UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2026
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.)**

1050 Constitution Avenue
Philadelphia, Pennsylvania 19112
(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	**AXTA**	**New York Stock Exchange**
(Title of class)	(Trading symbol)	(Exchange on which registered)

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer ☒ Non-accelerated filer ☐ Accelerated filer ☐
Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

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

As of October 22, 2026, there were 214,045,097 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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 1,311	$ 1,288	$ 3,911	$ 3,855
Cost of goods sold	877	838	2,596	2,515
Selling, general and administrative expenses	201	197	614	607
Other operating charges	24	6	92	32
Research and development expenses	18	18	54	55
Amortization of acquired intangibles	26	25	77	73
Income from operations	165	204	478	573
Interest expense, net	37	45	112	134
Other expense (income), net	—	4	(1)	12
Income before income taxes	128	155	367	427
Provision for income taxes	33	45	92	108
Net income	95	110	275	319
Less: Net income attributable to noncontrolling interests	—	—	1	1
Net income attributable to common shareholders	$ 95	$ 110	$ 274	$ 318
Basic net income per share	$ 0.44	$ 0.51	$ 1.28	$ 1.47
Diluted net income per share	$ 0.44	$ 0.51	$ 1.28	$ 1.46

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 95	$ 110	$ 275	$ 319
Other comprehensive (loss) income, before tax:				
Foreign currency translation adjustments	(6)	(1)	(23)	189
Unrealized gain on derivatives	—	1	2	1
Unrealized gain on pension and other benefit plan obligations	1	1	3	3
Other comprehensive (loss) income, before tax	(5)	1	(18)	193
Income tax expense (benefit) related to items of other comprehensive income	—	1	—	(7)
Other comprehensive (loss) income, net of tax	(5)	—	(18)	200
Comprehensive income	90	110	257	519
Less: Comprehensive income attributable to noncontrolling interests	—	1	—	3
Comprehensive income attributable to common shareholders	$ 90	$ 109	$ 257	$ 516

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

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

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 650	$ 657
Restricted cash	6	3
Accounts and notes receivable, net	1,366	1,229
Inventories	849	756
Prepaid expenses and other current assets	192	170
Total current assets	3,063	2,815
Property, plant and equipment, net	1,319	1,299
Goodwill	1,762	1,795
Identifiable intangibles, net	1,056	1,147
Other assets	547	543
Total assets	$ 7,747	$ 7,599
Liabilities, Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 780	$ 637
Current portion of borrowings	519	20
Other accrued liabilities	701	712
Total current liabilities	2,000	1,369
Long-term borrowings	2,476	3,179
Accrued pensions	225	238
Deferred income taxes	182	171
Other liabilities	198	249
Total liabilities	5,081	5,206
Commitments and contingent liabilities (Note 5)		
Shareholders' equity:		
Common shares, $1.00 par, 1,000.0 shares authorized, 255.7 and 255.1 shares issued at September 30, 2026 and December 31, 2025, respectively	256	255
Capital in excess of par	1,637	1,621
Retained earnings	2,329	2,055
Treasury shares, at cost, 41.7 shares at both September 30, 2026 and December 31, 2025	(1,202)	(1,202)
Accumulated other comprehensive loss	(400)	(383)
Total Axalta shareholders' equity	2,620	2,346
Noncontrolling interests	46	47
Total shareholders' equity	2,666	2,393
Total liabilities and shareholders' equity	$ 7,747	$ 7,599

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

AXALTA COATING SYSTEMS LTD.

Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

(In millions)

	Common Stock							
	Number of Shares	Par/Stated Value	Capital In Excess Of Par	Retained Earnings	Treasury Shares, at cost	Accumulated Other Comprehensive Loss	Non controlling Interests	Total
Balance at December 31, 2025	213.4	$ 255	$ 1,621	$ 2,055	$ (1,202)	$ (383)	$ 47	$ 2,393
Comprehensive income:								
Net income	—	—	—	90	—	—	1	91
Net realized and unrealized gain on derivatives, net of tax of $0 million	—	—	—	—	—	1	—	1
Long-term employee benefit plans, net of tax of $0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax of $0 million	—	—	—	—	—	(18)	(2)	(20)
Total comprehensive income (loss)	—	—	—	90	—	(16)	(1)	73
Recognition of stock-based compensation	—	—	7	—	—	—	—	7
Shares issued under compensation plans	0.6	1	(7)	—	—	—	—	(6)
Balance at March 31, 2026	214.0	$ 256	$ 1,621	$ 2,145	$ (1,202)	$ (399)	$ 46	$ 2,467
Comprehensive income:								
Net income	—	—	—	89	—	—	—	89
Net realized and unrealized gain on derivatives, net of tax of $0 million	—	—	—	—	—	1	—	1
Long-term employee benefit plans, net of tax of $0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax of $0 million	—	—	—	—	—	2	1	3
Total comprehensive income	—	—	—	89	—	4	1	94
Recognition of stock-based compensation	—	—	8	—	—	—	—	8
Balance at June 30, 2026	214.0	$ 256	$ 1,629	$ 2,234	$ (1,202)	$ (395)	$ 47	$ 2,569
Comprehensive income:								
Net income	—	—	—	95	—	—	—	95
Long-term employee benefit plans, net of tax of $0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax benefit of $0 million	—	—	—	—	—	(6)	—	(6)
Total comprehensive income (loss)	—	—	—	95	—	(5)	—	90
Recognition of stock-based compensation	—	—	8	—	—	—	—	8
Dividends declared to noncontrolling interest	—	—	—	—	—	—	(1)	(1)
Balance at September 30, 2026	214.0	$ 256	$ 1,637	$ 2,329	$ (1,202)	$ (400)	$ 46	$ 2,666

