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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) April 28, 2016

**AXALTA COATING SYSTEMS LTD.**

(Exact name of registrant as specified in its charter)

Bermuda  
(State or other jurisdiction  
of incorporation)

001-36733  
(Commission  
File Number)

98-1073028  
(IRS Employer  
Identification No.)

Two Commerce Square, 2001 Market Street, Suite 3600, Philadelphia, Pennsylvania 19103  
(Address of principal executive offices) (Zip Code)

(855) 547-1461  
Registrant's telephone number, including area code

Not Applicable  
(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02. Results of Operations and Financial Condition.**

On April 28, 2016, Axalta Coating Systems Ltd. (“Axalta”) issued a press release and posted an earnings call presentation to its website reporting its financial results for the first quarter ended March 31, 2016. Copies of the press release and the earnings call presentation are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference. The information furnished with this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

In the press release, the earnings call presentation and the conference call to discuss its financial results for the first quarter ended March 31, 2016, scheduled to be webcast at 8:00 A.M. on April 28, 2016, Axalta presents, and will present, certain non-GAAP financial measures. Axalta management believes that presenting these non-GAAP financial measures provides meaningful information to investors in understanding operating results and may enhance investors’ ability to analyze financial and business trends. In addition, Axalta management believes that these non-GAAP financial measures allow investors to compare period to period results more easily by excluding items that could have a disproportionately negative or positive impact on results in any particular period. Non-GAAP measures are not a substitute for GAAP measures and should be considered together with the GAAP financial measures. Our non-GAAP financial measures may not be comparable to other similarly titled measures of other companies.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	Press Release dated April 28, 2016
99.2	First Quarter Ended March 31, 2016 Earnings Call Presentation

## 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 hereunto duly authorized.

AXALTA COATING SYSTEMS LTD.

Date: April 28, 2016

By: /s/ Robert W. Bryant  
Robert W. Bryant  
Executive Vice President & Chief Financial Officer

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## EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated April 28, 2016
99.2	First Quarter Ended March 31, 2016 Earnings Call Presentation

## News Release

**Axalta Coating Systems**  
2001 Market Street  
Suite 3600  
Philadelphia, PA 19103  
USA

**Contact**  
Christopher Mecray  
D +1 215 255 7970  
Christopher.Mecray@axaltacs.com



### For Immediate Release

#### Axalta Releases First Quarter 2016 Results

##### First Quarter 2016 Highlights:

- Net sales of \$955.6 million, a 3.0% year-over-year increase before unfavorable foreign currency translation of 6.4%
- Adjusted EBITDA of \$194.8 million, up 7.0% compared to Q1 2015; Adjusted EBITDA margin of 20.4% versus 18.4% in Q1 2015
- Operating cash flow use of \$18.0 million versus \$98.7 million in the same quarter last year; \$100 million debt prepayment made subsequent to quarter end
- Continued focus on innovation with the global launch of AquaEC 6100, Axalta's newest cathodic epoxy electrocoat product, offering the next evolution of technology with improved performance and productivity

PHILADELPHIA, PA, April 28, 2016 - Axalta Coating Systems Ltd. (NYSE:AXTA) ("Axalta"), a leading global coatings company, announced its financial results for the first quarter ended March 31, 2016.

"We are pleased that our first quarter results met our expectations with our core markets continuing to perform well," said Charles W. Shaver, Axalta's Chairman and Chief Executive Officer. "Our team continues to execute well and deliver on our key goals in spite of ongoing foreign currency volatility and uneven economic conditions in certain emerging markets." Mr. Shaver added, "We remain on track with our productivity programs, which continued to drive incremental margin contribution, while also focusing on long term opportunities to refine our operating strengths with solid investments and management concentrating on reducing complexity across our global businesses."

##### First Quarter Consolidated Financial Results

Net sales of \$955.6 million for the first quarter of 2016 increased 3.0% year-over-year excluding unfavorable foreign currency translation (decreased 3.4% as-reported). Net sales growth was driven by 5.1% higher average selling prices, offset by a 2.1% volume decline, primarily from slower demand in Latin America. Excluding Latin America, overall volumes increased low single digits for the quarter. Unfavorable foreign currency translation reduced net sales by 6.4%.

Adjusted EBITDA of \$194.8 million for the first quarter grew 7.0% from \$182.0 million in Q1 2015, while Adjusted EBITDA margin in the quarter expanded to 20.4% from 18.4% last year. Margin improvement was driven by favorable product mix and pricing, as well as lower input costs and savings from our operating improvement initiatives. These factors were partially offset by negative foreign currency translation, volume declines in Latin America, and modest operational expenditures for planned growth initiatives.

