5

	Performance Coatings	Transportation Coatings	Total
For the Three Months Ended March 31, 2014			
Net sales (1)	$ 616.1	$ 431.3	$ 1,047.4
Equity in earnings in unconsolidated affiliates	0.3	0.3	0.6
Adjusted EBITDA (2)	124.5	62.2	186.7
Investment in unconsolidated affiliates	8.0	8.4	16.4

(1) The Company has no intercompany sales between segments.

(2) The primary measure of segment operating performance is Adjusted EBITDA, which is defined as net income (loss) before interest, taxes, depreciation and amortization and other unusual items impacting operating results. Adjusted EBITDA 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 the Company’s core operating performance. Reconciliation of Adjusted EBITDA to income (loss) before income taxes follows:

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

	Three Months Ended March 31,	
	2015	2014
Income before income taxes	$ 47.9	$ 8.3
Interest expense, net	50.0	59.0
Depreciation and amortization	72.6	81.1
EBITDA	170.5	148.4
Financing costs [a]	—	3.1
Foreign exchange remeasurement losses [b]	8.7	0.1
Long-term employee benefit plan adjustments [c]	0.2	2.3
Termination benefits and other employee related costs [d]	3.7	3.2
Consulting and advisory fees [e]	3.1	13.0
Transition-related costs [f]	—	13.9
Secondary offering costs [g]	1.4	—
Other adjustments [h]	(2.1)	2.8
Dividends in respect of noncontrolling interest [i]	(3.5)	(0.9)
Management fee expense [j]	—	0.8
Adjusted EBITDA	$ 182.0	$ 186.7

(a) In connection with an amendment to the Senior Secured Credit Facilities in February 2014, we recognized $3.1 million of costs during the three months ended March 31, 2014.

(b) Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies.

(c) Eliminates the non-service cost components of long-term employee benefit costs.

(d) Represents expenses primarily related to employee termination benefits, including our initiative to improve the overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives associated with cost saving opportunities that were related to our transition to a standalone entity and our Axalta Way cost savings initiatives in 2015.

(e) Represents fees paid to consultants, advisors, and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity during 2014. Amounts incurred for the three months ended March 31, 2015 primarily relate to our Axalta Way cost savings initiatives.

(f) Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs, and facility transition costs.

(g) Represents costs associated with the secondary offering of our common shares by Carlyle that closed in April 2015 (the "Secondary Offering").

(h) Represents costs for certain unusual or non-operational (gains) and losses, including a $5.4 million gain recognized in 2015 resulting from the remeasurement of our previously held interest in an equity method investee upon the acquisition of a controlling interest, stock-based compensation, equity investee dividends, indemnity losses associated with the Acquisition, and loss (gain) on sale and disposal of property, plant and equipment.

(i) Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.

(j) Pursuant to Axalta's management agreement with Carlyle Investment for management and financial advisory services and oversight provided to Axalta and its subsidiaries, Axalta was required to pay an annual management fee of $3.0 million and out-of-pocket expenses. This agreement terminated upon completion of the IPO in November 2014.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(19) SHAREHOLDERS' EQUITY

The following tables present the change in total shareholders’ equity for the three months ended March 31, 2015 and 2014, respectively.

	Total Axalta	Noncontrolling Interests	Total
Balance January 1, 2015	$ 1,044.7	$ 67.3	$ 1,112.0
Net income	45.1	1.6	46.7
Other comprehensive (loss), net of tax	(112.1)	(0.4)	(112.5)
Exercise of stock options	(0.6)	—	(0.6)
Recognition of stock-based compensation	1.8	—	1.8
Noncontrolling interests of acquired subsidiaries	—	4.3	4.3
Dividends declared to noncontrolling interests	—	(3.5)	(3.5)
Balance March 31, 2015	$ 978.9	$ 69.3	$ 1,048.2

	Total Axalta	Noncontrolling Interests	Total
Balance January 1, 2014	$ 1,142.9	$ 68.9	$ 1,211.8
Net income (loss)	(4.3)	0.6	(3.7)
Other comprehensive (loss), net of tax	(3.0)	—	(3.0)
Recognition of stock-based compensation	1.8	—	1.8
Dividends declared to noncontrolling interests	—	(0.9)	(0.9)
Balance March 31, 2014	$ 1,137.4	$ 68.6	$ 1,206.0

(20) ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized Gain (Loss) on Securities	Unrealized Gain (Losses) on Derivatives	Accumulated Other Comprehensive Income (loss)
December 31, 2014	$ (72.1)	$ (31.2)	$ (0.2)	$ 0.2	$ (103.3)
Current year deferrals to AOCI	(109.2)	—	0.5	(1.4)	(110.1)
Reclassifications from AOCI to Net income	—	(0.4)	—	(1.6)	(2.0)
Net Change	(109.2)	(0.4)	0.5	(3.0)	(112.1)
March 31, 2015	$ (181.3)	$ (31.6)	$ 0.3	$ (2.8)	$ (215.4)

(In millions, unless otherwise noted)

The income tax benefit related to the changes in pension and other long-term employee benefits for the three months ended March 31, 2015 was $0.8 million. The cumulative income tax benefit related to the adjustments for pension and other long-term employee benefits at March 31, 2015 was $14.1 million. The income tax benefit related to the change in the unrealized loss on derivatives for the three months ended March 31, 2015 was $1.8 million. The cumulative income tax benefit related to the adjustments for unrealized loss on derivatives at March 31, 2015 was $1.6 million.

	Unrealized Currency Translation Adjustments	Pension and Other Long-term Employee Benefit Adjustments	Unrealized Loss on Securities	Unrealized Gain (Loss) on Derivatives	Accumulated Other Comprehensive Income
December 31, 2013	$ 24.3	$ 7.5	$ (0.9)	$ 3.1	$ 34.0
Current year deferrals to AOCI	(7.5)	4.5	(0.2)	1.9	(1.3)
Reclassifications from AOCI to Net income	—	(0.1)	—	(1.6)	(1.7)
Net Change	(7.5)	4.4	(0.2)	0.3	(3.0)
March 31, 2014	$ 16.8	$ 11.9	$ (1.1)	$ 3.4	$ 31.0

Included within reclassifications from AOCI to Net income for the three months ended March 31, 2014 was $5.6 million of curtailment gains related to an amendment to one of our pension plans.

The income tax expense related to the changes in pension and other long-term employee benefits for the three months ended March 31, 2014 was $1.1 million. The cumulative income tax expense related to the adjustment for pension and other long-term employee benefits at March 31, 2014 was $4.6 million. The income tax expense related to the change in the unrealized gain on derivatives for the three months ended March 31, 2014 was $0.2 million. The cumulative income tax expense related to the adjustment for unrealized gain on derivatives at March 31, 2014 was $2.1 million.

(21) SUBSEQUENT EVENTS

On April 8, 2015, we completed a Secondary Offering in which Carlyle sold an aggregate of 40,000,000 common shares at a price of $28.00 per share. The underwriters also exercised their over-allotment option and purchased an additional 6,000,000 common shares. We did not receive any proceeds from the sale of common shares in the Secondary Offering.

On April 8, 2015, Carlyle sold 20,000,000 common shares in a private placement offering to an affiliate of Berkshire Hathaway Inc. for $28.00 per share. We did not receive any proceeds from the sale of common shares in the private placement offering.