	Common Stock							
	Number of Shares	Par/Stated Value	Capital In Excess Of Par	Retained Earnings	Treasury Shares, at cost	Accumulated Other Comprehensive Loss	Non controlling Interests	Total
Balance at December 31, 2024	218.1	$ 255	$ 1,599	$ 1,677	$ (1,037)	$ (582)	$ 44	$ 1,956
Comprehensive income:								
Net income	—	—	—	99	—	—	—	99
Long-term employee benefit plans, net of tax of $0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax benefit of $1 million	—	—	—	—	—	61	2	63
Total comprehensive income	—	—	—	99	—	62	2	163
Recognition of stock-based compensation	—	—	5	—	—	—	—	5
Shares issued under compensation plans	0.5	—	(2)	—	—	—	—	(2)
Balance at March 31, 2025	218.6	$ 255	$ 1,602	$ 1,776	$ (1,037)	$ (520)	$ 46	$ 2,122
Comprehensive income:								
Net income	—	—	—	109	—	—	1	110
Long-term employee benefit plans, net of tax of $0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax benefit of $7 million	—	—	—	—	—	136	(1)	135
Total comprehensive income	—	—	—	109	—	137	—	246
Recognition of stock-based compensation	—	—	8	—	—	—	—	8
Common stock purchases	(2.0)	—	—	—	(65)	—	—	(65)
Balance at June 30, 2025	216.6	$ 255	$ 1,610	$ 1,885	$ (1,102)	$ (383)	$ 46	$ 2,311
Comprehensive income:								
Net income	—	—	—	110	—	—	—	110
Net realized and unrealized gain on derivatives, net of tax benefit of $0 million	—	—	—	—	—	1	—	1
Long-term employee benefit plans, net of tax of $1 million	—	—	—	—	—	—	—	—
Foreign currency translation, net of tax benefit of $0 million	—	—	—	—	—	(2)	1	(1)
Total comprehensive income (loss)	—	—	—	110	—	(1)	1	110
Recognition of stock-based compensation	—	—	6	—	—	—	—	6
Shares issued under compensation plans	—	—	(1)	—	—	—	—	(1)
Common stock purchases	(3.3)	—	—	—	(100)	—	—	(100)
Dividends declared to noncontrolling interests	—	—	—	—	—	—	(1)	(1)
Balance at September 30, 2025	213.3	$ 255	$ 1,615	$ 1,995	$ (1,202)	$ (384)	$ 46	$ 2,325

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

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

	Nine Months Ended September 30,	
	2026	**2025**
Operating activities:		
Net income	$ 275	$ 319
Adjustment to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	233	218
Amortization of deferred financing costs and original issue discount	6	6
Deferred income taxes	24	28
Realized and unrealized foreign exchange (gains) losses, net	(8)	31
Stock-based compensation	23	19
Interest income on swaps designated as net investment hedges	(9)	(9)
Other non-cash, net	(2)	8
Changes in operating assets and liabilities:		
Trade accounts and notes receivable	(132)	(48)
Inventories	(99)	(53)
Prepaid expenses and other assets	(75)	(132)
Accounts payable	146	(15)
Other accrued liabilities	2	(71)
Other liabilities	(29)	4
Cash provided by operating activities	355	305
Investing activities:		
Acquisitions, net of cash acquired	(8)	(6)
Purchase of property, plant and equipment	(144)	(138)
Interest proceeds on swaps designated as net investment hedges	9	9
Proceeds received on loans to customers	8	6
Other investing activities, net	(3)	7
Cash used for investing activities	(138)	(122)
Financing activities:		
Payments on long-term borrowings	(211)	(25)
Purchases of common stock	—	(165)
Net cash flows associated with stock-based awards	(7)	(3)
Other financing activities, net	(3)	(2)
Cash used for financing activities	(221)	(195)
Decrease in cash	(4)	(12)
Effect of exchange rate changes on cash	—	26
Cash at beginning of period	660	596
Cash at end of period	$ 656	$ 610
Cash at end of period reconciliation:		
Cash and cash equivalents	$ 650	$ 606
Restricted cash	6	4
Cash at end of period	$ 656	$ 610