##### Performance Coatings Results

Net sales in Performance Coatings for Q1 2016 were \$543.0 million, a 4.8% year-over-year increase excluding foreign currency translation (decrease of 2.5% as-reported). Net sales growth drivers included higher average selling prices of 5.4% in the period, more than offset by 7.3% unfavorable foreign currency translation and volume declines of 0.6%. Refinish end-market Q1 2016 net sales increased 5.3% on a constant currency basis (decreased 3.7% as-reported), while our Industrial end-market grew 3.8% excluding the impact of currency (increased 0.2% as-reported).

The Performance Coatings segment generated Adjusted EBITDA of \$110.1 million in the first quarter, a 2.8% year-over-year increase. Positive pricing contributions, coupled with variable cost savings, were partially offset by negative foreign currency translation and incremental operating expense to support growth initiatives. Segment Adjusted EBITDA margin of 20.3% in Q1 2016 reflected a 110 basis point increase compared to the corresponding prior year quarter.

## Transportation Coatings Results

The Transportation Coatings segment produced net sales of \$412.6 million in the first quarter, a 0.7% increase excluding foreign currency translation versus first quarter 2015 (decrease of 4.5% as-reported). A 4.0% decrease in volume was offset by 4.7% positive contribution from price, while a 5.2% unfavorable foreign currency translation impact more than offset this modest net sales gain in the quarter. Transportation Coatings demand varied by end-market in Q1, with ongoing growth in Light Vehicle offset by a pullback in Commercial Vehicle. Light Vehicle net sales increased 3.6% on a constant currency basis year-over-year (decreased 1.1% as-reported), with ongoing strength in North America offset partly by the impact of incremental weakness in Latin America. Asia Pacific posted solid above-market net sales growth for the period. Commercial Vehicle net sales declined by 9.3% on a constant currency basis versus last year (decreased 15.8% as-reported), driven by a combination of slower heavy truck production as well as weaker demand from a variety of non-truck vehicle types served.

The Transportation Coatings segment generated Adjusted EBITDA of \$84.7 million in Q1 2016, an increase of 13.1% compared to the first quarter of 2015, with positive price / mix and variable cost contributions partially offset by unfavorable foreign currency translation, lower volume effects, and moderate ongoing operating expense increases to support planned growth. Segment Adjusted EBITDA margin of 20.5% in Q1 2016 represented a significant increase from 17.3% in the prior year quarter.

## Balance Sheet and Cash Flow Highlights

We ended the quarter with cash and cash equivalents of \$419.5 million. Our net debt was \$3.0 billion as of March 31, 2016, which resulted in a net debt to trailing twelve month Adjusted EBITDA ratio of 3.5x.

First quarter operating cash flow was a use of \$18.0 million versus a use of \$98.7 million in the corresponding quarter of 2015 reflecting lower working capital use and reduced restructuring cash outflows. Free cash flow, calculated as operating cash flow less capital expenditures, totaled a use of \$58.3 million based on capital expenditures of \$40.3 million.

“We were pleased that our balance sheet remained solid and cash flows notably improved in the first quarter, including a narrower use of working capital versus the prior year period,” said Robert W. Bryant, Axalta’s Executive Vice President and Chief Financial Officer. “For 2016, we continue to expect strong progress in reducing net debt leverage from a combination of Adjusted EBITDA growth, improved free cash flow, and further planned debt reduction during the course of the year.”

## 2016 Guidance Update

We are reiterating our outlook for the full year 2016 as follows:

- Net sales growth of 4-6% in constant currency; largely flat as-reported
- Adjusted EBITDA of \$900-940 million
- Interest expense of \$180-190 million
- Income tax rate, as adjusted, of 25-27%
- Diluted shares of 242-245 million
- Working capital as a percentage of net sales of 11-13%
- Capital expenditures of ~\$150 million

### **Conference Call Information**

As previously announced, Axalta will hold a conference call to discuss its first quarter 2016 financial results on Thursday, April 28th, at 8:00 a.m. EDT. The U.S. dial-in phone number for the conference call is (877) 407-0784 and the international dial-in number is +1 (201) 689-8560. A live webcast of the conference call will also be available online at <http://ir.axaltacs.com>. For those unable to participate in the conference call, a replay will be available through May 5, 2016. The U.S. replay dial-in phone number is (877) 870-5176 and the international replay dial-in number is +1 (858) 384-5517. The replay passcode is 13635701.