As a result of the transactions above, Carlyle's interest in Axalta decreased below 50% and triggered a liquidity event, as defined in the Axalta Coating Systems Bermuda Co., Ltd. 2013 Equity Incentive Plan (the "2013 Plan"). Upon the liquidity event, all issued and outstanding stock options issued under the 2013 Plan became fully vested. As a result of these shares becoming fully vested, the remaining unrecognized stock-based compensation expense of $8.0 million will be recognized for the three months ended June 30, 2015.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations includes statements regarding industry outlook, our expectations regarding the performance of our business and other forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to numerous risks and uncertainties, 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, 2014. These statements include those that related to estimates reflected in our financial results as well as management's plan and outlook. Our actual results may differ materially from those contained in or implied by any forward-looking statements. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the interim unaudited condensed consolidated financial statements and the condensed notes thereto included elsewhere in this quarterly report, as well as the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

FORWARD-LOOKING STATEMENTS

Many statements made in this Quarterly Report on Form 10-Q that are not statements of historical fact, including statements about our beliefs and expectations, are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimates," "targets," "projects," "should," "could," "would," "may," "will," "forecast," and other similar expressions. We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. As you read and consider this Quarterly Report on Form 10-Q, you should understand that these statements are not guarantees of performance or results. The forward-looking statements and projections are subject to and involve risks, uncertainties and assumptions and you should not place undue reliance on these forward-looking statements or projections. Although we believe that these forward-looking statements and projections are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections. Factors that may materially affect such forward-looking statements and projections include:

- adverse developments in economic conditions and, particularly, in conditions in the automotive and transportation industries;
- our inability to successfully execute on our growth strategy;
- risks associated with our non-U.S. operations;
- currency-related risks;
- increased competition;
- risks of the loss of any of our significant customers or the consolidation of MSOs, distributors and/or body shops;
- price increases or interruptions in our supply of raw materials;
- failure to develop and market new products and manage product life cycles;
- litigation and other commitments and contingencies;
- significant environmental liabilities and costs as a result of our current and past operations or products, including operations or products related to our business prior to the Acquisition;
- unexpected liabilities under any pension plans applicable to our employees;
- risk that the insurance we maintain may not fully cover all potential exposures;
- failure to comply with the anti-corruption laws of the United States and various international jurisdictions;
- failure to comply with anti-terrorism laws and regulations and applicable trade embargoes;
- business disruptions, security threats and security breaches;
- our ability to protect and enforce intellectual property rights;
- intellectual property infringement suits against us by third parties;
- our substantial indebtedness;

- our ability to obtain additional capital on commercially reasonable terms may be limited;
- our ability to realize the anticipated benefits of any acquisitions and divestitures;
- our joint ventures' ability to operate according to our business strategy should our joint venture partners fail to fulfill their obligations;
- ability to recruit and retain the experienced and skilled personnel we need to compete;
- work stoppages, union negotiations, labor disputes and other matters associated with our labor force;
- terrorist acts, conflicts, wars and natural disasters that may materially adversely affect our business, financial condition and results of operations;
- transporting certain materials that are inherently hazardous due to their toxic nature;
- weather conditions that may temporarily reduce the demand for some of our products;
- reduced demand for some of our products as a result of improved safety features on vehicles and insurance company influence;
- the amount of the costs, fees, expenses and charges related to being a public company;
- any statements of belief and any statements of assumptions underlying any of the foregoing;
- Carlyle's ability to control our common shares;
- other factors disclosed in this Quarterly Report on Form 10-Q; and
- other factors beyond our control.

These cautionary statements should not be construed by you to be exhaustive and are made only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OVERVIEW

We are a leading global manufacturer, marketer and distributor of high performance coatings systems. We have a nearly 150-year heritage in the coatings industry and are known for manufacturing high-quality products with well-recognized brands supported by market-leading technology and customer service. Our diverse global footprint of 35 manufacturing facilities, 7 technology centers, 45 customer training centers and approximately 12,600 employees allows us to meet the needs of customers in over 130 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through over 4,000 independent, locally based distributors.

We operate our business in two operating segments, Performance Coatings and Transportation Coatings. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment we provide high-quality liquid and powder coatings solutions to a fragmented and local customer base. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

Through our Transportation Coatings segment we provide advanced coating technologies to OEMs of light and commercial vehicles. These increasingly global customers require a high level of technical support coupled with cost-effective, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed. The end-markets within this segment are light vehicle and commercial vehicle.

On November 11, 2014, we priced our initial public offering (the "Offering", or the "IPO"), in which certain selling shareholders affiliated with Carlyle sold 57,500,000 common shares at a price of $19.50 per share. We received no proceeds from the Offering.

Recent Developments

On April 8, 2015, we completed a Secondary Offering in which our then-majority shareholder, Carlyle, sold an aggregate of 40,000,000 common shares at a public offering price of $28.00 per share. The underwriters also exercised their over-allotment option and purchased an additional 6,000,000 common shares.

On April 8, 2015, Carlyle also sold 20,000,000 common shares in a private placement to an affiliate of Berkshire Hathaway Inc. at $28.00 per share.

We did not receive any proceeds from the sale of common shares in the Secondary Offering or the private placement.

BUSINESS HIGHLIGHTS AND TRENDS

From 2012 to 2014, we managed the transition of ownership and operational separation resulting from the planned divestiture of our business by DuPont and ultimately the Acquisition, including significant changes to our senior leadership team. During this time period, our Adjusted EBITDA grew at a 21% CAGR primarily as the result of several strategic initiatives focused on margin improvement. In addition to regular price increases in our refinish end-market, these initiatives included selective price increases in other end-markets, reducing sales with lower margin customers and productivity improvements, which collectively drove Adjusted EBITDA growth in both of our segments.

From 2012 to 2014, our net sales grew at a 2% CAGR with net sales growth in both our Transportation Coatings segment and our Performance Coatings segment. Net sales in our Transportation Coatings segment grew at a 1% CAGR, driven by consistent net sales in our light vehicle end-market and increasing sales in our commercial vehicle end-market, primarily as a result of increased vehicle production in North America and Asia Pacific and improvements in average selling price, driven by new product and color introductions. Net sales in our Performance Coatings segment increased at a 2% CAGR over the same period as a result of higher average selling prices, partially offset by lower volumes in both our refinish and industrial end-markets in developed markets as well as unfavorable impacts of currency exchange. In EMEA, volumes declined as a result of a difficult economic environment. In North America, our lack of participation in the MSO market prior to the Acquisition had a negative impact on our volumes as MSO body shops increased the number of vehicles serviced at the expense of independent body shop customers. These factors in developed markets were partially offset by continued refinish net sales growth in the emerging markets.

Our net sales decreased approximately 6% for the three months ended March 31, 2015 compared to the three months ended March 31, 2014, driven primarily by a decline of approximately 11% from unfavorable currency translation. Excluding the impact of currency translation, our net sales increased approximately 5% primarily as a result of an increase in sales volumes. The following trends have impacted our segment and end-market sales performance in 2015:

- *Performance Coatings:* Net sales excluding currency translation increased approximately 3% driven primarily by strong volume growth in both our refinish and industrial end markets, particularly in North America and Asia Pacific, which was partially offset by weaker refinish volumes in EMEA.

- *Transportation Coatings:* Net sales excluding currency translation increased approximately 9% driven primarily by volume growth in both our light vehicle and commercial vehicle end markets from new business wins and increased vehicle builds in North America, Latin America, and Asia Pacific.

Since the Acquisition, we have implemented numerous initiatives to reduce our fixed and variable costs that have improved our Adjusted EBITDA margin. Examples include transitioning our IT systems to more cost-effective solutions that better meet our needs as an independent company, developing a global procurement organization to reduce procurement costs and investing in a European manufacturing re-alignment to position the region for profitable growth. Additionally in 2015, we commenced a new "Axalta Way" initiative which focuses on commercial alignment and cost reduction. These initiatives are contributing to our financial results and we believe they will continue to drive profitability improvements over the next several years.

Our business serves four end-markets globally as follows:

(In millions)	Three Months Ended March 31,		2015 vs 2014
	2015	2014	% change
Performance Coatings			
Refinish	$ 393.2	$ 435.2	(9.7)%
Industrial	164.0	180.9	(9.3)%
Total Net sales Performance Coatings	557.2	616.1	(9.6)%
Transportation Coatings			
Light Vehicle	333.2	339.6	(1.9)%
Commercial Vehicle	98.8	91.7	7.7 %
Total Net sales Transportation Coatings	432.0	431.3	0.2 %
Total Net sales	$ 989.2	$ 1,047.4	(5.6)%

Factors Affecting Our Operating Results

The following discussion sets forth certain components of our statements of operations as well as factors that impact those items.

Net sales

We generate revenue from the sale of our products across all major geographic areas. Our net sales include total sales less estimates for returns and price allowances. Price allowances include discounts for prompt payment as well as volume-based incentives. Our overall net sales are generally impacted by the following factors:

- fluctuations in overall economic activity within the geographic markets in which we operate;
- underlying growth in one or more of our end-markets, either worldwide or in particular geographies in which we operate;
- the type of products used within existing customer applications, or the development of new applications requiring products similar to ours;
- changes in product sales prices (including volume discounts and cash discounts for prompt payment);
- changes in the level of competition faced by our products, including price competition and the launch of new products by competitors;
- our ability to successfully develop and launch new products and applications; and
- fluctuations in foreign exchange rates.

While the factors described above impact net sales in each of our operating segments, the impact of these factors on our operating segments can differ, as described below. For more information about risks relating to our business, see "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014.

