
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) August 10, 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.)

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 7.01 Regulation FD Disclosure.

On August 10, 2016, Axalta Coating Systems Ltd. (“Axalta”) will present at the Jefferies 2016 Industrials Conference. Axalta has posted the presentation slides to Axalta’s Investor Relations website (<http://ir.axaltacs.com>). A copy of the presentation materials is furnished hereto as Exhibit 99.1.

The information contained herein and in the accompanying exhibits shall not be deemed filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

In the presentation slides and prepared remarks during the Jefferies 2016 Industrials Conference, 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 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. As calculated, our non-GAAP financial measures may not be comparable to other similarly titled measures of other companies.

Item 9.01. Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Jefferies 2016 Industrials Conference 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: August 10, 2016

By: /s/ Robert W. Bryant

Robert W. Bryant

Executive Vice President & Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Jefferies 2016 Industrials Conference Presentation



Axalta Coating Systems Ltd.

Investor Presentation

Third Quarter 2016

Legal Notices

Forward-Looking Statements

This presentation and the oral remarks made in connection herewith may contain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, including those relating to 2016 financial projections, including execution on our 2016 goals as well as 2016 net sales, Adjusted EBITDA, Adjusted EBITDA margin, interest expense, income tax rate, as adjusted, diluted shares, capital expenditures, depreciation and amortization, working capital, cost savings 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. Adjusted EBITDA consists of EBITDA adjusted for (i) non-operating income or expense, (ii) the impact of certain non-cash or other items that are included in net income and EBITDA that we do not consider indicative of our ongoing performance and (iii) certain unusual items impacting results in a particular period. We believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis. Our use of the terms 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. The company does not provide a reconciliation for non-GAAP estimates on a forward-looking basis where it is unable to provide a meaningful or accurate calculation or estimate of reconciling items and the information is not available without reasonable effort.

Segment Financial Measures

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

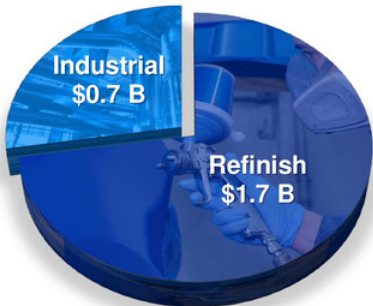
Defined Terms

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



Performance Coatings

58% of Sales – Refinish 42% | Industrial 16%



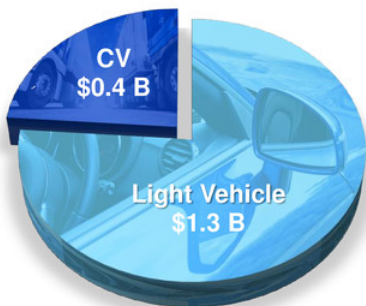
Body Shops

General Industrial,
Electrical Insulation,
Architectural

Adjusted EBITDA^{1,2} - \$539 M (23% Margin)

Transportation Coatings

42% of Sales - Light Vehicle 32% | Commercial Vehicle 10%



Light Vehicle / Automotive
OEMs

Truck, Bus, Rail, Off-road
OEMs

Adjusted EBITDA^{1,2} - \$328 M (19% Margin)

1. Financials for FY 2015, all sales data refers to Net Sales 2. Consolidated Adjusted EBITDA reconciliation can be found in the Appendix

Key Goals For 2016

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

Axalta Operates Fundamentally Strong Businesses



A Global Leader in Our Markets

Significant Competitive Advantages

A Service-Led Business Model

Structurally Attractive End Markets

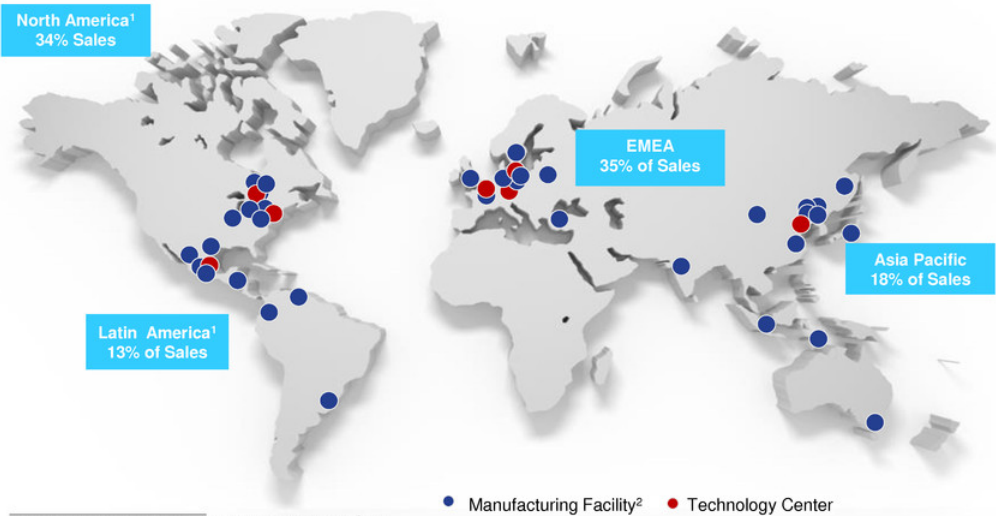
Highly Variable Cost Structure; Low Capital Intensity



A Global Leader In Our Markets



Axalta's Global Scale Enables Market Leadership

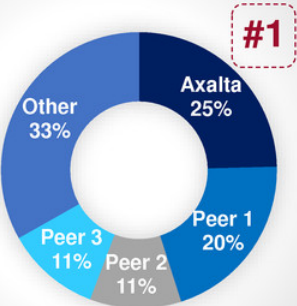


- ✓ 36 manufacturing facilities
- ✓ 46 customer training sites
- ✓ 4 technology centers
- ✓ ~12,800 employees selling into 130+ countries

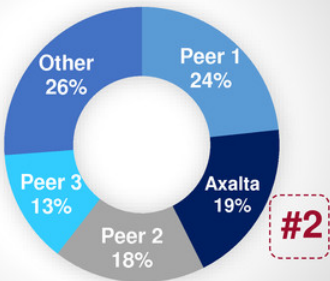
Information as of and for FY 2015, all sales data refers to Net Sales
1. Mexico is included in Latin America
2. Includes 9 JV facilities.