### ***Cautionary Statement Concerning Forward-Looking Statements***

This release may contain certain forward-looking statements regarding Axalta and its subsidiaries including those relating to our 2016 full year outlook, net sales growth, Adjusted EBITDA, interest expense, income tax rate, as adjusted, diluted shares outstanding, capital expenditures, cash flow, net debt and net working capital. All of these statements are based on management's expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. These statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of Axalta's control that may cause its business, industry, strategy, financing activities or actual results to differ materially. Axalta undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

### ***Non-GAAP Financial Measures***

The historical financial information included in this presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), including constant currency net sales growth, income tax rate, as adjusted, EBITDA, Adjusted EBITDA, free cash flow, net debt and Adjusted Net Income. Management uses these non-GAAP financial measures in the analysis of our financial and operating performance because they assist in the evaluation of underlying trends in our business. Our use of the terms constant currency net sales growth, income tax rate, as adjusted, EBITDA, Adjusted EBITDA, free cash flow, net debt and Adjusted Net Income may differ from that of others in our industry. Constant currency net sales growth, income tax rate, as adjusted, EBITDA, Adjusted EBITDA, free cash flow, net debt and Adjusted Net Income should not be considered as alternatives to net sales, net income (loss), income (loss) before operations or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Constant currency net sales growth, income tax rate, as adjusted, EBITDA, Adjusted EBITDA, free cash flow, net debt and Adjusted Net Income have important limitations as analytical tools and should be considered in conjunction with, and not as substitutes for, our results as reported under GAAP. This presentation includes a reconciliation of certain non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP.

### **About Axalta Coating Systems**

Axalta is a global leader in the coatings industry, providing customers with innovative, colorful, beautiful and sustainable coatings solutions. From light vehicles, commercial vehicles and refinish applications to electric motors, building facades and other industrial applications, our coatings are designed to prevent corrosion, increase productivity and enhance durability. With more than 150 years of experience in the coatings industry, the 12,800 people of Axalta continue to find ways to serve our more than 100,000 customers in 130 countries better every day with the finest coatings, application systems and technology. For more information visit [axaltacoatingsystems.com](http://axaltacoatingsystems.com) and follow us @axalta on Twitter.

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

	Three Months Ended March 31,			
	2016		2015	
Net sales	\$	955.6	\$	989.2
Other revenue		6.0		8.3
Total revenue		961.6		997.5
Cost of goods sold		606.4		649.8
Selling, general and administrative expenses		219.1		213.0
Research and development expenses		12.6		12.9
Amortization of acquired intangibles		20.2		20.0
Income from operations		103.3		101.8
Interest expense, net		50.1		50.0
Other expense, net		8.0		3.9
Income before income taxes		45.2		47.9
Provision for income taxes		14.6		1.2
Net income		30.6		46.7
Less: Net income attributable to noncontrolling interests		0.9		1.6
Net income attributable to controlling interests	\$	29.7	\$	45.1
Basic net income per share	\$	0.13	\$	0.20
Diluted net income per share	\$	0.12	\$	0.19
Basic weighted average shares outstanding		237.1		229.8
Diluted weighted average shares outstanding		241.6		237.0



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

	March 31, 2016	December 31, 2015
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 419.5	\$ 485.0
Restricted cash	2.8	2.7
Accounts and notes receivable, net	792.7	765.8
Inventories	543.4	530.7
Prepaid expenses and other	64.7	63.6
Deferred income taxes	54.9	69.5
Total current assets	1,878.0	1,917.3
Property, plant and equipment, net	1,377.5	1,382.9
Goodwill	942.1	928.2
Identifiable intangibles, net	1,177.2	1,191.6
Other assets	458.3	434.2
Total assets	\$ 5,833.1	\$ 5,854.2
<b>Liabilities, Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 419.8	\$ 454.7
Current portion of borrowings	53.7	50.1
Deferred income taxes	7.1	6.6
Other accrued liabilities	300.6	370.2
Total current liabilities	781.2	881.6
Long-term borrowings	3,405.1	3,391.4
Long-term employee benefits	252.2	252.3
Deferred income taxes	166.8	165.5
Other liabilities	26.8	22.2
Total liabilities	4,632.1	4,713.0
Commitments and contingencies		
Shareholders' equity		
Common shares, \$1.00 par, 1,000.0 shares authorized, 238.5 and 237.9 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	237.2	237.0
Capital in excess of par	1,255.5	1,238.8
Accumulated deficit	(103.1)	(132.8)
Accumulated other comprehensive loss	(255.5)	(269.3)
Total Axalta shareholders' equity	1,134.1	1,073.7
Noncontrolling interests	66.9	67.5
Total shareholders' equity	1,201.0	1,141.2
Total liabilities and shareholders' equity	\$ 5,833.1	\$ 5,854.2