Other revenue

Other revenue consists primarily of consulting and other service revenue and royalty income.

Cost of goods sold ("cost of sales")

Our cost of sales consists principally of the following:

- *Production Materials Costs*. We purchase a significant amount of the materials used in production on a global lowest-cost basis.
- *Employee Costs*. These include the compensation and benefit costs for employees involved in our manufacturing operations. These costs generally increase on an aggregate basis as production volumes increase and may decline as a percent of net sales as a result of economies of scale associated with higher production volumes.
- *Depreciation Expense.* Property, plant and equipment are stated at cost and depreciated or amortized on a straight-line basis over their estimated useful lives. Property, plant and equipment acquired through the Acquisition were recorded at their estimated fair value on the acquisition date resulting in a new cost basis for accounting purposes.
- *Other*. Our remaining cost of sales consists of freight costs, warehousing expenses, purchasing costs, costs associated with closing or idling of production facilities, functional costs supporting manufacturing, product claims and other general manufacturing expenses, such as expenses for utilities and energy consumption.

The main factors that influence our cost of sales as a percentage of net sales include:

- changes in the price of raw materials;
- production volumes;
- the implementation of cost control measures aimed at improving productivity, including reduction of fixed production costs, refinements in inventory management and the coordination of purchasing within each subsidiary and at the business level; and
- fluctuations in foreign exchange rates.

Selling, general and administrative expenses

Our selling, general and administrative expense consists of all expenditures incurred in connection with the sales and marketing of our products, as well as administrative overhead costs, including:

- compensation and benefit costs for management, sales personnel and administrative staff, including share-based compensation expense. Expenses relating to our sales personnel increase or decrease principally with changes in sales volume due to the need to increase or decrease sales personnel to meet changes in demand. Expenses relating to administrative personnel generally do not increase or decrease directly with changes in sales volume; and

- depreciation, advertising and other selling expenses, such as expenses incurred in connection with travel and communications.

Changes in selling, general and administrative expense as a percentage of net sales have historically been impacted by a number of factors, including:

- changes in sales volume, as higher volumes enable us to spread the fixed portion of our administrative expense over higher sales;

- changes in our customer base, as new customers may require different levels of sales and marketing attention;

- new product launches in existing and new markets, as these launches typically involve a more intense sales activity before they are integrated into customer applications;

- customer credit issues requiring increases to the allowance for doubtful accounts; and

- fluctuations in foreign exchange rates.

Research and development expenses

Research and development expense represents costs incurred to develop new products, services, processes and technologies or to generate improvements to existing products or processes.

Interest expense, net

Interest expense, net consists primarily of interest expense on institutional borrowings and other financing obligations and changes in fair value of interest rate derivative instruments, net of capitalized interest expense. Interest expense, net also includes the amortization of debt issuance costs and debt discounts associated with our Senior Secured Credit Facilities and Senior Notes.

Other expense, net

Other expense, net represents costs incurred, net of income, on various non-operational items including historical management expenses to Carlyle as well as foreign exchange gains and losses.

Provision (benefit) for income taxes

We and our subsidiaries are subject to income tax in the various jurisdictions in which we operate. While the extent of our future tax liability is uncertain, the impact of acquisition accounting for the Acquisition and for future acquisitions, changes to the debt and equity capitalization of our subsidiaries, and the realignment of the functions performed and risks assumed by the various subsidiaries are among the factors that will determine the future book and taxable income of the respective subsidiary and the Company as a whole.

NON-GAAP FINANCIAL MEASURES

Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA

To supplement our financial information presented in accordance with U.S. GAAP, we use the following non-GAAP financial measures to clarify and enhance an understanding of past performance: EBITDA and Adjusted EBITDA. We believe that the presentation of these financial measures enhances an investor's understanding of our financial performance. We further believe that these financial measures are useful financial metrics to assess our operating performance from period-to-period by excluding certain items that we believe are not representative of our core business. We use certain of these financial measures for business planning purposes and in measuring our performance relative to that of our competitors. We utilize Adjusted EBITDA as the primary measure of segment performance.

EBITDA consists of net income (loss) before interest, taxes, depreciation and amortization. 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 operating 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.

We believe these financial measures are commonly used by investors to evaluate our performance and that of our competitors. However, our use of the terms EBITDA and Adjusted EBITDA may vary from that of others in our industry. These financial measures should not be considered as alternatives to income before income taxes, net income (loss), earnings (loss) per share or any other performance measures derived in accordance with U.S. GAAP as measures of operating performance.

EBITDA and Adjusted EBITDA have important limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of our results as reported under U.S. GAAP. Some of these limitations are:

- EBITDA and Adjusted EBITDA:
    - do not reflect the significant interest expense on our debt, including the Senior Secured Credit Facilities and the Senior Notes;
    - eliminate the impact of income taxes on our results of operations; and
    - contain certain estimates for periods prior to the Acquisition of standalone costs;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any expenditures for such replacements; and
- other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do, limiting their usefulness as comparative measures.

We compensate for these limitations by using EBITDA and Adjusted EBITDA along with other comparative tools, together with U.S. GAAP measurements, to assist in the evaluation of operating performance. Such U.S. GAAP measurements include income before income taxes, net income (loss), earnings (loss) per share and other performance measures.

In evaluating these financial measures, you should be aware that in the future we may incur expenses similar to those eliminated in this presentation. Our presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

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The following table reconciles the net income (loss) to EBITDA and Adjusted EBITDA calculations discussed above for the periods presented:

	Three Months Ended March 31,	
(In millions)	2015	2014
Net income (loss)	$ 46.7	$ (3.7)
Interest expense, net	50.0	59.0
Provision for income taxes	1.2	12.0
Depreciation and amortization	72.6	81.1
EBITDA	170.5	148.4
Financing costs [a]	—	3.1
Foreign exchange remeasurement losses [b]	8.7	0.1
Long-term employee benefit plan adjustments [c]	0.2	2.3
Termination benefits and other employee related costs [d]	3.7	3.2
Consulting and advisory fees [e]	3.1	13.0
Transition-related costs [f]	—	13.9
Secondary offering costs [g]	1.4	—
Other adjustments [h]	(2.1)	2.8
Dividends in respect of noncontrolling interest [i]	(3.5)	(0.9)
Management fee expense [j]	—	0.8
Adjusted EBITDA	$ 182.0	$ 186.7

(a) In connection with an amendment to the Senior Secured Credit Facilities in February 2014, we recognized $3.1 million of costs during the three months ended March 31, 2014.

(b) Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies.

(c) Eliminates the non-service cost components of long-term employee benefit costs.

(d) Represents expenses primarily related to employee termination benefits, including our initiative to improve the overall cost structure within the European region, and other employee-related costs. Termination benefits include the costs associated with our headcount initiatives associated with cost saving opportunities that were related to our transition to a standalone entity and our Axalta Way cost savings initiatives in 2015.

(e) Represents fees paid to consultants, advisors, and other third-party professional organizations for professional services rendered in conjunction with the transition from DuPont to a standalone entity during 2014. Amounts incurred for the three months ended March 31, 2015 primarily relates to our Axalta Way cost savings initiatives.

(f) Represents charges associated with the transition from DuPont to a standalone entity, including branding and marketing, information technology related costs, and facility transition costs.

(g) Represents costs associated with the Secondary Offering of our common shares by Carlyle that closed in April 2015.

(h) Represents costs for certain unusual or non-operational (gains) and losses, including a $5.4 million gain recognized in 2015 resulting from the remeasurement of our previously held interest in an equity method investee upon the acquisition of a controlling interest, stock-based compensation, equity investee dividends, indemnity losses associated with the Acquisition, and loss (gain) on sale and disposal of property, plant and equipment.

(i) Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.

(j) Pursuant to Axalta's management agreement with Carlyle Investment, for management and financial advisory services and oversight provided to Axalta and its subsidiaries, Axalta was required to pay an annual management fee of $3.0 million and out-of-pocket expenses. This agreement terminated upon completion of the IPO in November 2014.

RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the information contained in the accompanying unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q. Our historical results of operations set forth below may not necessarily reflect what will occur in the future.

Three months ended March 31, 2015 compared to the three months ended March 31, 2014

The following table was derived from the interim unaudited condensed consolidated statements of operations for the three months ended March 31, 2015 and 2014 included elsewhere in this Quarterly Report on Form 10-Q.