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

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

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(1) BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 and shareholders' equity of Axalta Coating Systems Ltd., a Bermuda exempted company limited by shares, and its consolidated subsidiaries ("Axalta," the "Company," "we," "our" and "us") at September 30, 2026, the results of operations, comprehensive income and changes in shareholders' equity for the three and nine months ended September 30, 2026 and 2025, and cash flows for the nine 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 financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. 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 ("GAAP").

The interim unaudited condensed consolidated financial statements include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained. Certain of our entities are accounted for on a one-month lag basis, the effect of which is not material.

The results of operations for the three and nine months ended September 30, 2026 are not necessarily indicative of the results to be expected for the full year ended December 31, 2026 or any future period(s).

Proposed Merger with Akzo Nobel N.V.

During November 2025, we entered into a Merger Agreement (the "Original Merger Agreement") with Akzo Nobel N.V., a public company with limited liability incorporated under the laws of the Netherlands ("AkzoNobel"), providing for the combination of the Company and AkzoNobel in an all-stock merger (the "Merger"). The combined company ("Axanzo") will be dual-headquartered in Amsterdam, the Netherlands and Philadelphia, Pennsylvania. On August 5, 2026, the Company's shareholders approved and adopted the Merger Agreement and the transactions contemplated therein at a special general meeting of shareholders held for that purpose, and AkzoNobel's shareholders approved the Merger on the same date. The completion of the Merger remains subject to the satisfaction or waiver of other customary closing conditions, including receipt of required regulatory approvals. On October 20, 2026, the Company announced it plans to divest its North American Building Products business to address regulatory requirements. The Company expects the Merger to close in early 2027.

On May 27, 2026, the Company and AkzoNobel entered into Amendment No. 1 to the Merger Agreement (the "First Amendment") to, among other things, implement certain changes intended to optimize the tax integration of Axalta and AkzoNobel and provide that any of the independent directors to be jointly nominated by Axalta and AkzoNobel to the Axanzo Board of Directors (the "Axanzo Board") will, to the extent designated by Axalta and AkzoNobel after the date of the first publication of AkzoNobel's or Axalta's special meeting materials, either (a) be appointed as a temporary replacement director effective as of closing of the Merger until his or her appointment as a director at a general meeting of Axanzo's shareholders following closing of the Merger to serve as a director until the first annual general meeting of Axanzo's shareholders held after the third anniversary of closing of the Merger or (b) be nominated for appointment as members of the Axanzo Board in any subsequent general meeting of AkzoNobel prior to closing of the Merger.

On July 23, 2026, the Company, AkzoNobel and the other parties party thereto entered into Amendment No. 2 to the Merger Agreement (the "Second Amendment"; the Original Merger Agreement as amended by the First Amendment and the Second Amendment is referred to herein as the "Merger Agreement") to provide for (i) annual re-election of all Axanzo directors following the initial three-year period after closing of the Merger and (ii) a revised approval threshold applicable during the initial three-year period after closing of the Merger of two-thirds of Axanzo non-executive directors for (a) any proposal to the general meeting regarding the appointment and dismissal of Axanzo directors, (b) the appointment and removal of the CEO, Deputy CEO and CFO, (c) designation of the Chair and Vice Chair titles and (d) amendments to the remuneration policy.

Subject to the terms and conditions set forth in the Merger Agreement, at the effective time of the Merger, each outstanding and issued ordinary share of the Company, par value $1.00 per share (other than any shares owned by the Company as treasury shares and any shares owned by AkzoNobel or any direct or indirect wholly owned subsidiary of AkzoNobel), will be automatically converted into the right to receive 0.6539 AkzoNobel ordinary shares, par value of €0.50 per share.

In the event of a termination of the Merger Agreement by the Company, the Company may be required to pay AkzoNobel a termination fee equal to €150 million. In the event of a termination of the Merger Agreement by AkzoNobel, AkzoNobel may be required to pay the Company a termination fee equal to €150 million.