Performance Coatings: Refinish



Transportation Coatings: Light Vehicle


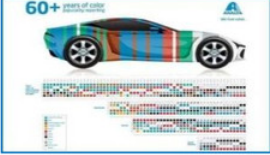





~90% of Sales from Markets Where Axalta Has #1 or #2 Global Share

Source: Orr & Boss and Axalta estimates based on 2014 data

Significant Competitive Advantages








Global Technology Leader	Extensive Formulation Database	Deep Process Technology Knowledge	Go-To-Market With Strong Brands	Differentiated Technical Support
 <ul style="list-style-type: none"> 1,200+ technology employees 800+ patents, 275+ trademarks \$160+ million annual spend 	 <ul style="list-style-type: none"> 4+ million color variations Hundreds of formulations in automotive & industrial 	 <ul style="list-style-type: none"> 36 plants on 5 continents Significant legacy capital investment Process technology is hard to replicate 	 <ul style="list-style-type: none"> Deep coatings heritage since 1866 Broad brand portfolio 	 <ul style="list-style-type: none"> Dedicated employees in OEM plants Technical support to body shops 80,000 body shops serviced globally

Differentiated Franchise with Global Scale and Strong Competitive Advantages

Significant Competitive Advantages



Industry Trends	Axalta Technologies	
Government Regulation: VOC Limits	<ul style="list-style-type: none">Complete VOC compliant portfolio for both Refinish and OEM	
OEMs Seek Continuous Productivity Improvement	<ul style="list-style-type: none">Our technology enables OEMs to reduce capital, footprint, headcount and energy	
OEM Vehicle Light-Weighting	<ul style="list-style-type: none">Broad substrate coating applicability for next generation materials	
Growth in Multi-Shop Operators ("MSO")	<ul style="list-style-type: none">Axalta's waterborne technology improves MSO productivity and our national coverage enables high service levels	
More Complex Colors	<ul style="list-style-type: none">Integration with OEMs grows color libraryAdvanced color matching technologies critical to body shop supplier selection	
Broad Technology Portfolio Well-Positioned to Benefit From Industry Trends		

Axalta Employs A Service-Led Business Model



Service is Key in Both Refinish and OEM End-Markets

Body Shop



Painter Training
Shop Productivity
Shop Layout

OEM Plant



Paint Mixing
Line Service
Technical Services

Critical Functionality at a Relatively Low Cost



Refinish: 5%-10% of total repair cost



Light & Commercial Vehicle: <1% of a new vehicle's cost



Industrial: Critical to function, durability, safety & compliance

Compelling Value Proposition Where Product Cost is Not the Main Driver

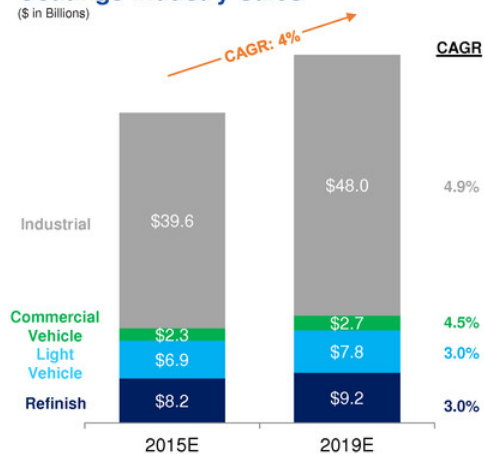
Structurally Attractive Global End-Markets



Strong Coatings Growth Outlook

Coatings Industry Sales

(\$ in Billions)



Source: Orr & Boss, Axalta estimates

Diverse Industry Growth Drivers

- **Refinish:** Car parc, miles driven and collision rates
- **Light Vehicle:** Emerging economies and middle classes; ongoing consumer strength in developed markets
- **Commercial Vehicle:** Global consumer markets expanding; infrastructure growth
- **Industrial:** Global GDP and industrial production

Long Term Alignment With Global Growth

Highly Variable Cost Structure And Low Capital Intensity

Variable Cost Structure

- ~50% of COGS come from variable raw material inputs
- Utilize temporary labor to enable wage structure flexibility
- Toggle other costs as needed in a downturn, including both variable and semi-fixed

Low Capital Intensity

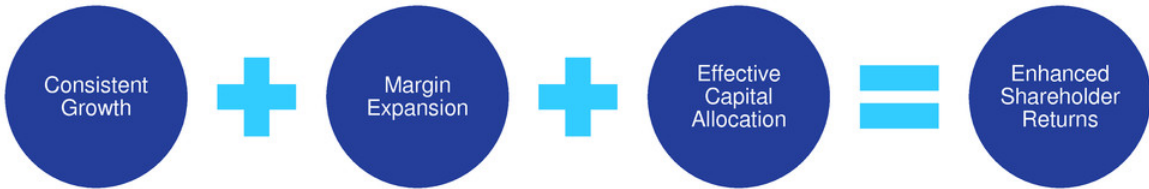
- Capex at \$138 million is 3.4% of sales, but only 1.3% for maintenance capex
- Batch production process is inherently flexible
- Capacity additions are very modular to minimize stranded cost impacts

Well Positioned to React to Cyclical Downturns



Axalta’s Vision

To maximize our customers’ productivity and product functionality by offering them innovative coatings solutions and best-of-class service





Profitable Growth Underpinned by Both Top and Bottom Line Initiatives

Cost Initiatives To Enhance Productivity & Efficiency



2013  2017

Initial carve-out actions:

- Restructure EMEA
- Globalize Procurement
- Eliminate Stranded Costs

Fit-For-Growth (Europe): \$100 million targeted savings

- Right-size staffing levels + wage & benefit restructuring
- Rationalize manufacturing and logistics
- Invest in automation

The Axalta Way: \$100 million targeted savings

- Axalta's permanent business process for continuous improvement
- Implement Lean tools to enhance productivity and improve ROIC
- Near-term opportunities in commercial excellence, procurement, SG&A cost reduction

2016 Target:
\$20 million
incremental
savings

2016 Target:
\$40 million
incremental
savings

Targeting \$60 million in Combined 2016 Productivity Savings

Axalta's Strategy

Grow with our market-leading products and services in existing markets

Move into attractive adjacencies by leveraging our global technology, process and service capabilities

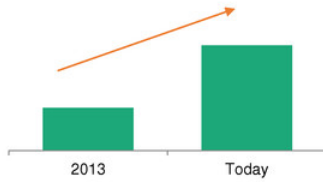
Grow in targeted industrial coatings segments via organic growth and selective acquisitions

Leverage our culture of accountability and focus on operational excellence

Axalta's Strategy: Grow Core Products & Markets

Refinish

Axalta MSO Market Share



Source: Axalta estimates

- Axalta is gaining share by partnering with market winners
- Our value proposition remains strong with all refinish market channels

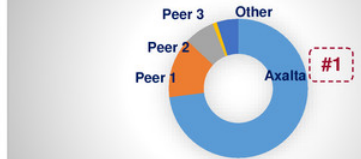
Light Vehicle



- Axalta has demonstrated growth with key business wins

Heavy Duty Truck

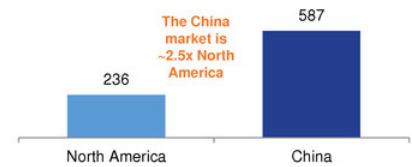
North America Heavy Duty Truck Market



Source: Orr & Boss, Axalta estimates

Heavy Duty Truck Production

(Vehicles in Thousands)



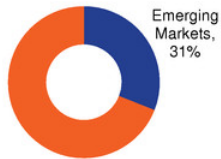
Source: LMC Automotive (2016E)

Strong Momentum Driven by Customer-Centric Approach

Axalta's Strategy: Accelerate Growth In Emerging Markets

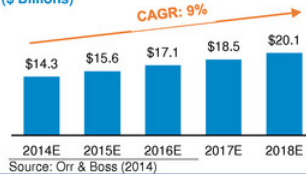


Axalta 2015 Net Sales



Emerging Market Growth

Coatings Market (\$ Billions)