	Three Months Ended March 31,	
(In millions)	2015	2014
Net sales	$ 989.2	$ 1,047.4
Other revenue	8.3	7.0
Total revenue	997.5	1,054.4
Cost of goods sold	649.8	703.5
Selling, general and administrative expenses	213.0	246.7
Research and development expenses	12.9	11.3
Amortization of acquired intangibles	20.0	21.1
Income from operations	101.8	71.8
Interest expense, net	50.0	59.0
Other expense, net	3.9	4.5
Income before income taxes	47.9	8.3
Provision for income taxes	1.2	12.0
Net income (loss)	46.7	(3.7)
Less: Net income attributable to noncontrolling interests	1.6	0.6
Net income (loss) attributable to controlling interests	$ 45.1	$ (4.3)

Net sales

Net sales decreased $58.2 million, or 5.6%, to $989.2 million for the three months ended March 31, 2015, as compared to net sales of $1,047.4 million for the three months ended March 31, 2014. Our net sales decrease in the three months ended March 31, 2015 compared to the three months ended March 31, 2014 was primarily attributable to unfavorable impacts of currency exchange, which reduced net sales by 10.8% due to the impact of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar. This net sales decline was partially offset by increases in volumes primarily in North America, Asia and Latin America, which contributed to net sales growth of 4.8%. Higher average selling prices also contributed to an increase of 0.4% compared to the three months ended March 31, 2014.

Other revenue

Other revenue increased $1.3 million, or 18.6%, to $8.3 million for the three months ended March 31, 2015, as compared to $7.0 million for the three months ended March 31, 2014. The increase primarily related to an increase in royalty revenues within North America. This increase in other revenue was partially offset by the impacts of weakening currencies against the U.S. dollar, which caused a 10.0% decrease in other revenue primarily due to the weakening Euro.

Cost of sales

Cost of sales decreased $53.7 million, or 7.6%, to $649.8 million for the three months ended March 31, 2015 compared to $703.5 million for the three months ended March 31, 2014. Cost of sales was lower during the three months ended March 31, 2015 compared to the three months ended March 31, 2014 primarily as a result of the benefit of currency exchange due to the impact of the weakening Euro and certain currencies within Latin America, which contributed to a 6.4% decrease in cost of sales as a percentage of net sales. The decrease from currency translation was slightly offset by higher volumes, which increased cost of sales. Cost of sales as a percentage of net sales decreased from 67.2% for the three months ended March 31, 2014 to 65.7% for the three months ended March 31, 2015 as a result of reductions in costs resulting from our cost savings initiatives as well as lower raw material prices.

Selling, general and administrative expenses

Selling, general and administrative expenses decreased $33.7 million, or 13.7%, to $213.0 million for the three months ended March 31, 2015 compared to $246.7 million for the three months ended March 31, 2014. Selling, general and administrative expenses for the three months ended March 31, 2015 included $8.2 million of costs related to our 2015 cost savings initiatives as well as costs associated with the Secondary Offering as compared to $30.1 million of nonrecurring costs for the three months ended March 31, 2014 associated with our transition related activities, resulting in a decrease of $21.9 million over the comparable period. In addition, favorable impacts of currency exchange during the three months ended March 31, 2015 contributed to a 9.7% reduction in selling, general and administrative expenses due to the impact of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar. Selling, general and administrative expenses decreased as a percentage of net sales from 23.6% for the three months ended March 31, 2014 to 21.5% for the three months ended March 31, 2015.

Research and development expenses

Research and development expenses increased $1.6 million, or 14.2%, to $12.9 million for the three months ended March 31, 2015 compared to $11.3 million for the three months ended March 31, 2014. This increase was driven by additional spend as we focus on developing new and existing products in the market. These increases in spend were partially offset by the impacts of currency exchange, which contributed to a 7.1% decrease in research and development expenses primarily as a result of the weakening Euro compared to the U.S. dollar.

Amortization of acquired intangibles

Amortization of acquired intangibles decreased $1.1 million, or 5.2%, to $20.0 million for the three months ended March 31, 2015 compared to $21.1 million for the three months ended March 31, 2014. This decrease was a result of the benefit of currency exchange primarily as a result of the weakening Euro compared to the U.S. dollar.

Interest expense, net

Interest expense, net decreased $9.0 million, or 15.3%, to $50.0 million for the three months ended March 31, 2015 compared to $59.0 million for the three months ended March 31, 2014. Interest expense, net for the three months ended March 31, 2015 reflects a full three months of interest costs after the refinancing of our Term Loans in February of 2014. Interest expense, net for the three months ended March 31, 2014 reflects one month of interest expense associated with our original debt financing for the Acquisition and two months of interest expense based on the refinancing of our Term Loans. Additionally, the three months ended March 31, 2015 included the benefit of the 25 basis point step-down in interest rates on our Term Loans resulting from a reduction in our leverage ratio, as well as reductions in principal balances throughout 2014, including the $100.0 million prepayment on our New Dollar Term Loan made on September 30, 2014. Further contributing to the net decrease for the three months ended March 31, 2015 was the impact of the weakening Euro against the U.S. dollar.

Other expense, net

Other expense, net decreased $0.6 million, or 13.3%, to $3.9 million for the three months ended March 31, 2015 compared to $4.5 million for the three months ended March 31, 2014. Exchange losses, net, were $8.7 million during the three months ended March 31, 2015 as compared to exchange losses of $0.1 million for the three months ended March 31, 2014. Net exchange losses for the three months ended March 31, 2015 primarily consisted of $98.7 million in remeasurement losses primarily related to intercompany transactions denominated in currencies different from the functional currency of the relevant subsidiary, partially offset by $89.8 million in gains on our Euro borrowings.

During the three months ended March 31, 2015, we entered into an agreement with one of our joint venture partners to acquire a controlling interest in an investment previously accounted for as an equity method investment. As a result of the acquisition of a controlling interest in the investment, we recognized a gain of $5.4 million on the remeasurement of our previously held equity interest as of the acquisition date, resulting in a net decrease in other expense compared to the three months ended March 31, 2014.

Contributing to the decrease in other expense over the comparable periods were debt modification fees incurred during three months ended March 31, 2014 for $3.1 million, resulting from the refinancing of our Term Loans in February of 2014.

Provision for income taxes

We recorded an income tax provision of $1.2 million for the three months ended March 31, 2015, which represents a 2.5% effective tax rate in relation to the income before income taxes of $47.9 million. The effective tax rate for the three months ended March 31, 2015 differs from the U.S. Federal statutory rate by 32.5%, which is the result of various items that impacted the effective rate both favorably and unfavorably. We recorded favorable adjustments for earnings in jurisdictions where the statutory rate is lower than the U.S. Federal statutory rate of $12.1 million and we recognized a benefit of $16.6 million associated with currency exchange losses which had no impact on income before income taxes. These adjustments were partially offset by the impact of pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $3.6 million and non-deductible expenses and interest of $6.9 million.

We recorded a provision for income taxes of $12.0 million for the three months ended March 31, 2014, which represents a 144.6% effective tax rate in relation to the income before income taxes of $8.3 million. The effective tax rate for the three months ended March 31, 2014 differs from the U.S. Federal statutory rate by 109.6%, which is the result of various items that impacted the effective rate both favorably and unfavorably. We recorded unfavorable adjustments due to pre-tax losses attributable to jurisdictions where a tax benefit is not expected to be realized of $5.5 million and nondeductible expenses and withholding tax expense totaling $9.7 million. These adjustments were partially offset by the favorable impact of earnings in jurisdictions where the statutory rate is lower than the U.S. Federal statutory rate of $8.3 million.

SEGMENT RESULTS

Three months ended March 31, 2015 compared to the three months ended March 31, 2014

The following table presents net sales by segment and segment Adjusted EBITDA for the periods presented:

(In millions)	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
Net Sales		
Performance Coatings	$ 557.2	$ 616.1
Transportation Coatings	432.0	431.3
Total	$ 989.2	$ 1,047.4
Segment Adjusted EBITDA		
Performance Coatings	$ 107.1	$ 124.5
Transportation Coatings	74.9	62.2
Total	$ 182.0	$ 186.7

Performance Coatings Segment

Net sales decreased $58.9 million, or 9.6%, to $557.2 million for the three months ended March 31, 2015 compared to net sales of $616.1 million for the three months ended March 31, 2014. The decrease in net sales in the three months ended March 31, 2015 was primarily driven by unfavorable impacts of currency exchange, which contributed to an approximately 12.1% reduction in net sales resulting primarily from the impacts of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar. The decrease in net sales was partially offset by volume growth primarily within North America, Latin America and Asia, which contributed to a net sales increase of 1.9%.