Summary of Significant Accounting Policies Updates

Accounting Guidance and Disclosure Rules Issued But Not Yet Adopted

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*, to improve disclosures about a public business entity's expenses and require more detailed information about the types of expenses in commonly presented expense captions, such as cost of sales, selling, general and administrative expense and research and development. The new standard is effective for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. We are currently evaluating the impact of ASU 2024-03 on our financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40),* to enhance guidance for recognizing and measuring capitalizable costs associated with the development of internal-use software. The new standard is effective for fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact of ASU 2025-06 on our financial statements.

(2) REVENUE

Consideration for products in which control has transferred to our customers that is conditional on something other than the passage of time is recorded as a contract asset within prepaid expenses and other current assets in the condensed consolidated balance sheets. The contract asset balances at September 30, 2026 and December 31, 2025 were $47 million and $40 million, respectively.

We provide certain customers with incremental up-front consideration, subject to clawback provisions, including Business Incentive Plan assets ("BIPs"), which is capitalized as a component of other assets and amortized over the estimated life of the contractual arrangement as a reduction of net sales. We do not receive a distinct service or good in return for these BIPs, but rather receive volume commitments and/or sole supplier status from our customers over the life of the contractual arrangements, which approximates a five-year weighted average useful life. The termination clauses in these contractual arrangements generally include standard clawback provisions that are designed to enable us to collect monetary damages in the event of a customer's failure to meet its commitments under the relevant contract. At September 30, 2026 and December 31, 2025, the total carrying values of BIPs were $220 million and $191 million, respectively, and are presented within other assets in the condensed consolidated balance sheets. For the three and nine months ended September 30, 2026 and 2025, $18 million, $52 million, $16 million and $47 million, respectively, was amortized net of clawbacks and reflected as reductions of net sales in the condensed consolidated statements of operations.

See Note 17 for disaggregated net sales by end-market.

(3) GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

During the nine months ended September 30, 2026, we completed two acquisitions in our Performance Coatings segment. These acquisitions were accounted for as business combinations with consolidated aggregate consideration of $13 million, of which $8 million was paid, net of $1 million of cash acquired, during the nine months ended September 30, 2026. The overall impacts to our unaudited condensed consolidated financial statements were not considered to be material. The fair value attributable to identifiable intangible assets was $6 million, pertaining to customer relationship assets, which will be amortized over a weighted average term of approximately 10 years.

Goodwill

The following table shows changes in the carrying amount of goodwill from December 31, 2025 to September 30, 2026 by reportable segment:

	Performance Coatings	Mobility Coatings	Total
Balance at December 31, 2025	$ 1,714	$ 81	$ 1,795
Goodwill from acquisitions	5	—	5
Foreign currency translation	(36)	(2)	(38)
Balance at September 30, 2026	$ 1,683	$ 79	$ 1,762

Identifiable Intangible Assets

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

September 30, 2026	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	$ 149	$ (109)	$ 40	11.2
Trademarks—indefinite-lived	267	—	267	Indefinite
Trademarks—definite-lived	160	(94)	66	14.1
Customer relationships	1,364	(681)	683	18.8
Total	$ 1,940	$ (884)	$ 1,056	

December 31, 2025	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	$ 154	$ (103)	$ 51	11.1
Trademarks—indefinite-lived	275	—	275	Indefinite
Trademarks—definite-lived	164	(87)	77	14.1
Customer relationships	1,375	(631)	744	18.9
Total	$ 1,968	$ (821)	$ 1,147	

The estimated amortization expense related to the fair value of acquired intangible assets for the remainder of 2026 and each of the succeeding five years is:

Remainder of 2026	$ 26
2027	101
2028	87
2029	83
2030	82
2031	78

(4) RESTRUCTURING

In accordance with the applicable guidance for Accounting Standards Codification ("ASC") 712, *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.

During the three and nine months ended September 30, 2026 and 2025, we incurred costs of $4 million, $10 million, $2 million and $22 million, respectively, for termination benefits, net of changes in estimates. The majority of our termination benefits are recorded within other operating charges in the condensed consolidated statements of operations. The remaining payments associated with these actions are expected to be substantially completed within 12 months from September 30, 2026.