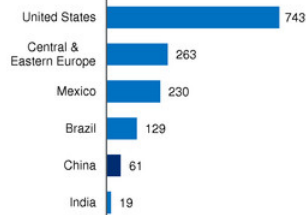


Significant Opportunity

- Rapid growth of middle-classes in emerging economies
- Increased vehicle penetration per capita
- Expansion of car parc
- Elevated collision rates vs. developed markets

China Example

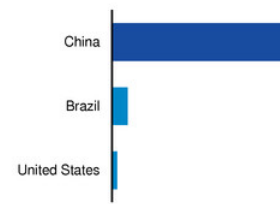
Light Vehicles, Per 1,000 People



China Car Parc (thousands)



Damaged Vehicles Per 1M km Driven (2011)



Significant Emerging Markets Growth Opportunity

Axalta's Strategy: Targeted Industrial Coatings Expansion



A Broad Industrial Portfolio



Electrical Insulation



Architectural



Agricultural, Construction,
& Earthmoving Equipment
(ACE)



Oil & Gas

- Strong product portfolio in powder, liquid, and e-coat
- Implemented global end-market business structure to capitalize on opportunities
- Leveraging existing technology and enhanced sales organization to grow

Growth from Leveraging Our Product Portfolio in Underserved Markets

Axalta's Strategy: Focus On Operating Excellence



Operations

- Balanced manufacturing footprint and capacity
- Ongoing productivity investments
- Salesforce reorganization
- R&D / Technology enablers
- Enhanced IT tools
- Procurement roadmap
- Process improvement

Leadership and Culture

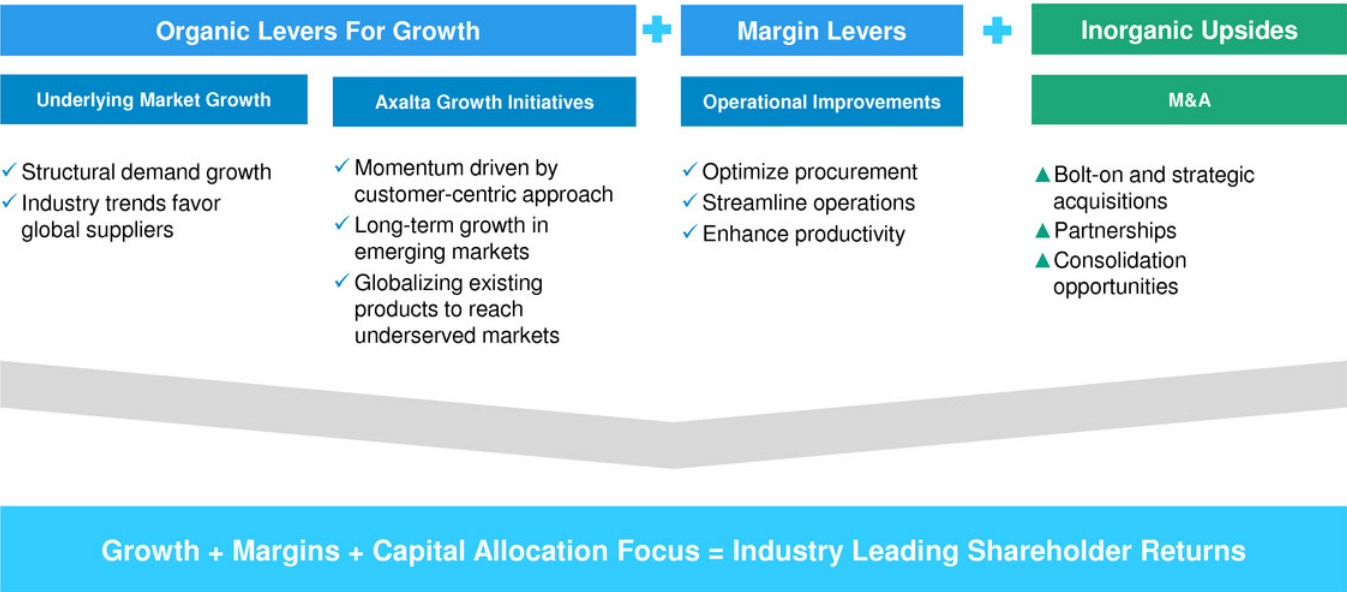
- The tone is set; focus on growth and profitability
- Independence and accountability is freeing...and infectious
- Quality leaders in every region and end-market
- Supporting and educating our people
- Strive to maintain a strong core talent base
- Continue to refine and add talent deeper in the organization

Employees Feel the Effect of Our Focus and Accountability

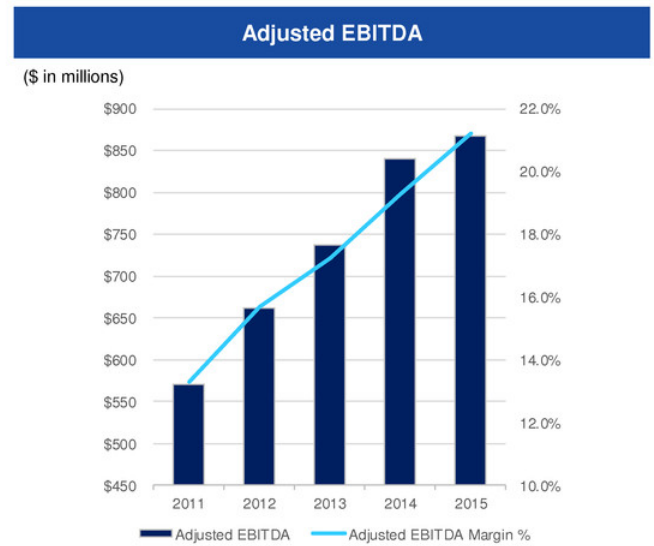
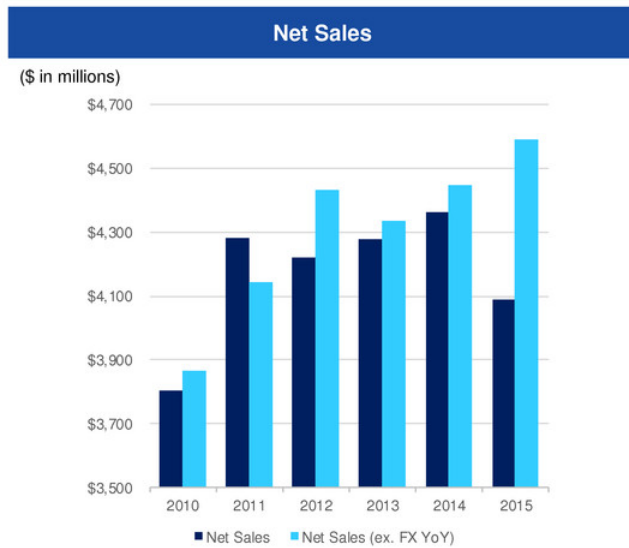