Adjusted EBITDA decreased $17.4 million, or 14.0%, to $107.1 million for the three months ended March 31, 2015 compared to Adjusted EBITDA of $124.5 million for the three months ended March 31, 2014. The decrease in Adjusted EBITDA in the three months ended March 31, 2015 was primarily driven by unfavorable impacts of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar, which were slightly offset by increases resulting from higher volumes, average selling prices, and lower variable costs. Additionally, dividends from our consolidated joint ventures to our noncontrolling partners negatively impacted Adjusted EBITDA by $3.1 million for the three months ended March 31, 2015 as compared to $0.0 million for the three months ended March 31, 2014.

Transportation Coatings Segment

Net sales increased $0.7 million, or 0.2%, to $432.0 million for the three months ended March 31, 2015 compared to net sales of $431.3 million for the three months ended March 31, 2014. The increase in net sales for the three months ended March 31, 2015 was primarily driven by increases in volume in North America, Latin America and Asia, as well as higher average selling prices in Europe and Latin America, which contributed to net sales increases of 9.0% and 0.1%, respectively. These increases were partially offset by decreases from the unfavorable impacts of currency exchange, which contributed to an approximately 8.9% reduction in net sales resulting primarily from the impacts of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar.

Adjusted EBITDA increased $12.7 million, or 20.4%, to $74.9 million for the three months ended March 31, 2015 compared to Adjusted EBITDA of $62.2 million for the three months ended March 31, 2014. The increase in Adjusted EBITDA in the three months ended March 31, 2015 was driven by higher volumes and lower variable costs, which were offset by higher fixed costs associated with support of our volume growth within the Light Vehicle and Commercial Vehicle end markets, and unfavorable impacts of the weakening Euro and certain currencies within Latin America compared to the U.S. dollar.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash on hand, cash flow from operations and available borrowing capacity under our Senior Secured Credit Facilities.

At March 31, 2015, availability under the Revolving Credit Facility was $378.7 million, net of the letters of credit issued which reduced the availability under the Revolving Credit Facility by $21.3 million. All such availability may be utilized without violating any covenants under the credit agreement governing the Revolving Credit Facility or the indentures governing the Dollar Senior Notes and the Euro Senior Notes. At March 31, 2015, we did not have any borrowings under other lines of credit.

We or our affiliates, at any time and from time to time, may purchase the Dollar Senior Notes, the Euro Senior Notes or other indebtedness. Any such purchases may be made through the open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise, upon such terms and at such prices, as well as with such consideration, as we, or any of our affiliates, may determine.

Cash Flows

Three months ended March 31, 2015 and 2014

	Three Months Ended March 31,	
(In millions)	**2015**	**2014**
Net cash provided by (used in):		
Operating activities:		
Net income (loss)	$ 46.7	$ (3.7)
Depreciation and amortization	72.6	81.1
Deferred income taxes	(17.2)	(15.1)
Unrealized (gain)/loss on derivatives	1.2	3.1
Amortization of financing costs and original issue discount	5.0	5.2
Foreign exchange losses	4.8	3.4
Other non-cash items	0.7	—
Net income (loss) adjusted for non-cash items	113.8	74.0
Changes in operating assets and liabilities	(212.5)	(141.2)
Operating activities	(98.7)	(67.2)
Investing activities	(30.2)	(52.4)
Financing activities	(19.7)	3.2
Effect of exchange rate changes on cash	(10.6)	(3.3)
Net increase (decrease) in cash and cash equivalents	$ (159.2)	$ (119.7)

Three Months Ended March 31, 2015

Net Cash Provided by Operating Activities

Net cash used for operating activities for the three months ended March 31, 2015 was $98.7 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of $113.8 million. This was partially offset by net increases in working capital of $212.5 million. The most significant drivers in working capital were increases in receivables, inventory and other assets of $115.7 million due to the timing of sales during the three months ended March 31, 2015 and increased inventory builds to support ongoing operational demands, reductions of other accrued liabilities of $91.1 million related to payments of normal operating activities, timing of cash payments for annual employee performance related benefits, as well as restructuring costs and transition-related costs incurred during 2014.

Net Cash Used for Investing Activities

Net cash used for investing activities for the three months ended March 31, 2015 was $30.2 million, This use was driven primarily by purchases of property, plant and equipment of $31.5 million and the acquisition of a controlling interest in an investment affiliate of $3.2 million (net of cash received) partially offset by a decrease of $1.8 million in restricted cash.

Net Cash Used for Financing Activities

Net cash used for financing activities for the three months ended March 31, 2015 was $19.7 million. The change was primarily driven by repayments of short-term borrowings and Term Loans of $10.7 million and $6.8 million, respectively, partially offset by proceeds received from short-term borrowings during the period of $1.5 million.

Dividends paid to noncontrolling interests totaled $3.5 million for the three months ended March 31, 2015.

Three Months Ended March 31, 2014

Net Cash Used for Operating Activities

Cash used for operating activities was $67.2 million for the three months ended March 31, 2014. The cash used for operations was the result of increases in net working capital partially offset by cash flows generated by operating earnings. An increase in trade and notes receivable due largely to higher sales levels during the three months ended March 31, 2014 resulted in an outflow of cash of $65.3 million. An increase in inventories resulted in a cash outflow of $28.3 million, while an increase in accounts payable favorably impacted cash flow from operations by $29.3 million. The increase in accounts payable and inventory was in support of higher sales. Further contributing to the cash flows used for operating activities was a decrease in accrued liabilities of $76.9 million primarily related to the timing of cash payments for annual employee performance related benefits, one-time transition costs and interest payments

Net Cash Used for Investing Activities

Purchases of property, plant and equipment during the three months ending March 31, 2014, were $50.2 million, which included transition costs related to our transition to a standalone entity, which included costs to transition off of the DuPont information technology systems.

During the three months ended March 31, 2014, we also had a $2.0 million increase in restricted cash.

Net Cash Provided by Financing Activities

Net cash provided by financing activities for the three months ended March 31, 2014 was $3.2 million. The change was primarily driven by proceeds received from short-term borrowings during the period of $16.7 million partially offset by $9.6 million of payments on short-term borrowings. During the three months ended March 31, 2014, we paid $3.0 million in fees related to the amendment of the Senior Secured Credit Facilities.

Dividends paid to noncontrolling interests totaled $0.9 million for the three months ended March 31, 2014.

Financial Condition

We had cash and cash equivalents at March 31, 2015 and December 31, 2014 of $222.9 million and $382.1 million, respectively. Of these balances, $199.0 million and $264.6 million were maintained in non-U.S. jurisdictions as of March 31, 2015 and December 31, 2014, respectively. We believe our organizational structure allows us the necessary flexibility to move funds throughout our subsidiaries to meet our operational working capital needs.

Our primary sources of liquidity are cash on hand, cash flow from operations and available borrowing capacity under our Revolving Credit Facility. Based on our forecasts, we believe that cash flow from operations, available cash on hand and available borrowing capacity under our Senior Secured Credit Facilities and existing lines of credit will be adequate to service debt, fund the transition-related costs and cost-savings initiatives, meet liquidity needs and fund necessary capital expenditures for the next twelve months.

Our ability to make scheduled payments of principal or interest on, or to refinance, our indebtedness or to fund working capital requirements, capital expenditures and other current obligations will depend on our ability to generate cash from operations. Such cash generation is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

If required, our ability to raise additional financing and our borrowing costs may be impacted by short and long-term debt ratings assigned by independent rating agencies, which are based, in significant part, on our performance as measured by certain credit metrics such as interest coverage and leverage ratios. Our highly leveraged nature may limit our ability to procure additional financing in the future.

The following table details our borrowings outstanding at end of periods indicated:

(In millions)	March 31, 2015	December 31, 2014
Dollar Term Loan	$ 2,159.8	$ 2,165.5
Euro Term Loan	425.0	481.0
Dollar Senior Notes	750.0	750.0
Euro Senior Notes	270.4	305.3
Short-term borrowings	14.3	12.2
Other	6.1	0.7
Unamortized original issue discount	(17.3)	(18.3)
	3,608.3	3,696.4
Less:		
Short term borrowings	14.3	12.2
Current portion of long-term borrowings	27.3	27.9
Long-term debt	$ 3,566.7	$ 3,656.3

Our indebtedness, including the Senior Secured Credit Facilities and Senior Notes, is more fully described in Note 15 to the interim unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Our liquidity requirements are significant due to the highly leveraged nature of our company as well as our working capital requirements. At March 31, 2015 and December 31, 2014, there were no borrowings under the Revolving Credit Facility with total availability under the Revolving Credit Facility of $378.7 million and $384.5 million, respectively, all of which may be borrowed by us without violating any covenants under the credit agreement governing such facility or the indentures governing the Dollar Senior Notes and the Euro Senior Notes.