**AXALTA COATING SYSTEMS LTD.**  
Condensed Consolidated Statements of Cash Flows (Unaudited)  
(In millions)

	Three Months Ended March 31,	
	2016	2015
Operating activities:		
Net income	\$ 30.6	\$ 46.7
Adjustment to reconcile net income to cash used for operating activities:		
Depreciation and amortization	76.0	72.6
Amortization of financing costs and original issue discount	5.1	5.0
Deferred income taxes	(2.4)	(17.2)
Realized and unrealized foreign exchange losses, net	7.5	4.8
Stock-based compensation	10.2	1.8
Other non-cash, net	(3.0)	0.1
Changes in operating assets and liabilities:		
Trade accounts and notes receivable	(26.5)	(53.5)
Inventories	(7.5)	(25.9)
Prepaid expenses and other	(13.8)	(36.3)
Accounts payable	(16.6)	(1.0)
Other accrued liabilities	(74.2)	(91.1)
Other liabilities	(3.4)	(4.7)
Cash used for operating activities	(18.0)	(98.7)
Investing activities:		
Business acquisitions and purchases of controlling interests in affiliates (net of cash acquired)	—	(3.2)
Purchase of property, plant and equipment	(40.3)	(31.5)
Restricted cash	(0.1)	1.8
Other investing	(2.9)	2.7
Cash used for investing activities	(43.3)	(30.2)
Financing activities:		
Proceeds from short-term borrowings	—	1.5
Payments on short-term borrowings	(0.3)	(10.7)
Payments on long-term borrowings	(6.9)	(6.8)
Dividends paid to noncontrolling interests	(1.5)	(3.5)
Proceeds from option exercises and associated tax benefits	6.7	—
Other financing activities	(0.3)	(0.2)
Cash used for financing activities	(2.3)	(19.7)
Decrease in cash and cash equivalents	(63.6)	(148.6)
Effect of exchange rate changes on cash	(1.9)	(10.6)
Cash and cash equivalents at beginning of period	485.0	382.1
Cash and cash equivalents at end of period	\$ 419.5	\$ 222.9

The following table reconciles net income to EBITDA and Adjusted EBITDA for the periods presented (in millions):

	Three Months Ended March 31,	
	2016	2015
Net income	\$ 30.6	\$ 46.7
Interest expense, net	50.1	50.0
Provision for income taxes	14.6	1.2
Depreciation and amortization	76.0	72.6
EBITDA	171.3	170.5
Foreign exchange remeasurement losses <sup>(a)</sup>	7.5	8.7
Long-term employee benefit plan adjustments <sup>(b)</sup>	0.6	0.2
Termination benefits and other employee related costs <sup>(c)</sup>	1.9	3.7
Consulting and advisory fees <sup>(d)</sup>	3.0	3.1
Offering related costs <sup>(e)</sup>	—	1.4
Stock-based compensation <sup>(f)</sup>	10.2	1.8
Other adjustments <sup>(g)</sup>	1.8	(3.9)
Dividends in respect of noncontrolling interest <sup>(h)</sup>	(1.5)	(3.5)
Adjusted EBITDA	\$ 194.8	\$ 182.0

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

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

(c) Represents expenses primarily related to employee termination benefits and other employee-related costs including our initiative to improve overall cost structure within the European region as well as costs associated with our Axalta Way initiatives.

(d) Represents fees paid to consultants for professional services primarily related to our Axalta Way cost-savings initiatives.

(e) Represents costs associated with the offering of our common shares in the Carlyle Offerings.

(f) Represents costs associated with stock-based compensation.

(g) Represents costs for certain unusual or non-operational (gains) and losses, including a \$5.4 million gain recognized during the three months ended March 31, 2015 resulting from the remeasurement of our previously held interest in an equity method investee upon the acquisition of a controlling interest, equity investee dividends, indemnity losses (gains) associated with the Acquisition, losses (gains) on sale and disposal of property, plant and equipment, losses (gains) on foreign currency derivative instruments and non-cash fair value inventory adjustments associated with our 2015 acquisitions.

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

The following table reconciles net income to adjusted net income for the periods presented (in millions):

	Three Months Ended March 31,			
	2016		2015	
Net income	\$	30.6	\$	46.7
Less: Net income attributable to noncontrolling interests		0.9		1.6
Net income attributable to controlling interests		29.7		45.1
Foreign exchange remeasurement losses, net <sup>(a)</sup>		7.5		8.7
Termination benefits and other employee related costs <sup>(b)</sup>		1.9		3.7
Consulting and advisory fees <sup>(c)</sup>		3.0		3.1
Offering related costs <sup>(d)</sup>		—		1.4
Other adjustments <sup>(e)</sup>		—		(3.9)
Total adjustments		12.4		13.0
Income tax impacts <sup>(f)</sup>		0.3		19.1
Adjusted net income attributable to controlling interests	\$	41.8	\$	39.0
Diluted adjusted net income per share	\$	0.17	\$	0.16
Diluted weighted average shares outstanding		241.6		237.0

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

(b) Represents expenses primarily related to employee termination benefits and other employee-related costs including our initiative to improve overall cost structure within the European region as well as costs associated with our Axalta Way initiatives.