Financial Overview

Axalta Is Focused On Connecting Performance To Shareholder Returns



Our Results To Date Have Shown Solid Progress



Encouraging Margin Progress, but Currency Mutes Net Sales and EBITDA

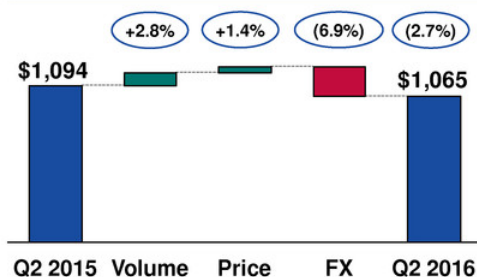
Q2 Consolidated Results

Financial Performance

(\$ in millions)	Q2		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Performance	632	639	(1.0%)	7.8%
Transportation	433	455	(4.9%)	(0.7%)
Net Sales	1,065	1,094	(2.7%)	4.2%
Net Income ⁽¹⁾	49	(25)		
Adjusted EBITDA	253	256	(1.1%)	

(1) Represents Net Income attributable to Axalta

Net Sales Variance



Commentary

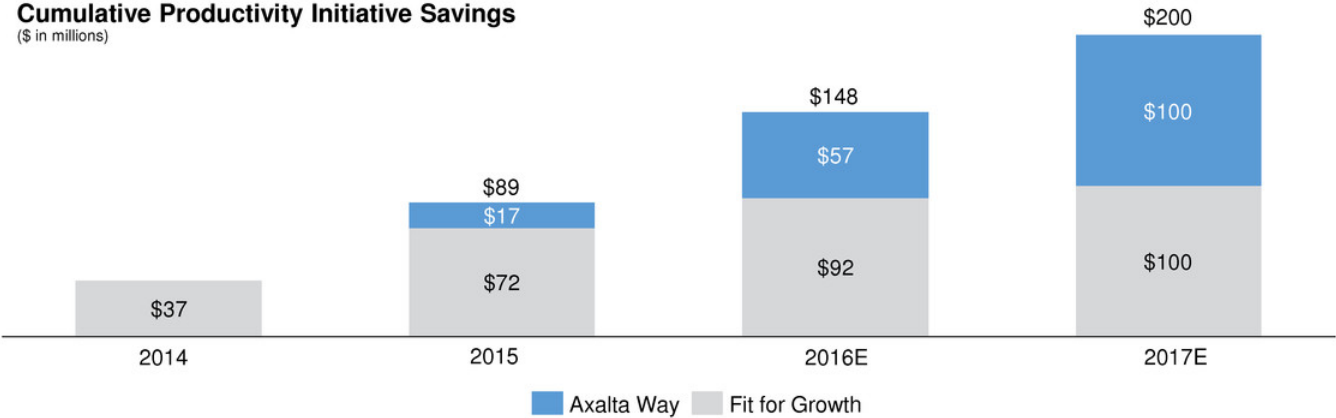
Strong net sales performance

- Continued net sales growth in North America and EMEA, while emerging market economies remain challenged
- Volume growth across all regions in Performance Coatings; Transportation Coatings driven largely by North America and EMEA
- Positive pricing contribution from both segments, led by North America and Latin America
- 6.9% unfavorable currency impact largely from Latin America



The Axalta Way: Driving Towards World Class Productivity

Cumulative Productivity Initiative Savings
(\$ in millions)



Our Goal: \$200 million of Adjusted EBITDA savings on a run-rate basis exiting 2017

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

Our Financial Guiding Principles



Managing the Capital:
Capex Prioritization

Metrics-Based
Management: Driving the
Business with Data

Capital Allocation:
Improved ROIC

Financial Optimization

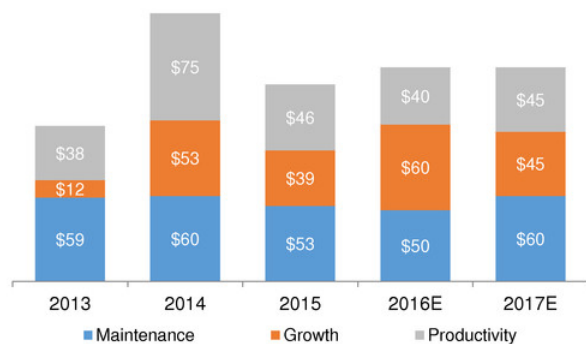
Prioritization Of Capital Spending; Focus On High IRR Capex



Capital Expenditures

Capex by Year and Category

(\$ in millions)



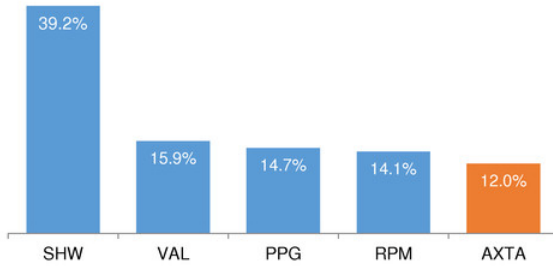
Commentary

- Maintenance capital: \$50+ million per year
- Growth investments
 - ✓ 4 capex projects completed in 2015
 - Wuppertal, Germany
 - Jiading, China
 - Mexico City, Mexico
 - Guarulhos, Brazil
- Productivity investments
 - ✓ Equipment upgrades, debottlenecking and automation opportunities
 - ✓ Target IRRs in excess of 25%

Effective Capital Allocation Should Drive Improved Returns

Return on Invested Capital (ROIC)

NOPAT ROIC (LTM)



Notes: 1) ROIC = Net Operating Profit After Tax (NOPAT) / (Total Debt + Preferred Stock + Minority Interest + Equity); 2) AXTA total capital excludes identified intangible assets; 3) Data as of LTM Q2 2016

Commentary

- Axalta's ROIC is penalized by the February 2013 LBO and related asset step-up from purchase price accounting
- Drivers of ROIC upside:
 - ✓ Growth in NOPAT from ongoing business execution
 - ✓ Effective capital allocation: Organic investments, return accretive M&A, and focus on asset efficiency
- We believe that over time we can achieve returns in excess of the peer group averages

Total Shareholder Return (TSR) Model

- Organic growth options: Generally the “highest and best use”
 - ✓ In-plant productivity investment
 - ✓ Growth with existing markets with strong incremental margins
- M&A: Discipline is key to improve returns
 - ✓ 4 year cumulative free cash flow available after debt reduction: \$1.5+ billion
 - ✓ Tactical, lower risk, smaller “tuck-ins” and immediate adjacencies
 - ✓ Overall consideration for both immediate IRR and long term growth goals
- Debt repayment: Accretive at current rates
 - ✓ Target investment grade rating as debt leverage is reduced and other factors
 - ✓ Process: Balance absolute returns with risk-adjusted return, and feedback on shareholder risk tolerance
- Other potential uses: Board to consider in time
 - ✓ Dividends and buybacks will be considered once our leverage goals are realized

Debt And Liquidity Summary

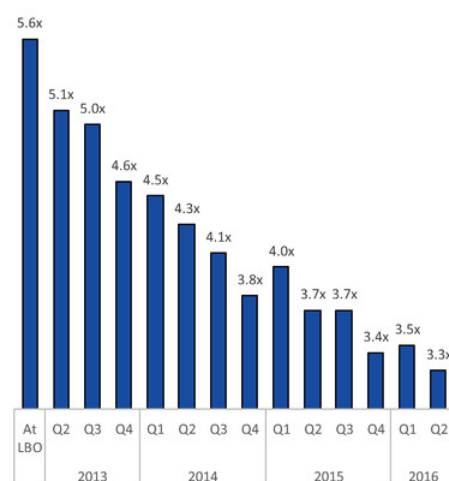
Capitalization

(\$ in millions)	@ 6/30/2016	Maturity
Cash and Cash Equivalents	\$480	
Debt:		
Revolver (\$400 million capacity)	-	2018
First Lien Term Loan (USD)	1,890	2020
First Lien Term Loan (EUR) ⁽¹⁾	420	2020
Senior Secured Notes (EUR) ⁽¹⁾	271	2021
Total Senior Secured Debt	\$2,581	
Senior Unsecured Notes (USD)	737	2021
Other Borrowings	36	
Total Debt	\$3,353	
Total Net Debt	\$2,873	
LTM Adjusted EBITDA	\$877	
Credit Statistics:		
Total Net Leverage ⁽²⁾	3.3x	