Contractual Obligations

Information related to our contractual obligations can be found in the Company's Annual Report on Form 10-K for the year ended December 31, 2014. There have been no material changes in the Company's contractual obligations since December 31, 2014.

Scheduled Maturities

Below is a schedule of required future repayments of all borrowings outstanding at March 31, 2015.

(In millions)	
Remainder of 2015	$ 34.2
2016	29.7
2017	29.2
2018	28.1
2019	27.3
Thereafter	3,477.1
Total	$ 3,625.6

Off-Balance Sheet Arrangements

We directly guarantee certain obligations under agreements with third parties. At March 31, 2015 and December 31, 2014, we had directly guaranteed $2.1 million and $2.2 million of such obligations, respectively. These guarantees represent the maximum potential amount of future (undiscounted) payments that we could be required to make under the guarantees in the event of default by the guaranteed parties. No amounts were accrued at March 31, 2015 and December 31, 2014.

No other off-balance sheet arrangements existed as of March 31, 2015 and December 31, 2014.

Recent Accounting Guidance

See Note 2 "Recent Accounting Guidance" to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for a summary of recent accounting guidance.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Critical accounting policies are those accounting policies that can have a significant impact on the presentation of our financial condition and results of operations, and that require the use of complex and subjective estimates based upon past experience and management’s judgment. Because of the uncertainty inherent in such estimates, actual results may differ materially from these estimates. The policies applied in preparing our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q are those that management believes are the most dependent on estimates and assumptions. There have been no material changes to our critical accounting policies and estimates previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2014. For a description of our critical accounting policies and estimates as well as a listing of our significant accounting policies, see “Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates” and “Note 3 - Summary of Significant Accounting Policies” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2014 .

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the market risks previously disclosed in our financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Based on their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting

There were no changes in the Company's internal control over financial reporting that occurred during the three months ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are from time to time party to legal proceedings that arise in the ordinary course of business. We are not involved in any litigation other than that which has arisen in the ordinary course of business. We do not expect that any currently pending lawsuits will have a material effect on us.

ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors from the risks previously reported in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

See the Exhibit Index for the exhibits filed with this Quarterly Report on Form 10-Q or incorporated by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

	AXALTA COATING SYSTEMS LTD.
Date: May 6, 2015	By: /s/ Charles W. Shaver
	Charles W. Shaver Chairman of the Board and Chief Executive Officer
Date: May 6, 2015	By: /s/ Robert W. Bryant
	Robert W. Bryant Executive Vice President and Chief Financial Officer (Principal Financial Officer)
Date: May 6, 2015	By: /s/ Sean M. Lannon
	Sean M. Lannon Vice President and Global Controller (Principal Accounting Officer)

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION OF EXHIBITS
10.63*	Registration Rights Agreement by and among Axalta Coating Systems Ltd. and Government Employees Insurance Company (incorporated by reference to Exhibit 1.1 of the Registrant's Current Report on Form 8-K (File No. 001-36733) filed with the SEC on April 9, 2015)
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1††	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2††	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101†	INS - XBRL Instance Document
101†	SCH - XBRL Taxonomy Extension Schema Document
101†	CAL - XBRL Taxonomy Extension Calculation Linkbase Document
101†	DEF - XBRL Taxonomy Extension Definition Linkbase Document
101†	LAB - XBRL Taxonomy Extension Label Linkbase Document
101†	PRE - XBRL Taxonomy Extension Presentation Linkbase Document
*	Previously filed.
†	In accordance with Rule 406T of Regulation S-T, the information in these exhibits is furnished and deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Exchange Act of 1934, and otherwise is not subject to liability under these sections.
††	This certificate is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

REGISTRATION RIGHTS AGREEMENT

BY AND AMONG

AXALTA COATING SYSTEMS LTD.

AND

GOVERNMENT EMPLOYEES INSURANCE COMPANY

DATED AS OF APRIL 8, 2015

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REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "Agreement") is made as of April 8, 2015 (the "Effective Date") by and among:

(i) Axalta Coating Systems Ltd., a company incorporated and organized under the laws of Bermuda (the "Company");
(ii) Government Employees Insurance Company ("Investor"); and
(iii) such other Persons, if any, that from time to time become parties hereto pursuant to the terms hereof or who join this Agreement pursuant to a Joinder Agreement substantially in the form of Exhibit A (together with Investor, the "Shareholders").

RECITALS

WHEREAS, prior to the date hereof, certain shareholders of the Company and Investor have entered into a stock purchase agreement (the "Stock Purchase Agreement"), pursuant to which Investor will acquire common shares, par value $1.00 per share (the "Common Shares"), of the Company.

WHEREAS, the parties hereto desire for the Company to provide the registration rights set out in this Agreement. Unless otherwise noted herein, capitalized terms used herein shall have the meanings set forth in Section 4.

AGREEMENT

NOW, THEREFORE, the parties to this Agreement hereby agree as follows:

1. REGISTRATION.

1.1. Requests for Registration. At any time on or after July 7, 2015, the Shareholders may request the "shelf" registration of all or part of their Registrable Securities on Form S-1 or any similar or successor long-form registration statement ("Long-Form Registration") or, if available, a "shelf" registration of all or part of their Registrable Securities on Form S-3 or any similar or successor short-form registration statement ("Short-Form Registration"), in each case registering such Registrable Securities for resale by the Shareholders; provided that no request for registration may be made after the time at which all Shareholders cease to hold Registrable Securities (and after such time the Company may terminate any then effective registration statement or registration statement then in process); and provided further, that, subject to Section 1.5, the Shareholders, collectively, shall only be entitled to one (1) such request. A registration statement shall not count as a Demand Registration unless and until it has become effective. The Company may not include securities other than Registrable Securities of the Shareholders in a Demand Registration. A Demand Registration shall not count against the limit on the number of requests set forth herein if after the applicable registration statement has become effective, such registration statement or the related offer, sale or distribution of Registrable Securities thereunder becomes the subject of any stop order, injunction or other order or restriction imposed by the Securities and Exchange Commission or any other governmental agency or court for any reason not attributable to any Shareholder and such interference is not thereafter eliminated so as to permit the completion of the contemplated distribution of Registrable Shares.

1.2. Demand Notice. The request for a Demand Registration shall be made by giving written notice to the Company (a "Demand Notice"). The Demand Notice shall specify the number of Registrable Securities requested to be registered.

1.3. Registration Expenses. The Company will pay all expenses incident to the Company's performance of or compliance with this Agreement, including, without limitation, all registration, qualification and filing fees, fees and expenses of compliance with securities or blue sky laws, printing expenses, messenger and delivery expenses, and fees and disbursements of counsel for the Company and all independent certified public accountants and other Persons retained by the Company (all such expenses being herein called "Registration Expenses"); provided that except as otherwise provided in this Agreement, the Company shall not be responsible for any expenses incurred by the Shareholders in connection with any registration.

1.4. Short-Form Registration. The Demand Registration will be a Short-Form Registration whenever the Company is eligible to use Form S-3 or any similar or successor short-form registration statement. If permitted under the Securities Act, the registration statement with respect to a Demand Registration shall be one that is automatically effective upon filing.

1.5. Restrictions on Demand Registration. The Company may postpone for up to sixty (60) days (from the date of the request) the filing or the effectiveness of a registration statement for a Demand Registration, or withdraw or otherwise suspend the availability of any effective registration statement, by written notice to Investor, but only if and so long as (x) the Company determines that such Demand Registration may, if not delayed, withdrawn or otherwise suspended, as applicable, reasonably be expected to have a material adverse effect on any bona fide proposal or plan by the Company or any of its subsidiaries to engage in any acquisition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer, registration or issuance of securities to be sold by the Company or any such subsidiary, financing or other material transaction or (y) proceeding with such Demand Registration would require the Company to disclose material non-public information that would not otherwise be required to be disclosed at that time and the disclosure of such information at that time would not be in the Company's best interests. If the Company delays, withdraws or suspends any registration statement pursuant to this Section 1.5, the Shareholders shall be entitled to withdraw their request for a Demand Registration, and if they do so, such request shall not count against the limitation on the number of requests set forth in this Agreement. The Company shall provide prompt written notice to Investor of the commencement or termination of any period during which the Company has delayed or suspended a filing or an effective date pursuant to this Section 1.5 (a "Suspension Period") (and any withdrawal of a registration statement pursuant to this Section 1.5). In no event may the Company deliver notice of a Suspension Period to Investor more than three times in any calendar year.