(c) Represents fees paid to consultants for professional services primarily related to our Axalta Way cost-savings initiatives.

(d) Represents costs associated with the offering of our common shares in the Carlyle Offerings.

(e) Represents costs for certain unusual or non-operational (gains) and losses, including a \$5.4 million gain resulting from the acquisition of a controlling interest in our previously held equity method investee during 2015, indemnity losses associated with the Acquisition, losses (gains) on sale and disposal of property, plant and equipment and losses (gains) on foreign currency derivative instruments.

(f) Represents income tax impact associated with the pre-tax adjustments, as well as the impact of the removal of discrete income tax adjustments within our effective tax rate.



# AXALTA COATING SYSTEMS

**Q1 2016 FINANCIAL RESULTS**

**April 28, 2016**

# Legal Notices

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## Forward-Looking Statements

This presentation and the oral remarks made in connection herewith may contain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including those relating to 2016 financial projections, including execution on our 2016 goals as well as 2016 net sales, Adjusted EBITDA, Adjusted EBITDA margin, income tax rate, as adjusted, capital expenditures, net working capital and related assumptions. Any forward-looking statements involve risks, uncertainties and assumptions. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “target,” “project,” “forecast,” “seek,” “will,” “may,” “should,” “could,” “would,” or similar expressions. These statements are based on certain assumptions that we have made in light of our experience in the industry and our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances as of the date hereof. Although we believe that the assumptions and analysis underlying these statements are reasonable as of the date hereof, investors are cautioned not to place undue reliance on these statements. We do not have any obligation to and do not intend to update any forward-looking statements included herein, which speak only as of the date hereof. You should understand that these statements are not guarantees of future performance or results. Actual results could differ materially from those described in any forward-looking statements contained herein or the oral remarks made in connection herewith as a result of a variety of factors, including known and unknown risks and uncertainties, many of which are beyond our control.

## Non-GAAP Financial Measures

The historical financial information included in this presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States (“GAAP”), including constant currency net sales, EBITDA, Adjusted EBITDA, Free Cash Flow, and Net Debt. Management uses these non-GAAP financial measures in the analysis of our financial and operating performance because they assist in the evaluation of underlying trends in our business. Our use of the terms constant currency net sales, EBITDA, Adjusted EBITDA, Free Cash Flow, and Net Debt may differ from that of others in our industry. Constant currency net sales, EBITDA, Adjusted EBITDA and Free Cash Flow should not be considered as alternatives to net income, operating income or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Constant currency net sales, EBITDA, Adjusted EBITDA, Free Cash Flow and Net Debt have important limitations as analytical tools and should be considered in conjunction with, and not as substitutes for, our results as reported under GAAP. This presentation includes a reconciliation of certain non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP.

## Defined Terms

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

## Q1 2016 Highlights

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- **Strong Q1 financial results**

- ✓ Q1 2016 net sales up 3.0% versus Q1 2015, ex-currency
- ✓ Adjusted EBITDA of \$195 million, up 7.0% YoY
- ✓ Adjusted EBITDA margin of 20.4% versus 18.4% in Q1 2015

- **Operating progress highlights**

- ✓ Mexico project completed for expanded resin production capacity
- ✓ Productivity improvement initiatives meeting or exceeding plan

- **Balance sheet & cash flow improvement**

- ✓ Free cash flow use narrows considerably versus Q1 2015; on plan for improved cash flow for full year 2016
- ✓ \$100 million debt pre-payment made in April; over \$800 million in liquidity available

- **Results on track to meet our projections**

- ✓ 4-6% net sales growth ex-currency
- ✓ \$900-940 million Adjusted EBITDA
- ✓ Continued operational progress – new capacity and productivity actions taking hold
- ✓ Continued Industrial growth (ex-FX) against a slow end-market backdrop
- ✓ 2016 volume growth driven by expected share gains in Refinish, Industrial, and Light Vehicle