(1) Assumes exchange rate of \$1.11 USD/Euro

(2) Indebtedness per balance sheet less cash & cash equivalents divided by LTM Q2 2016 Adjusted EBITDA

Net Leverage



On August 2nd, AXTA priced \$500 million 4.875% Senior Notes and €335 million 4.250% Senior Notes. Proceeds will be used to redeem \$750 million 7.375% Senior Notes resulting in significant interest savings and an extended maturity profile and other terms.

Full Year 2016 Guidance

(\$ millions)	2015A	2016E	Comments on Drivers
Net Sales	-6%	@ 0%	<ul style="list-style-type: none"> Net sales expected to be essentially flat as-reported based on anticipated currency headwinds; constant currency net sales expected to benefit from volume growth and positive pricing Margin expansion expected to continue, driven by volume, price, and cost reduction Tailwinds from volume growth, ongoing productivity and variable cost savings Tax rate, as adjusted, expected to come down in 2016 from specific actions taken Working capital stable in 2016, with free cash flow expected to rise Capex is consistent; includes large discretionary component
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	
D&A	\$310	\$320	

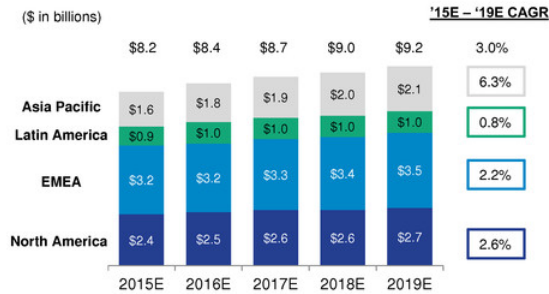
2016 Benefits from Ongoing Growth and Maturity of Productivity Programs



Performance Coatings: Refinish

The Global Refinish Market Is Growing

Projected Industry Sales



Source: Orr & Boss (2014); Axalta estimates

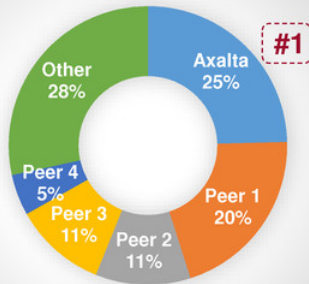
Axalta Global Refinish Dynamics

EMEA	<ul style="list-style-type: none"> Strong heritage through Herberts acquisition 1999 Diverse region with both mature and developing markets Environmental regulations drive waterborne coatings adoption
NA	<ul style="list-style-type: none"> MSOs gaining share and Axalta benefits directly Continued strong core products serve the entire collision market Leading VOC-compliant products meet environmental regulation shifts
APAC	<ul style="list-style-type: none"> Growth driven primarily by expansion of the Chinese car parc Significant OEM influence in collision repair industry Opportunity for growth in mainstream and economy product lines
Lat Am	<ul style="list-style-type: none"> Mexico and Brazil represent Axalta's largest markets Price increases help offset inflation and currency devaluation Under-representation in the economy segment represents opportunity

Axalta Has A Very Strong Position In Refinish Globally

Global Share Position

Refinish Industry Sales: ~\$7.4 billion



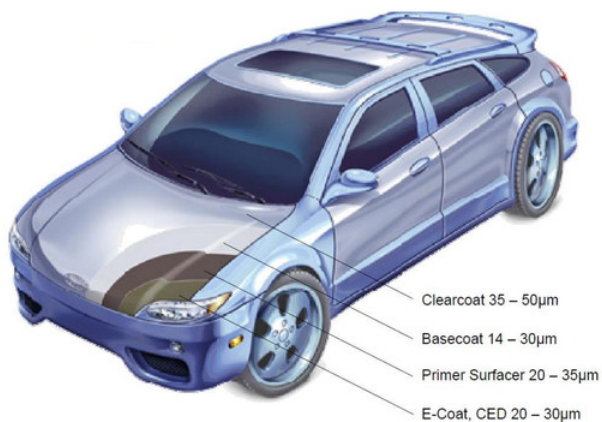
Key Market Trends

- Drivers include size of car parc, miles driven, and accident rates
- Industry dynamics favor stable competition in most markets
- Focus on innovation and service to increase body shop productivity
- Increasing environmental regulation drives technically advanced high-productivity coatings adoption

Axalta's Strategies For Growth

- Grow our leadership position in premium product segments
- Increase market share in under-represented countries and markets
- Expand mainstream and economy product penetration
- Leverage customer consolidation trends in key regions
- Focus on strengthening and expanding our distribution channel relationships

Description of Paint Layers



Clearcoat

- Protects basecoat from the elements
- Gives automobile its lustrous look

Basecoat

- Creates automobile's color and aesthetics
- Provides corrosion protection
- Waterborne and solventborne technology options

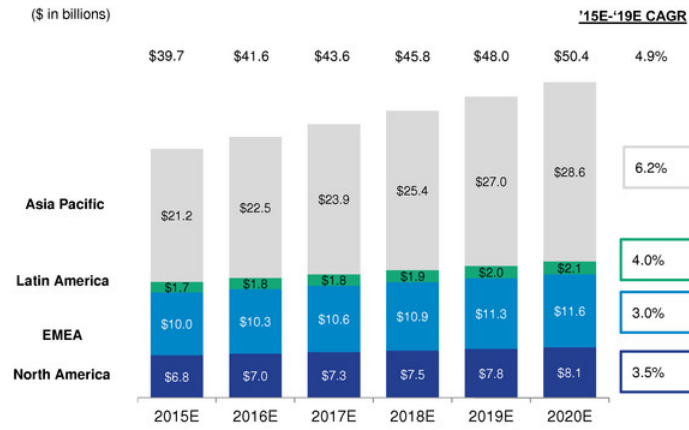
Primer Surfacer

- Protects automobile from visible and UV light
- Improves surface smoothness
- Increases topcoat adhesion



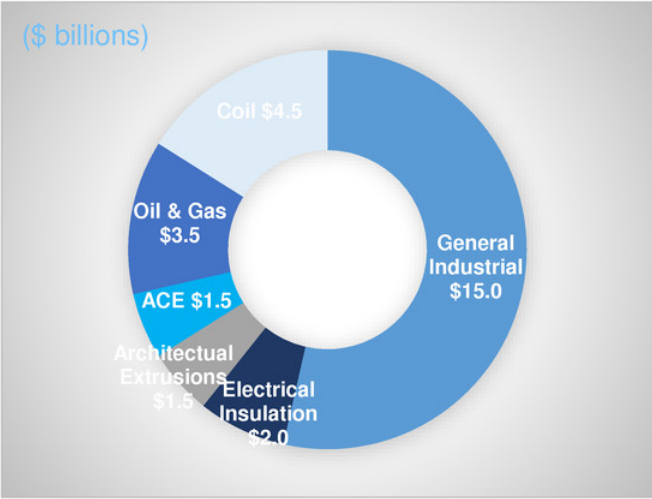
Performance Coatings: Industrial Coatings