The following table summarizes the activity related to the termination benefit reserves and expenses from December 31, 2025 to September 30, 2026:

	2026 Activity
Balance at December 31, 2025	$ 26
Expenses, net of changes to estimates	10
Payments made	(28)
Balance at September 30, 2026	$ 8

(5) COMMITMENTS AND CONTINGENCIES

Guarantees

We guarantee certain of our customers' obligations to third parties, whereby any default by our customers on their obligations could force us to make payments to the applicable creditors ("Customer Obligation Guarantees"). At September 30, 2026 and December 31, 2025, we had outstanding Customer Obligation Guarantees of $26 million and $24 million, respectively, excluding certain outstanding Customer Obligation Guarantees secured by letters of credit under the Revolving Credit Facility discussed further in Note 15. Excluding Customer Obligation Guarantees secured by letters of credit under the Revolving Credit Facility, substantially all of our Customer Obligation Guarantees do not have specified expiration dates. We monitor the Customer Obligation Guarantees to evaluate whether we have a liability at the balance sheet date. We did not have any liabilities related to our outstanding Customer Obligation Guarantees recorded at either September 30, 2026 or December 31, 2025.

Other

We are subject to various pending lawsuits, legal proceedings and other claims in the ordinary course of business, including civil, regulatory and environmental matters. These matters may involve third-party indemnification obligations and/or insurance covering all or part of any potential damage incurred by us. All of these matters are subject to many uncertainties and, accordingly, we cannot determine the ultimate outcome of the proceedings and other claims at this time. The potential effects, if any, on our condensed consolidated financial statements will be recorded in the period in which these matters are probable and estimable. We believe that any sum we may be required to pay in connection with proceedings or claims in excess of the amounts recorded would likely not have a material adverse effect on our results of operations, financial condition or cash flows on a consolidated annual basis but could have a material adverse impact in a particular quarterly reporting period. However, there can be no assurance that any such sum would not have a material adverse effect on our results of operations, financial condition or cash flows on a consolidated annual basis.

We are involved in environmental remediation and ongoing compliance activities at several sites. The timing and duration of remediation and ongoing compliance activities are determined on a site by site basis depending on local regulations. The liabilities recorded represent our estimable future remediation costs and other anticipated environmental liabilities. We have not recorded liabilities at sites where a liability is probable but a range of loss is not reasonably estimable. We believe that any sum we may be required to pay in connection with environmental remediation matters in excess of the amounts recorded would likely occur over a period of time and would likely not have a material adverse effect upon our results of operations, financial condition or cash flows on a consolidated annual basis but could have a material adverse impact in a particular quarterly reporting period.

(6) LONG-TERM EMPLOYEE BENEFITS

Components of Net Periodic Benefit Cost

The following table sets forth the pre-tax components of net periodic benefit costs for our defined benefit plans for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Components of net periodic benefit cost:				
Net periodic benefit cost:				
Service cost	$ 3	$ 2	$ 6	$ 5
Interest cost	5	5	16	14
Expected return on plan assets	(3)	(3)	(8)	(8)
Amortization of actuarial loss, net	1	1	3	3
Net periodic benefit cost	$ 6	$ 5	$ 17	$ 14

All non-service components of net periodic benefit cost are recorded in other expense (income), net within the accompanying condensed consolidated statements of operations.

(7) STOCK-BASED COMPENSATION

During the three and nine months ended September 30, 2026 and 2025, we recognized $8 million, $23 million, $6 million and $19 million in stock-based compensation expense, respectively, which was allocated between cost of goods sold and selling, general and administrative expenses in the condensed consolidated statements of operations. We recognized tax benefits on stock-based compensation of $1 million and $2 million for each of the three and nine months ended September 30, 2026 and 2025, respectively.

2026 Activity

Restricted Stock Units	Units (in millions)	Weighted Average Fair Value
Outstanding at January 1, 2026	0.9	$ 32.91
Granted	0.9	$ 31.69
Vested	(0.4)	$ 32.25
Forfeited	(0.1)	$ 32.94
Outstanding at September 30, 2026	1.3	$ 32.31

At September 30, 2026, there was $22 million of unamortized expense relating to unvested restricted stock units that is expected to be amortized over a weighted average period of 1.5 years. Tax benefits on the vesting of restricted stock units during the nine months ended September 30, 2026 were immaterial.

Performance Share Units	Units (in millions)	Weighted Average Fair Value
Outstanding at January 1, 2026	1.0	$ 37.94
Granted [1]	0.1	$ 29.51
Vested	(0.4)	$ 33.74
Forfeited	(0.1)	$ 40.96
Outstanding at September 30, 2026	0.6	$ 39.13

(1) Activity during the nine months ended September 30, 2026 represents portions of performance share units that vested above the 100% performance threshold.

Our performance share units allow for participants to vest in zero to 200% of the target number of shares granted. At September 30, 2026, there was $6 million of unamortized expense relating to unvested performance share units that is expected to be amortized over a weighted average period of 1.2 years. Tax benefits on the vesting of performance share units during the nine months ended September 30, 2026 were immaterial.