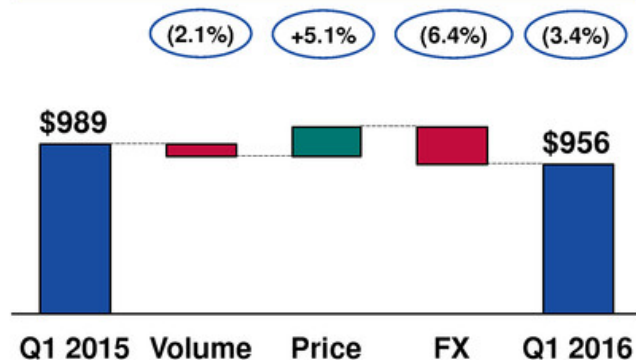


# Q1 Consolidated Results

## Financial Performance

(\$ in millions)	Q1		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Performance	543	557	(2.5%)	4.8%
Transportation	413	432	(4.5%)	0.7%
Net Sales	956	989	(3.4%)	3.0%
Adjusted EBITDA	195	182	7.0%	
% margin	20.4%	18.4%		

## Net Sales Variance



## Commentary

### Net sales increased 3.0% excluding currency

- Continued net sales growth in North America and EMEA, while emerging market economies remain challenged
- Strong volume growth in EMEA Performance Coatings and North America Transportation Coatings. Overall volumes up low single digits excluding Latin America
- Improved pricing from both segments across North America, EMEA and Latin America
- 6.4% unfavorable currency impact

### Adjusted EBITDA margin up 200 bps

- Improvement primarily driven by favorable price, productivity and variable margin expansion

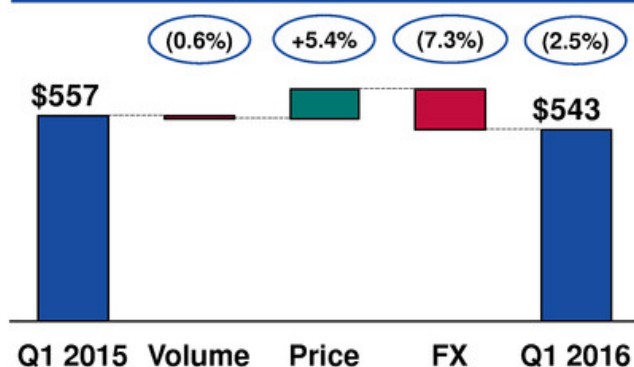


# Q1 Performance Coatings Results

## Financial Performance

(\$ in millions)	Q1		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Refinish	379	393	(3.7%)	5.3%
Industrial	164	164	0.2%	3.8%
Net Sales	543	557	(2.5%)	4.8%
Adjusted EBITDA	110	107	2.8%	
% margin	20.3%	19.2%		

## Net Sales Variance



## Commentary

### Net sales increased 4.8% excluding currency

- Strong Refinish volume growth in Asia Pacific offset by lower volumes in Latin America; Industrial volume growth led by EMEA
- Price increases in Refinish across North America, EMEA, and Latin America
- 7.3% unfavorable currency impact

### Adjusted EBITDA margin up 110 bps

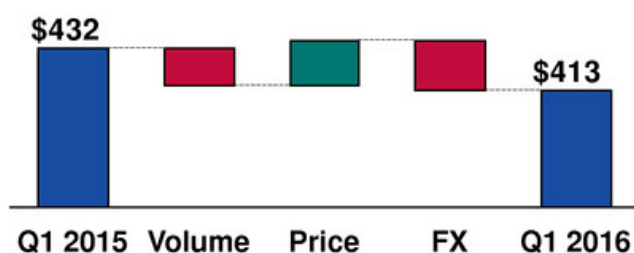
- Improvement primarily driven by favorable price from Refinish, volume gains from Industrial, productivity and variable margin expansion

# Q1 Transportation Coatings Results

## Financial Performance

(\$ in millions)	Q1		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Light Vehicle	329	333	(1.1%)	3.6%
Commercial Vehicle	83	99	(15.8%)	(9.3%)
Net Sales	413	432	(4.5%)	0.7%
Adjusted EBITDA	85	75	13.1%	
% margin	20.5%	17.3%		