The Overall Industrial Coatings Market is Expected to Grow



Source: Orr & Boss; Axalta estimates

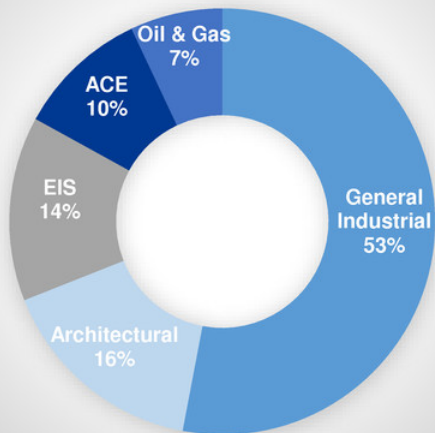
Industrial Coatings: A \$28 B Market Opportunity For Axalta



	Product Examples	Market Drivers
General Industrial	<ul style="list-style-type: none">▪ Metal furniture▪ Appliances▪ Shelving/ racking▪ Electrical boxes	<ul style="list-style-type: none">▪ GDP▪ Industrial Production
Electrical Insulation	<ul style="list-style-type: none">▪ Electric motors▪ Transformers	<ul style="list-style-type: none">▪ Electric motor production▪ Power transmission production
Architectural Extrusions	<ul style="list-style-type: none">▪ Commercial building windows and curtain walls▪ Residential windows and doors	Commercial construction
ACE	<ul style="list-style-type: none">▪ Construction equipment▪ Agricultural equipment▪ Mining equipment	<ul style="list-style-type: none">▪ GDP▪ Industrial production
Oil & Gas	<ul style="list-style-type: none">▪ Deep sea pipelines▪ Oil well conveyance lines	<ul style="list-style-type: none">▪ Infrastructure growth▪ Population growth▪ Pipeline projects
Coil	<ul style="list-style-type: none">▪ Commercial /residential siding▪ Garage doors▪ Gutters, downspouts, lighting housings▪ Appliances	<ul style="list-style-type: none">▪ GDP▪ Construction

Source: Coatings World, Axalta estimates

2015 Net Sales by Segment



Business Overview

Steady volume growth driven by global GDP

- China growth expected at least mid-single digits
- Architectural market expected to grow steadily

Supplier consolidation continues

- Consolidation driven by expanding global players

Technology innovation is our base

- Drivers: Environmentally sustainable products, focus on productivity, corrosion resistance and innovative and vibrant color choices

Customers are globalizing

- Local product must meet global specifications consistently across regions

Global infrastructure growth is driving demand

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

Growth Priorities & Strategies



Agriculture, Construction & Earth Moving Equipment (ACE)

- Expand approval portfolio with multiple coatings technologies
- Utilize global footprint to target new business in all regions



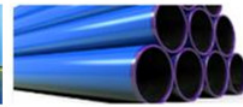
Architectural

- Market our powder coatings to architects (an environmentally friendly alternative)
- Expand color range to compete with liquid alternatives



Electrical Insulation Systems (EIS)

- Continue to build global capability
- Target sub-segments with above average growth rates



Oil & Gas

- Build on leading technology position for exterior pipe coatings
- Establish strong global network to service end users / specifiers

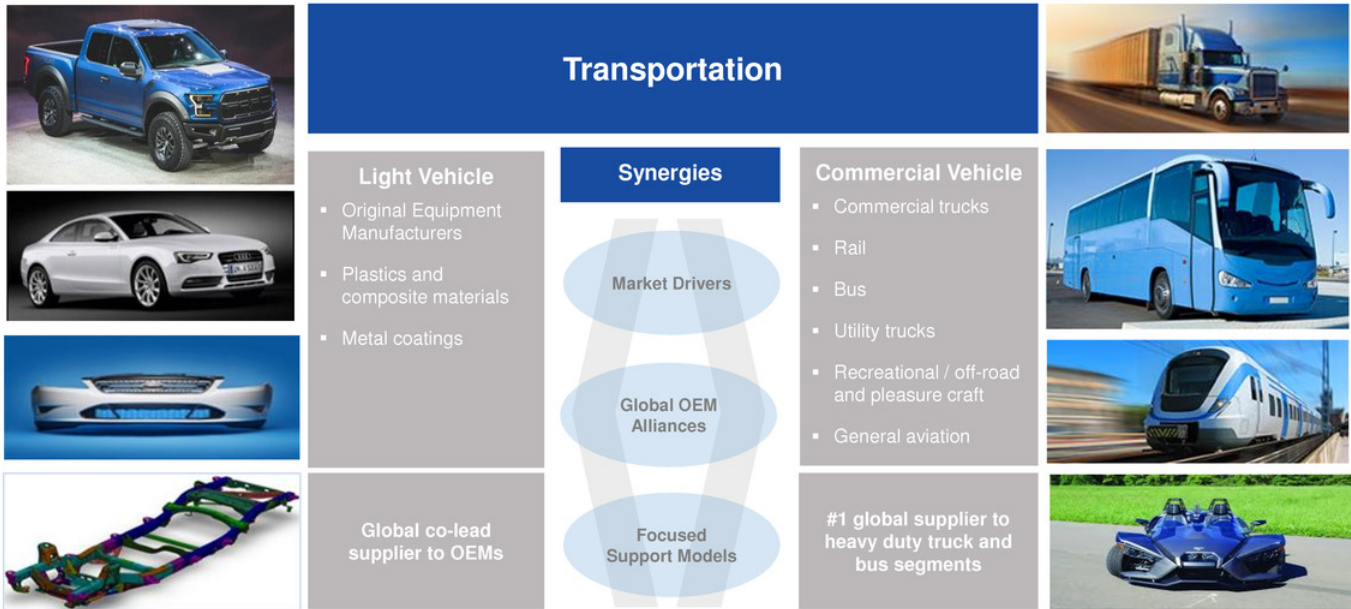


General Industrial

- Accelerate globalization of key GI sub-segments
- Develop industry leadership in high durability, corrosion – resistant coatings



Transportation Coatings Overview



Transportation Summary



The global transportation market is projected to grow ~3.4% CAGR through 2019

- Demand drivers include
 - ✓ Global GDP
 - ✓ Vehicle replacement cycles
 - ✓ Growth in emerging markets
 - ✓ Infrastructure spending



Axalta is a leading global OEM coatings provider

- 19% global light vehicle market share with strong OEM relationships in all regions
- #1 player globally in heavy duty truck and bus
- Extensive portfolio of technologies fit for purpose in each market



Axalta is actively transforming its business for profitable growth

- Moved from regional structure to global leadership
- Improved alignment with strategic and underserved customers
- Building capability and footprint in high growth regions
- Expanding global brand strategy