Stock Options

The Black-Scholes option pricing model was used to estimate the fair values for options as of their grant date. There have been no options granted since 2019. There are currently 0.1 million options outstanding, all of which are vested and exercisable, with an average exercise price of $28.52, a weighted average contractual life of 1.6 years and an immaterial aggregate intrinsic value.

Cash received by the Company upon exercise of options for the nine months ended September 30, 2026 was $1 million. There were immaterial tax expenses on these exercises.

(8) OTHER EXPENSE (INCOME), NET

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Foreign exchange losses, net	$ 2	$ 4	$ 7	$ 11
Debt extinguishment and refinancing-related costs[1]	—	—	1	—
Other miscellaneous (income) expense, net[2]	(2)	—	(9)	1
Total	$ —	$ 4	$ (1)	$ 12

(1) Debt extinguishment and refinancing-related costs include the loss on extinguishment associated with the write-off of unamortized deferred financing costs and original issue discounts in conjunction with the prepayments on our long-term borrowings.

(2) Other miscellaneous (income) expense, net for the three and nine months ended September 30, 2026 includes $1 million and $9 million of benefit related to government incentive income in China, respectively.

(9) INCOME TAXES

Our effective income tax rates for the nine months ended September 30, 2026 and 2025 are as follows:

	Nine Months Ended September 30,	
	2026	2025
Effective Tax Rate	25.1 %	25.3 %

The lower effective tax rate for the nine months ended September 30, 2026 was primarily due the release of unrecognized tax benefits resulting from ongoing discussions with tax authorities in jurisdictions where we have open audits, which was partially offset by the $76 million of pre-tax merger and acquisition-related costs, primarily driven by the proposed Merger with AkzoNobel, for which only a $1 million tax benefit was recognized related to these costs.

The effective tax rate for the nine months ended September 30, 2026 differs from the Bermuda statutory rate due to various items that impacted the effective rate both favorably and unfavorably, including net unfavorable impacts for increases in unrecognized tax benefits resulting from ongoing discussions with tax authorities in jurisdictions where we have open audits, non-deductible merger and acquisition-related costs and foreign taxes. These adjustments were primarily offset by favorable impacts for changes in the valuation allowance.

(10) NET INCOME PER COMMON SHARE

Basic net income 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 net income per common share includes the effect of potential dilution from the hypothetical exercise of outstanding stock options and vesting of restricted stock units and performance share units. A reconciliation of our basic and diluted net income per common share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)	2026	2025	2026	2025
Net income to common shareholders	$ 95	$ 110	$ 274	$ 318
Basic weighted average shares outstanding	214.0	215.0	213.9	216.9
Diluted weighted average shares outstanding	215.1	215.9	214.8	217.9
Net income per common share [1]:				
Basic net income per share	$ 0.44	$ 0.51	$ 1.28	$ 1.47
Diluted net income per share	$ 0.44	$ 0.51	$ 1.28	$ 1.46

(1) Basic earnings per share and diluted earnings per share are calculated based on full precision. Figures in the table may not recalculate due to rounding.

The number of anti-dilutive shares that have been excluded in the computation of diluted net income per share for the three and nine months ended September 30, 2026 were immaterial, and for the three and nine months ended September 30, 2025 were 0.3 million and 0.2 million, respectively.

(11) ACCOUNTS AND NOTES RECEIVABLE, NET

Trade accounts receivable are stated at the amount we expect to collect. We maintain allowances for doubtful accounts for estimated losses by applying historical loss percentages, combined with reasonable and supportable forecasts of future losses, to respective aging categories. Management considers the following factors in developing its current estimate of expected credit losses: customer credit-worthiness, past transaction history with the customer, current economic industry trends, changes in market or regulatory matters, changes in geopolitical matters, changes in customer payment terms, and other macroeconomic factors.

	September 30, 2026	December 31, 2025
Accounts receivable - trade, net [1]	$ 1,104	$ 1,014
Notes receivable	64	32
Other	198	183
Total	$ 1,366	$ 1,229

(1) Allowance for doubtful accounts was $30 million and $29 million at September 30, 2026 and December 31, 2025, respectively.

Bad debt expense of $1 million, $3 million, $3 million and $9 million was included within selling, general and administrative expenses for the three and nine months ended September 30, 2026 and 2025, respectively.

(12) INVENTORIES

	September 30, 2026	December 31, 2025
Finished products	$ 463	$ 431
Semi-finished products	130	122
Raw materials	215	168
Stores and supplies	41	35
Total	$ 849	$ 756

Inventory reserves were $23 million and $22 million at September 30, 2026 and December 31, 2025, respectively.