## Net Sales Variance



## Commentary

### Net sales increased 0.7% excluding currency

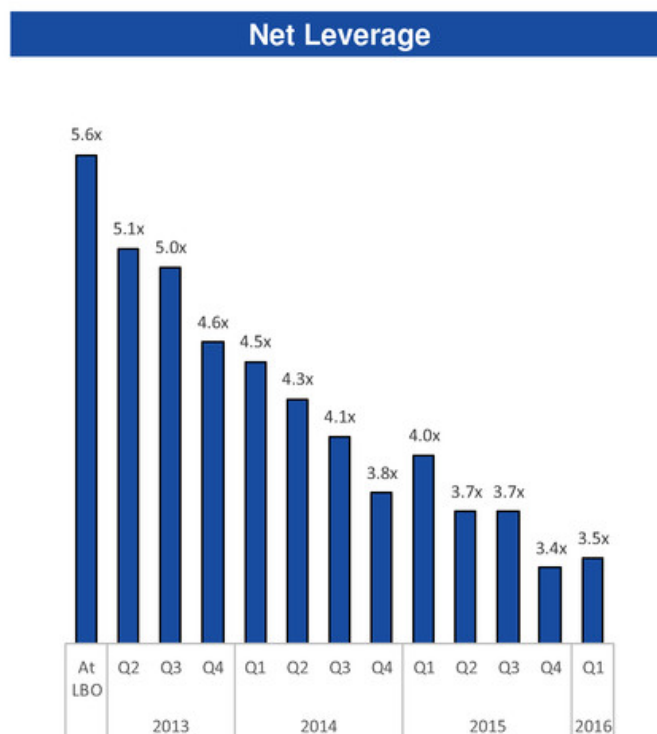
- Volume growth led by North America and Asia Pacific Light Vehicle, offset by lower volumes in both end-markets in Latin America
- Decreased volumes in Commercial Vehicle due to market slowdown in heavy truck and non truck spray markets
- Price remained steady in both Light Vehicle and Commercial Vehicle in most regions
- 5.2% unfavorable currency translation

### Adjusted EBITDA margin up 320 bps

- Adjusted EBITDA margin benefited from price and mix improvement and moderate benefit from lower variable costs

# Debt and Liquidity Summary

Capitalization		
(\$ in millions)	@ 3/31/2016	Maturity
Cash and Cash Equivalents	\$420	
<b>Debt:</b>		
Revolver (\$400 million capacity)	-	2018
First Lien Term Loan (USD)	1,991	2020
First Lien Term Loan (EUR) <sup>(2)</sup>	425	2020
Senior Secured Notes (EUR) <sup>(2)</sup>	273	2021
<b>Total Senior Secured Debt</b>	<b>\$2,690</b>	
Senior Unsecured Notes (USD)	736	2021
Other Borrowings	33	
<b>Total Debt</b>	<b>\$3,459</b>	
<b>Total Net Debt</b>	<b>\$3,039</b>	
LTM Adjusted EBITDA	\$880	
<b>Credit Statistics:</b>		
<b>Total Net Leverage <sup>(3)</sup></b>	<b>3.5x</b>	



(1) Assumes exchange rate of \$1.12 USD/Euro

(2) Indebtedness per balance sheet less cash & cash equivalents divided by LTM Q1 2016 Adjusted EBITDA

## Key Goals For 2016 Unchanged

Stated Objective	Comments
<b>Grow the Business</b>	<ul style="list-style-type: none"> <li>• Net sales growth of 4-6% ex-currency</li> <li>• Expect to outgrow our end-markets</li> </ul>
<b>Focus on Operating Improvement</b>	<ul style="list-style-type: none"> <li>• New capacity ramps continue, opportunity to refine our operating strengths</li> </ul>
<b>Extend Core Strengths &amp; Globalize</b>	<ul style="list-style-type: none"> <li>• Strong global foundation, see opportunity to extend further</li> </ul>
<b>Productivity Initiatives to Improve Cost Structure</b>	<ul style="list-style-type: none"> <li>• \$60 million in combined 2016 cost savings</li> <li>• Axalta Way expected to ramp up in 2016</li> </ul>
<b>Continue High IRR Investment Projects</b>	<ul style="list-style-type: none"> <li>• Expansion projects largely completed</li> <li>• Productivity &amp; growth capex remain in high gear</li> </ul>
<b>M&amp;A Interest Increasing</b>	<ul style="list-style-type: none"> <li>• Participate in attractive bolt-on M&amp;A over time</li> </ul>
<b>FCF &amp; Debt Paydown Still A Priority</b>	<ul style="list-style-type: none"> <li>• Expect solid progress in reducing our leverage ratios</li> </ul>

## Full Year 2016 Guidance

(\$ millions)	2015A	2016E
Net Sales (Excl.-FX)	+5%	+4-6%
Adjusted EBITDA	\$867	\$900-940
Interest Expense	\$197	\$180-190
Tax Rate, As Adjusted	30%	25-27%
Diluted Shares (millions)	240	242-245
Working Capital / Sales	12%	11-13%
Capital Expenditures	\$138	~\$150