2. REGISTRATION AND COORDINATION GENERALLY.

2.1. Registration Procedures. Whenever the Shareholders have requested that any Registrable Securities be registered pursuant to this Agreement, the Company will use its commercially reasonable efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof and pursuant thereto the Company will as expeditiously as reasonably practicable:

(a) prepare and file with the Securities and Exchange Commission a registration statement with respect to such Registrable Securities and thereafter use its commercially reasonable efforts to cause such registration statement to become effective as soon as practicable;

(b) prepare and file with the Securities and Exchange Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith and otherwise take such actions as may be necessary (i) to keep such registration statement effective until the earlier of (A) the date on which all securities covered by such registration statement have been sold under such registration statement, (B) when all securities covered by such registration statement cease to be Registrable Securities, and (C) the latest date allowed by applicable law, and (ii) to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement in accordance with the intended methods of disposition by the seller or sellers thereof set forth in such registration statement;

(c) furnish, without charge, to each seller of Registrable Securities such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller in conformity with the requirements of the Securities Act and other applicable law;

(d) use its commercially reasonable efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company will not be required to (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (ii) subject itself to taxation in respect of doing business in any such jurisdiction or (iii) consent to general service of process in any such jurisdiction);

(e) promptly notify each seller of such Registrable Securities, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the discovery of the happening of any event as a result of which, the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made, and, at the request of any such seller, the Company will as soon as practicable prepare and furnish to such seller, without charge, a reasonable number of copies of a supplement or amendment to such prospectus so that, as thereafter delivered to the prospective purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(f) in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any securities included in such registration statement for sale in any jurisdiction, the Company will use its commercially reasonable efforts promptly to obtain the withdrawal of such order;

(g) cooperate with the sellers of Registrable Securities covered by the registration statement to facilitate the timely preparation and delivery of certificates (not bearing any restrictive legends) representing securities to be sold under the registration statement, and enable such securities to be in such denominations and registered in such names as the holders may request; and provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of the registration statement;

(h) notify counsel for the sellers of Registrable Securities included in such registration statement, immediately, and confirm the notice in writing (i) when the registration statement, or any post-effective amendment to the registration statement, has been filed or shall have become effective, or any supplement to the prospectus or any amendment prospectus shall have been filed, (ii) of any request of the Securities and Exchange Commission to amend the registration statement or amend or supplement the prospectus or for additional information, and (iii) of the issuance by the Securities and Exchange Commission of any stop order suspending the effectiveness of the registration statement or of any order preventing or suspending the use of any prospectus, or of the suspension of the qualification of any securities included in the registration statement for offering or sale in any jurisdiction, or of the institution or threatening of any proceedings for any of such purposes; and

(i) use commercially reasonable efforts to cause all such Registrable Securities to be listed on each primary securities exchange (if any) on which securities of the same class issued by the Company are then listed.

The Company may require each seller of Registrable Securities as to which any registration is being effected to furnish the Company such information relating to the sale or registration of such securities regarding such seller and the distribution of such securities as the Company may from time to time reasonably request in writing. The Company shall not be required to file a registration statement or include Registrable Securities in a registration statement unless it has received from each seller of such Registrable Securities such requested information.

No registration statement (including any amendment thereto) shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein not misleading, and no prospectus (including any supplement thereto) shall contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case, except for any untrue statement of a material fact or omission of a material fact made in reliance on and in conformity with written information furnished to the Company by or on behalf of any Shareholder specifically for use therein.

2.2. Current Public Information. For so long as any Shareholder holds Common Shares acquired by Investor pursuant to the Stock Purchase Agreement, the Company will use its commercially reasonable efforts to timely file all reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the Securities and Exchange Commission thereunder, and will take such further action as such Shareholder may reasonably request, all to the extent required to enable such Shareholder to sell such Common Shares pursuant to Rule 144.

2.3. Shelf Take-Downs. Each Shareholder shall be entitled, at any time and from time to time when a registration statement with respect to a Demand Registration is effective, to sell the Registrable Shares as are then registered pursuant to such registration statement. In connection therewith, if any of the Shareholders delivers a notice to the Company (a "Take-Down Notice") stating that it intends to effect a non-underwritten offering of all or part of its Registrable Securities included in such registration statement (a "Shelf Offering") and stating the number of the Registrable Securities to be included in the Shelf Offering, then, the Company shall as promptly as practicable amend or supplement such registration statement as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Offering.

2.4. Share Legend. Upon request, and subject to the delivery by the requesting party to the Company of customary representations, including with respect to the requesting party's non-affiliate status, the Company shall remove any legend from the certificates evidencing any securities that have ceased to be, or are not deemed to be, Registrable Securities.

3. INDEMNIFICATION

3.1. Indemnification by the Company. The Company agrees to indemnify and hold harmless, to the fullest extent permitted by law, each Shareholder and, as applicable, its officers, directors, trustees, employees, stockholders, holders of beneficial interests, members, and general and limited partners, and each Person who controls such Shareholder (within the meaning of the Securities Act) (collectively, such Shareholder's "Indemnitees") against any and all losses, claims, damages, liabilities, joint or several, to which such Shareholder or any such Indemnitee may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (a) any untrue or alleged untrue statement of material fact contained in any registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto, together with any documents incorporated therein by reference or, (b) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Company will reimburse such Shareholder and each of its Indemnitees for any legal or any other expenses, including any amounts paid in any settlement effected with the consent of the Company, which consent will not be unreasonably withheld or delayed, incurred by them in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding; provided, however, that the Company shall not be liable in any such case to any Shareholder or any of its Indemnitees to the extent that any such loss, claim, damage, liability (or action or proceeding in respect thereof) or expense arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission of material fact, made in such registration statement, any such prospectus or preliminary prospectus or any amendment or supplement thereto, in reliance upon, and in conformity with, written information prepared and furnished to the Company by such Shareholder expressly for use therein.

3.2. Indemnification by Holders of Registrable Securities. To the extent permitted by law, each Shareholder will indemnify and hold harmless the Company and its Indemnitees against any losses, claims, damages, liabilities, joint or several, to which the Company or any such Indemnitee may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon (a) any untrue or alleged untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto, in each case with respect to a Demand Registration effected in accordance herewith, or (b) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, any such prospectus or preliminary prospectus or any amendment or supplement thereto, in reliance upon and in conformity with written information prepared and furnished to the Company by such Shareholder expressly for use therein, and such Shareholder will reimburse each of the Company and each such Indemnitee for any legal or any other expenses including any amounts paid in any settlement effected with the consent of such Shareholder, which consent will not be unreasonably withheld or delayed, incurred by it in connection with investigating or defending any such loss, damage, claim, liability, action or proceeding with respect to which it is entitled to indemnity hereunder; provided, however, that the obligation to indemnify will be individual (and not joint and several) to each Shareholder and will be limited to the net amount of proceeds received by such Shareholder from the sale of Registrable Securities pursuant to such registration statement, less any other amounts paid by such Shareholder in respect of such untrue statement, alleged untrue statement, omission or alleged omission.

3.3. Procedure. Any Person entitled to indemnification hereunder will (a) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided, however, that the failure of any indemnified party to give such notice shall not relieve the indemnifying party of its obligations hereunder, except to the extent that the indemnifying party is actually prejudiced by such failure to give such notice), and (b) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. The indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld or delayed). An indemnifying party who is entitled to, and elects to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel (in addition to local counsel) for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. If any indemnifying party is entitled to, and elects to, assume the defense of a claim, the indemnified party shall continue to be entitled to participate in the defense thereof, with counsel of its own choice, but, except as set forth above, the indemnifying party shall not be obligated to reimburse the indemnified party for the costs thereof.

3.4. Entry of Judgment; Settlement. The indemnifying party shall not, except with the approval of each applicable indemnified party, consent to entry of any judgment or enter into any settlement relating to a claim or action for which any indemnified party would be entitled to indemnification hereunder unless such judgment or settlement imposes no ongoing obligations on any such indemnified party and includes as an unconditional term thereof the giving by the claimant or plaintiff to each such indemnified party of a release, satisfactory in form and substance to such indemnified party, from all liability in respect to such claim or action without any payment or consideration provided by such indemnified party.