(13) PROPERTY, PLANT AND EQUIPMENT, NET

	September 30, 2026	December 31, 2025
Property, plant and equipment	$ 2,803	$ 2,731
Accumulated depreciation	(1,484)	(1,432)
Property, plant and equipment, net	$ 1,319	$ 1,299

Depreciation expense amounted to $34 million, $101 million, $33 million and $97 million for the three and nine months ended September 30, 2026 and 2025, respectively.

(14) SUPPLIER FINANCE PROGRAMS

We maintain a voluntary supply chain financing ("SCF") program with a global financial institution, which allows a select group of suppliers to sell their receivables to the participating financial institution at the discretion of both parties on terms that are negotiated between the supplier and the financial institution. The supplier invoices that have been confirmed as valid under the program are paid by us to the financial institution according to the terms we have with the supplier. Amounts outstanding under the SCF program were $34 million and $23 million at September 30, 2026 and December 31, 2025, respectively.

We also participate in a virtual card program with a global financial institution, in which we pay supplier invoices on the due date using a Virtual Card Account ("VCA") and subsequently pay the balance in full 25 days after the billing statement date of the VCA. The program allows for suppliers to receive an accelerated payment for a fee at each supplier's discretion. Fees paid by our suppliers are negotiated directly with the financial institution without our involvement. Amounts outstanding under the VCA program were $8 million and $6 million at September 30, 2026 and December 31, 2025, respectively.

The payment terms we have with our suppliers who participate in the SCF and VCA programs are consistent with the typical terms we have with our suppliers who do not participate. These financing arrangements are included in accounts payable within the condensed consolidated balance sheets and the associated payments are included in operating activities within the condensed consolidated statements of cash flows.

(15) BORROWINGS

Borrowings are summarized as follows:

	September 30, 2026	December 31, 2025
2029 Dollar Term Loans	$ 1,267	$ 1,475
2027 Dollar Senior Notes	500	500
2029 Dollar Senior Notes	700	700
2031 Dollar Senior Notes	500	500
Other borrowings	47	50
Unamortized original issue discount	(6)	(9)
Unamortized deferred financing costs	(13)	(17)
Total borrowings, net	2,995	3,199
Less:		
Short-term borrowings [1]	502	3
Current portion of long-term borrowings	17	17
Long-term debt	$ 2,476	$ 3,179

(1) This includes our 2027 Dollar Senior Notes which have a principal amount of $500 million, bear interest at 4.750%, and are due on June 15, 2027. For additional information, refer to Liquidity and Capital Resources within the Management's Discussion and Analysis of Financial Condition and Results of Operations in this Quarterly Report on Form 10-Q.

Our senior secured credit facilities (the "Senior Secured Credit Facilities") consist of a term loan due in 2029 (the "2029 Dollar Term Loans") and a revolving credit facility that matures in 2029 (the "Revolving Credit Facility") that are governed by a credit agreement (as amended, the "Credit Agreement").

The Merger, if consummated, will constitute a "Change of Control" under the Credit Agreement. Pursuant to the Merger Agreement, AkzoNobel agreed to, in consultation with Axalta, use reasonable best efforts to obtain funds to, among other things, refinance the 2029 Dollar Term Loans prior to consummation of the Merger.

Revolving Credit Facility

At September 30, 2026 and December 31, 2025, letters of credit issued under the Revolving Credit Facility totaled $32 million and $30 million, respectively, which reduced the availability under the Revolving Credit Facility as of such dates. Availability under the Revolving Credit Facility was $768 million and $770 million at September 30, 2026 and December 31, 2025, respectively. The letters of credit issued under the Revolving Credit Facility include $14 million that secures Customer Obligation Guarantees at both September 30, 2026 and December 31, 2025.

Other Activity

During the nine months ended September 30, 2026, we prepaid $195 million of the outstanding principal amount of the 2029 Dollar Term Loans. As a result of these prepayments, we recorded a $1 million loss on extinguishment of debt for the nine months ended September 30, 2026, which comprised the proportionate write-off of unamortized deferred financing costs and original issue discounts.

Future repayments

Below is a schedule of required future repayments of all borrowings outstanding at September 30, 2026.

Remainder of 2026	$	4
2027		521
2028		21
2029		1,934
2030		5
Thereafter		529
Total borrowings		3,014
Unamortized original issue discount		(6)
Unamortized deferred financing costs		(13)
Total borrowings, net	$	2,995

(16) FINANCIAL INSTRUMENTS, HEDGING ACTIVITIES AND FAIR VALUE MEASUREMENTS

Fair value of financial instruments

Equity securities with readily determinable fair values - Balances of equity securities are recorded within other assets, with any changes in fair value recorded within other expense (income), net. The fair values of equity securities are based upon quoted market prices, which are considered Level 1 inputs.