### Comments on Drivers

- Net sales expected to be flat to down slightly as-reported based on anticipated currency headwinds
- Margin expansion expected to continue, driven by volume, price and cost reduction
- Tailwinds from ongoing input cost savings and additional productivity savings
- Tax rate, as adjusted, reduced in 2016 from specific actions taken
- Working capital stable in 2016, with free cash flow expected to rise solidly
- Capex is consistent; includes large discretionary internal spend component

### 2016 Benefits from Ongoing Growth and Maturity of Productivity Programs



## Appendix



## Full Year 2016 Assumptions

### Macroeconomic Assumptions

- Global GDP growth of approximately 3.1%
- Global industrial production growth of approximately 3.0%
- Global auto build growth of approximately 3.2%
- Modest benefit from lower oil prices given the extended supply chain in key raw materials and category-specific supply and demand dynamics

### Currency Assumptions

Currency	2015 % Axalta Net Sales	2015 Avg. Rate	Feb 2016 Guidance Rate	Apr 2016 Guidance Rate	% YoY Change in F/X Rate
US\$ per Euro	~27%	1.11	1.05	1.10	(0.9%)
Chinese Yuan per US\$	~13%	6.28	6.60	6.59	(4.9%)
Mexican Peso per US\$	~2%	15.87	17.00	18.01	(13.5%)
Brazilian Real per US\$	~3%	3.33	4.30	4.28	(28.5%)
Venezuelan Bolivar per US\$	~3%	105.70	237.50	294.80	(178.9%)
Russian Ruble per US\$	~1%	61.24	70.00	71.19	(16.2%)

## Adjusted EBITDA Reconciliation

(\$ in millions)	Successor			LTM
	FY 2015	Q1 2015	Q1 2016	3/31/2016
Net Income	\$98	\$47	\$31	\$82
Interest Expense	197	50	50	197
Provision for Income Taxes	63	1	15	77
Depreciation & Amortization	308	73	76	311
<b>Reported EBITDA</b>	<b>\$665</b>	<b>\$171</b>	<b>\$171</b>	<b>\$665</b>
<b>A</b> Financing costs and debt extinguishment	3	-	-	3
<b>B</b> Foreign exchange remeasurement losses	94	9	8	93
<b>C</b> Long-term employee benefit plan adjustments	-	-	1	1
<b>D</b> Termination benefits and other employee related costs	37	4	2	35
<b>E</b> Consulting and advisory fees	25	3	3	25
<b>F</b> Transition-related costs	(3)	-	-	(3)
<b>G</b> Offering related costs	3	1	-	2
<b>H</b> Stock-based compensation	30	2	10	38
<b>I</b> Other adjustments	(11)	(4)	2	(5)
<b>J</b> Dividends in respect of noncontrolling interest	(5)	(4)	(2)	(3)
<b>K</b> Asset impairment	31	-	-	31
Total Adjustments	\$202	\$11	\$24	\$215
<b>Adjusted EBITDA</b>	<b>\$867</b>	<b>\$182</b>	<b>\$195</b>	<b>\$880</b>

Note: Numbers might not foot due to rounding.





## Adjusted EBITDA Reconciliation (cont'd)

- A. In 2015, we incurred a \$3 million loss on the extinguishment of debt, which resulted directly from the pro-rata write off of unamortized deferred financing costs and original issue discounts associated with the pay-down of \$100 million of principal on the New Dollar Term Loan.
- 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 and other employee-related costs including our initiative to improve overall cost structure within the European region as well as costs associated with our Axalta Way initiatives.
- E. Represents fees paid to consultants for professional services primarily related 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.
- H. Represents costs associated with stock-based compensation, including \$8 million of expense during FY 2015 attributable to the accelerated vesting of all issued and outstanding stock options issued under the 2013 Plan.
- I. Represents costs for certain unusual or non-operational (gains) and losses, including a \$5 million gain recognized during 2015 resulting from the remeasurement of our previously held interest in an equity method investee upon the acquisition of a controlling interest, equity investee dividends, indemnity losses (gains) associated with the Acquisition, losses (gains) on sale and disposal of property, plant and equipment, and losses (gains) on foreign currency derivative instruments and non-cash fair value inventory adjustments associated with our 2015 acquisitions.
- J. Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned.
- K. As a result of the currency devaluation in Venezuela, we evaluated the carrying values of our long-lived assets for impairment and recorded an impairment charge relating to a real estate investment of \$31 million during 2015.

The image is a composite of two night cityscapes. The left side features a blue-tinted view of a city with several skyscrapers, including the Willis Tower. The right side shows a more vibrant night scene with light trails from cars and a rainbow-like light effect. A diagonal line separates the two images. The text "Thank you" is centered over the blue-tinted portion.

Thank you

AXALTA COATING SYSTEMS