3.5. Contribution. If the indemnification provided for in this Section 3 is, other than expressly pursuant to its terms, unavailable to or is insufficient to hold harmless an indemnified party under the provisions above in respect of any losses, claims, damages or liabilities referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statement or omissions which resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Shareholders agree that it would not be just and equitable if contribution pursuant to this Section 3 were determined by any method of allocation which does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 3, in no event shall the liability of the indemnifying party be greater in amount than the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the applicable indemnification provided for above had been available under the circumstances. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

3.6. Other Rights. The indemnification and contribution by any such party provided for under this Agreement shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract and will remain in full force and effect regardless of any investigation made or omitted by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and will survive the transfer of securities.

4. DEFINITIONS.

"Affiliate" shall mean, with respect to any Person, any other Person which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person; provided, however, that neither the Company nor any of its subsidiaries shall be deemed an Affiliate of any of the Shareholders (and vice versa).

"Demand Registration" shall mean a Long-Form Registration or Short-Form Registration requested pursuant to Section 1.1.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended from time to time, or any successor federal law then in force.

"Person" shall mean any individual, partnership, corporation, company, association, trust, joint venture, limited liability company, unincorporated organization, entity or division, or any government, governmental department or agency or political subdivision thereof.

"Registrable Securities" shall mean (a) the Common Shares transferred pursuant to the Stock Purchase Agreement, and (b) any securities issued or issuable directly or indirectly with respect to the securities referred to in clause (a) by way of stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization. As to any particular shares constituting Registrable Securities, such shares will cease to be Registrable Securities when they have been (i) effectively registered under the Securities Act and disposed of in accordance with the registration statement covering them, or (ii) sold to the public pursuant to Rule 144. Notwithstanding the foregoing, any Registrable Securities held by any Person that may be sold, individually and not in the aggregate, under Rule 144 (as applicable to non-affiliates), shall not be deemed to be Registrable Securities. For purposes of this Agreement, a Person will be deemed to be a holder of Registrable Securities whenever such Person has the right to acquire directly or indirectly such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected.

"Rule 144" shall mean Securities and Exchange Commission Rule 144 under the Securities Act, as such Rule 144 may be amended from time to time, or any similar successor rule that may be issued by the Securities and Exchange Commission.

"Securities Act" shall mean the Securities Act of 1933 and the rules promulgated thereunder, in each case as amended from time to time.

"Securities and Exchange Commission" includes any governmental body or agency succeeding to the functions thereof.

5. MISCELLANEOUS.

5.1. No Inconsistent Agreements. The Company has not entered into, and will not hereafter enter into, any agreement with respect to its securities which is inconsistent with or violates the rights granted to the holders of Registrable Securities in this Agreement.

5.2. Amendment and Waiver. This Agreement may be amended, modified, extended or terminated (an "Amendment"), and the provisions hereof may be waived, only by an agreement in writing signed by the Company and the Shareholders; provided that the admission of new parties pursuant to the terms of Section 5.3 shall not constitute an Amendment of this Agreement for purposes of this Section 5.2.

Each such Amendment shall be binding upon each party hereto and each Shareholder subject hereto. In addition, each party hereto and each Shareholder subject hereto may waive any right hereunder, as to itself, by an instrument in writing signed by such party or Shareholder. The failure of any party to enforce any provisions of this Agreement shall in no way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms. To the extent the Amendment of any Section of this Agreement would require a specific consent pursuant to this Section 5.2, any Amendment to the definitions used in such Section as applied to such Section shall also require the same specified consent.

5.3. Successors and Assigns; Transferees. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assignees. This Agreement and the rights and obligations hereunder may not be assigned by any Shareholder, on the one hand, or the Company, on the other hand, without the prior written consent of the other; provided that the foregoing restriction on assignments shall not apply to assignments by any Shareholder to any Affiliate of Berkshire Hathaway Inc.

5.4. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or the effectiveness or validity of any provision in any other jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

5.5. Counterparts. This Agreement may be executed in separate counterparts (including by means of facsimile or electronic transmission in portable document format (pdf)), each of which shall be an original and all of which taken together shall constitute one and the same Agreement.

5.6. Descriptive Headings. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

5.7. Notices. Any notices and other communications required or permitted in this Agreement shall be effective if in writing and (a) delivered personally, (b) sent by facsimile, or (c) sent by overnight courier, in each case, addressed as follows:

If to the Company, to:

Axalta Coating Systems Ltd.
Two Commerce Square
2001 Market Street, Suite 3600
Philadelphia, Pennsylvania 19103
Attn: General Counsel
Facsimile: (215) 255-7949

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
555 Eleventh Street, NW, Suite 1000
Washington, DC 20004
Attention: Patrick H. Shannon, Esq.
Facsimile: (202) 637-2201

If to Investor, to:

c/o Berkshire Hathaway Inc.
3555 Farnam Street
Omaha, Nebraska 68131
Attn: Marc D. Hamburg and Todd A. Combs,

with a copy (which shall not constitute notice) to:

Munger, Tolles & Olson LLP
355 S. Grand Avenue, 35th Floor
Los Angeles, California 90071
Attn: Mary Ann Todd

If to any other Shareholder, to it at the address provided by it to the Company at the time that it became a Shareholder under this Agreement.

Unless otherwise specified herein, such notices or other communications shall be deemed effective (x) on the date received, if personally delivered, (y) on the date received if delivered by facsimile on a business day, or if not delivered on a business day, on the first business day thereafter and (z) two (2) business days after being sent by overnight courier. Each of the parties hereto shall be entitled to specify a different address by giving notice as aforesaid to each of the other parties hereto.

5.8. Delivery by Facsimile. This Agreement and any signed agreement or instrument entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine as a defense to the formation of a contract and each such party forever waives any such defense.

5.9. Governing Law. This Agreement and all claims arising out of or based upon this Agreement or relating to the subject matter hereof shall be governed by and construed in accordance with the domestic substantive laws of the State of Delaware without giving effect to any choice or conflict of laws provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

5.10. Exercise of Rights and Remedies. No delay of or omission in the exercise of any right, power or remedy accruing to any party as a result of any breach or default by any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed as a waiver of or acquiescence in any such breach or default, or of any similar breach or default occurring later; nor shall any such delay, omission nor waiver of any single breach or default be deemed a waiver of any other breach or default occurring before or after that waiver.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement on the day and year first above written.

AXALTA COATING SYSTEMS LTD.

By:	/s/ Michael F. Finn
Name:	Michael F. Finn
Title:	Senior Vice President, General Counsel and Secretary

Government Employees Insurance Company

By:	/s/ Marc D. Hamburg
Name:	Marc D. Hamburg
Title:	Authorized Signer

Exhibit A

Joinder Agreement to Registration Rights Agreement

The undersigned hereby agrees, effective as of the date hereof, to be a party to the Registration Rights Agreement (the "Agreement") dated as of April 8, 2015 by and among Axalta Coating Systems Ltd. and the other parties thereto and for all purposes of the Agreement, the undersigned shall be a "Shareholder" (as defined in the Agreement). The address to which notices may be sent to the undersigned is as follows:

Notice Address: ______________________________

____

____

____

[NAME OF UNDERSIGNED]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Charles W. Shaver, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Axalta Coating Systems Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2015

By:	/s/ Charles W. Shaver
Name:	Charles W. Shaver
Title:	Chairman of the Board and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Robert W. Bryant, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Axalta Coating Systems Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
   - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2015

By:	/s/ Robert W. Bryant
Name:	Robert W. Bryant
Title:	Executive Vice President and Chief Financial Officer

Exhibit 32.1

**Certification of CEO Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Charles W. Shaver, Chairmen of the Board and Chief Executive Officer of Axalta Coating Systems Ltd., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2015 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2015

By:	/s/ Charles W. Shaver
Name:	Charles W. Shaver
Title:	Chairman of the Board and Chief Executive Officer

This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to liability pursuant to that section. The certification shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Certification of CFO Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

I, Robert W. Bryant, Executive Vice President and Chief Financial Officer of Axalta Coating Systems Ltd., certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2015 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2015

By:	/s/ Robert W. Bryant
Name:	Robert W. Bryant
Title:	Executive Vice President and Chief Financial Officer

This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to liability pursuant to that section. The certification shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.