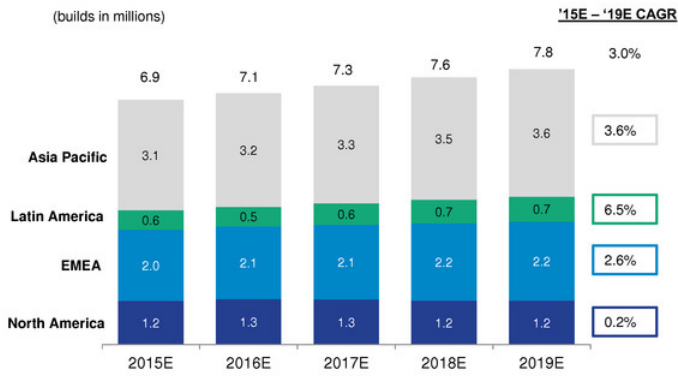


Progress to date has been strong

- Showing results to date through business wins and global launches
- Strong earnings contribution underscores focus on profitable growth
- Capacity investments to support growth in all regions

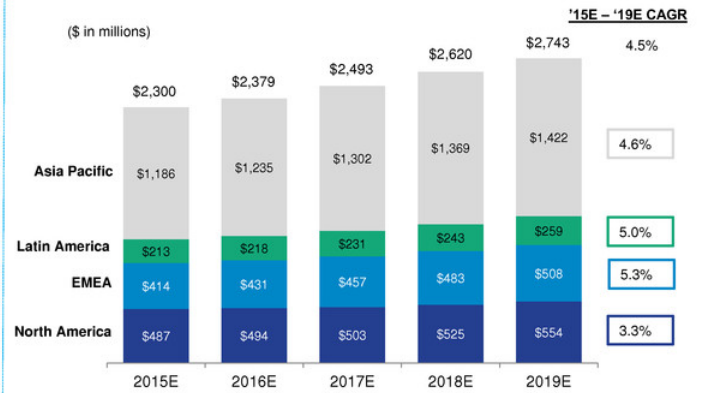
Structurally Growing Markets

Market Growth: Light Vehicle



Source: Orr & Boss; Axalta estimates

Market Growth: Commercial Vehicle

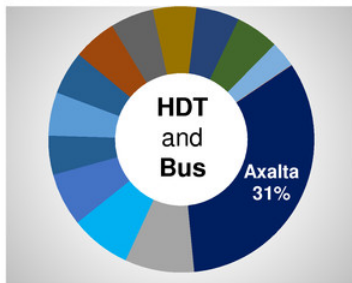
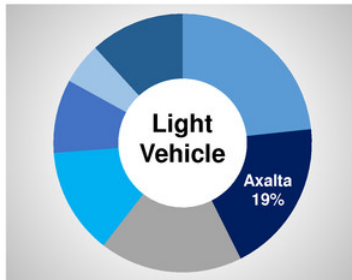


Source: Orr & Boss; Axalta estimates

Key Market Trends

				
Government Regulations	Emerging Markets	Industry Globalization	Demand for Productivity	Color and Protection
<ul style="list-style-type: none"> ▪ Volatile organic compounds (VOCs) ▪ Toxic substances ▪ Coatings for new lightweight materials to improve fuel economy 	<ul style="list-style-type: none"> ▪ Near-term uncertainty (Brazil, Russia, China) ▪ Long-term growth 	<ul style="list-style-type: none"> ▪ Global vehicle platforms ▪ Global color palettes ▪ Global (and local) coating approvals 	<ul style="list-style-type: none"> ▪ Improved first time quality ▪ Energy, capital, labor, materials savings for customers 	<ul style="list-style-type: none"> ▪ Consumers demand aesthetics and style ▪ Extended vehicle life / warranty

Global Share



- **Axalta is a global leader in transportation coatings**
 - ✓ Globalizing and harmonizing our coatings technology
 - ✓ Bringing brighter colors and more effects to color design
 - ✓ Aligning global R&D and product management around voice-of-customer
- **We are customer focused and growth oriented**
 - ✓ Strong global leadership team and local capability
 - ✓ Global customer account teams implemented with clear growth metrics
 - ✓ Building senior level customer relationships
 - ✓ Strong launch capability and execution
 - ✓ Robust business systems and competitive analysis implemented
- **Creating a culture and infrastructure to support growth**

Vision Is Above-Market Growth

Strategies

- Gain share with existing customers
- Grow underserved customers and regions
- Align product technology to evolving customer and market needs
- Increase content per vehicle
- Leverage “what good looks like” into new regions, customers and markets



Key Tactics / Programs

- Build capabilities in global and regional roles
- Expand decorative and functional coatings
- Best-in-class line service excellence
- Localize supply chain ensuring competitive cost structure
- Drive complexity management discipline
- The Axalta Way: “run it like we own it”



Segmenting Our Markets

	Light Vehicle	HDT	Specialty OEM	Bus	Rail	General Aviation	Body Builders & Trailers
Estimated Market Size	\$8,100M	\$500M	\$550M	\$200M	\$600M	\$45M	\$400M
Product Examples	<ul style="list-style-type: none"> Passenger cars Pick Ups / SUVs Light commercial vehicles Component parts 	<ul style="list-style-type: none"> EM class 4-8 truck manufacturing 	<ul style="list-style-type: none"> RV Truck caps Power sports 2 & 3 Wheelers Specialty LV 	<ul style="list-style-type: none"> Bus – OEM Bus repair / refurbishment 	<ul style="list-style-type: none"> Locomotive passenger rail Metros Streetcars 	<ul style="list-style-type: none"> Fixed wing propeller Helicopters Business jets 	<ul style="list-style-type: none"> Trailers Truck body builders
Global							
Leading Top 5 Below top 5							

Source: Orr & Boss (2013), IRFAB, and Axalta estimates

We Are Growing With Segment Specific Strategies In Our Target Markets

<div data-bbox="418 247 558 277" data-label="Section-Header"> <h3>Light Vehicle</h3> </div> <div data-bbox="159 289 326 449" data-label="Image">  </div> <div data-bbox="354 302 748 436" data-label="List-Group"> <ul style="list-style-type: none"> ▪ Grow in automotive parts market ▪ China expansion through domestic OEMs ▪ AP expansion beyond China ▪ Gain approvals with underserved customers ▪ Strengthen service capability </div>	<div data-bbox="1040 247 1289 277" data-label="Section-Header"> <h3>Heavy Duty Truck (HDT)</h3> </div> <div data-bbox="834 289 1013 449" data-label="Image">  </div> <div data-bbox="1040 302 1382 436" data-label="List-Group"> <ul style="list-style-type: none"> ▪ Leverage global accounts ▪ Gain share in tier part suppliers ▪ China growth via Kinlita JV ▪ China HDT volume is three times NA ▪ Leverage Imron® branded offering </div>
<div data-bbox="412 457 565 487" data-label="Section-Header"> <h3>Specialty OEM</h3> </div> <div data-bbox="159 499 326 659" data-label="Image">  </div> <div data-bbox="354 541 812 621" data-label="List-Group"> <ul style="list-style-type: none"> ▪ Expand 2-wheeler success in Brazil to other regions ▪ Leverage Imron® branded offering ▪ Segment-focused color strategy </div>	<div data-bbox="1101 457 1235 487" data-label="Section-Header"> <h3>Bus and Rail</h3> </div> <div data-bbox="834 499 1013 659" data-label="Image">  </div> <div data-bbox="1040 531 1458 632" data-label="List-Group"> <ul style="list-style-type: none"> ▪ China expansion to mainstream and economy segments ▪ Leverage high speed rail success ▪ SprayFlex FS interior floor coatings </div>
<div data-bbox="402 678 574 707" data-label="Section-Header"> <h3>General Aviation</h3> </div> <div data-bbox="159 720 326 869" data-label="Image">  </div> <div data-bbox="354 743 795 852" data-label="List-Group"> <ul style="list-style-type: none"> ▪ Leverage approvals with Textron, Gulfstream, etc. ▪ Expand color palette for high value applications ▪ Align Imron® brands and offerings to segment ▪ Strategic alignments and capabilities </div>	<div data-bbox="1040 678 1289 707" data-label="Section-Header"> <h3>Body Builders / Trailers</h3> </div> <div data-bbox="834 720 1013 869" data-label="Image">  </div> <div data-bbox="1040 758 1484 833" data-label="List-Group"> <ul style="list-style-type: none"> ▪ Differentiation through strong HDT color leverage ▪ Developing a segment-focused distribution strategy </div>



APPENDIX

Q2 Performance Coatings Results

Financial Performance

(\$ in millions)	Q2		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Refinish	449	460	(2.5%)	9.3%
Industrial	183	179	2.6%	3.7%
Net Sales	632	639	(1.0%)	7.8%
Adjusted EBITDA	157	162	(3.0%)	
% margin	24.9%	25.4%		

Net Sales Variance



Commentary

Solid net sales led by Refinish volumes

- Strong volume growth in Refinish across all regions; Industrial growth driven by EMEA and Asia Pacific
- Price increases in Refinish in most regions
- 8.8% unfavorable currency impact principally from Latin America

Adjusted EBITDA margin remains very strong

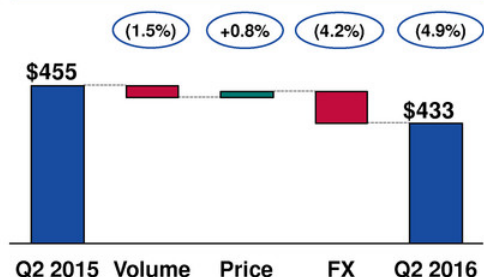
- Adjusted EBITDA margin slightly below Q2 2015 but remains strong, benefiting from increased volumes, favorable price realization, and some ongoing variable margin benefits, offset by currency translation impact and increased operating expense to support growth

Q2 Transportation Coatings Results

Financial Performance

(\$ in millions)	Q2		% Change	
	2016	2015	Incl. F/X	Excl. F/X
Light Vehicle	344	347	(0.8%)	1.5%
Commercial Vehicle	89	108	(18.0%)	(8.3%)
Net Sales	433	455	(4.9%)	(0.7%)
Adjusted EBITDA	95	93	2.0%	
% margin	22.0%	20.5%		

Net Sales Variance



Commentary

Net sales pressured by Commercial volumes

- Strong volume growth in North America and EMEA Light Vehicle, offset largely by lower volumes in Latin America and Asia Pacific
- Lower volumes in Commercial Vehicle driven by heavy truck and other vehicle markets
- Modest increase in price for the segment
- 4.2% unfavorable currency translation largely from emerging market exposures

Adjusted EBITDA margin up 150 bps

- Adjusted EBITDA margin benefited from price improvement and some additional variable cost savings

Consolidated Adjusted EBITDA Reconciliation



(\$ in millions)	FY 2015	Q1 2015	Q2 2015	Q1 2016	Q2 2016	LTM 6/30/2016
Net Income (Loss)	\$98	\$47	(24)	\$31	\$50	\$156
Interest Expense	197	50	49	50	48	196
Provision for Income Taxes	63	1	30	15	20	67
Depreciation & Amortization	308	73	78	76	79	312
Reported EBITDA	\$665	\$171	\$132	\$171	\$197	\$730
A Debt extinguishment	3	-	-	-	2	5
B Foreign exchange remeasurement losses	94	9	58	8	18	53
C Long-term employee benefit plan adjustments	-	-	-	1	1	2
D Termination benefits and other employee related costs	36	4	15	2	7	26
E Consulting and advisory fees	24	3	7	3	3	20
F Transition-related costs	(3)	-	-	-	-	(3)
G Offering and transactional costs	(1)	(4)	-	-	1	4
H Stock-based compensation	30	2	12	10	11	37
I Other adjustments	(6)	1	2	2	2	(5)
J Dividends in respect of noncontrolling interest	(5)	(4)	(1)	(2)	-	(2)
K Asset impairment	31	-	31	-	11	11
Total Adjustments	\$202	\$11	\$124	\$24	\$56	\$147
Adjusted EBITDA	\$867	\$182	\$256	\$195	\$253	\$877

Note: Numbers might not foot due to rounding.

Consolidated Adjusted EBITDA Reconciliation (cont'd)

- A. In FY 2015 and 2Q 2016, we prepaid \$100.0 million of the outstanding principal on the New Dollar Term Loan and recorded non-cash pre-tax losses on extinguishment of \$3 million and \$2 million, respectively.
- B. Eliminates foreign exchange gains and losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, net of gains associated with our foreign currency instruments used to hedge our balance sheet exposures. Venezuela represented a gain of \$1 million, and losses of \$56 million, \$7 million and \$16 million for the periods 1Q 2015, 2Q 2015, 1Q 2016, and 2Q 2016.
- C. Eliminates the non-cash, 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, which are not considered indicative of our ongoing operating performance.
- E. Represents fees paid to consultants for professional services primarily related to our Axalta Way initiatives, which are not considered indicative of our ongoing operating performance.
- F. Represents non-recurring charges associated with the transition from DuPont to a standalone entity, including branding and marketing costs, information technology related costs and facility transition costs.
- G. Represents costs associated with the secondary offerings of our common shares by Carlyle, acquisition-related costs, including a \$5.4 million gain recognized during 1Q 2015 resulting from the remeasurement of our previously held interest in an equity method investee upon the acquisition of a controlling interest, and costs associated with changes in the fair value of contingent consideration associated with our acquisitions, all of which are not considered indicative of our ongoing operating performance.
- H. Represents costs associated with stock-based compensation, including \$8 million of expense during 2Q 2015 attributable to the accelerated vesting of all issued and outstanding stock options issued under the 2013 Plan as a result of the Change in Control.
- I. Represents costs for certain unusual or non-operational (gains) and losses, including equity investee dividends, indemnity losses (gains) associated with the Acquisition, losses (gains) on sale and disposal of property, plant and equipment, losses (gains) on the remaining foreign currency derivative instruments and non-cash fair value inventory adjustments associated with our 2015 acquisitions.
- J. Represents the payment of dividends to our joint venture partners by our consolidated entities that are not wholly owned, which are not considered indicative of our ongoing operating performance.
- K. As a result of currency devaluations in Venezuela, we recorded non-cash impairment charges relating to a real estate investment of \$31 million and \$11 million during Q2 2015 and Q2 2016, respectively.



Thank you!

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