Long-term borrowings - The estimated fair values of these borrowings are based on recent trades, as reported by a third-party pricing service. Due to the infrequency of trades, these inputs are considered to be Level 2 inputs.

Derivative instruments - The Company's interest rate swap, cross-currency swaps and foreign currency forward contracts are valued using broker quotations or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are included in the Level 2 hierarchy.

Fair value of contingent consideration

Contingent consideration is valued using a probability-weighted expected payment method that considers the timing of expected future cash flows and the probability of whether key elements of the contingent event are completed. The fair value of contingent consideration is valued at each balance sheet date, until amounts become payable, with adjustments recorded within other operating charges in the condensed consolidated statements of operations. Due to the significant unobservable inputs used in the valuations, these liabilities are categorized within Level 3 of the fair value hierarchy.

The table below presents the fair values of our financial instruments measured on a recurring basis by level within the fair value hierarchy at September 30, 2026 and December 31, 2025.

	September 30, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Prepaid expenses and other current assets:								
Cross-currency swaps [1]	$ —	$ 6	$ —	$ 6	$ —	$ 5	$ —	$ 5
Other assets:								
Investments in equity securities	1	—	—	1	1	—	—	1
Liabilities:								
Other accrued liabilities:								
Cross-currency swaps [1]	—	29	—	29	—	51	—	51
Contingent consideration	—	—	3	3	—	—	6	6
Other liabilities:								
Cross-currency swaps [1]	—	34	—	34	—	50	—	50
Short-term borrowings:								
2027 Dollar Senior Notes	—	496	—	496	—	—	—	—
Long-term borrowings:								
2029 Dollar Term Loans	—	1,269	—	1,269	—	1,481	—	1,481
2027 Dollar Senior Notes	—	—	—	—	—	501	—	501
2029 Dollar Senior Notes	—	656	—	656	—	674	—	674
2031 Dollar Senior Notes	—	507	—	507	—	527	—	527

(1) Net investment hedge

The table below presents a roll forward of activity for the Level 3 liabilities for the nine months ended September 30, 2026.

	Fair Value Using Significant Unobservable Inputs (Level 3)
Beginning balance at December 31, 2025	$ 6
Contingent consideration from business acquisition	2
Payments	(2)
Change in fair value	(3)
Ending balance at September 30, 2026	$ 3

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.

Derivative Instruments Qualifying and Designated as Cash Flow and Net Investment Hedges

Interest Rate Swap Designated as Cash Flow Hedges

During the three months ended September 30, 2026, an interest rate swap associated with the 2029 Dollar Term Loans was voluntarily terminated resulting in cash proceeds of $2 million. The associated gains accumulated within AOCI will amortize into interest expense through the original maturity date of June 30, 2028.

	Former
Notional amount	$ 175
Interest rate pay	3.303 %
Interest rate receive	3-month SOFR
Initial effective date	9/25/2025
Maximum expiration date	6/30/2028

The following table sets forth the locations and amounts recognized during the three and nine months ended September 30, 2026 and 2025 for the Company's cash flow and net investment hedges.

		Three Months Ended September 30,			
		2026		2025	
Derivatives in Cash Flow and Net Investment Hedges	Location of (Gain) Recognized in Income on Derivatives	Net Amount of Gain Recognized in OCI on Derivatives	Amount of Gain Recognized in Income	Net Amount of Gain Recognized in OCI on Derivatives	Amount of Gain Recognized in Income
Interest rate swaps	Interest expense, net	$ —	$ —	$ (1)	$ —
Cross-currency swaps	Interest expense, net	(10)	(4)	(3)	(4)

		Nine Months Ended September 30,			
		2026		2025	
Derivatives in Cash Flow and Net Investment Hedges	Location of (Gain) Loss Recognized in Income on Derivatives	Net Amount of Gain Recognized in OCI on Derivatives	Amount of Gain Recognized in Income	Net Amount of (Gain) Loss Recognized in OCI on Derivatives	Amount of Gain Recognized in Income
Interest rate swaps	Interest expense, net	$ (2)	$ —	$ (1)	$ —
Cross-currency swaps	Interest expense, net	(48)	(12)	102	(13)

Over the next 12 months, we expect a gain of $1 million pertaining to cash flow hedges to be reclassified from AOCI into earnings.

Derivative Instruments Not Designated as Cash Flow or Net Investment Hedges

We periodically enter into foreign currency forward and option contracts to reduce market risk and hedge our balance sheet exposures and cash flows for subsidiaries with exposures denominated in currencies different from the functional currency of the relevant subsidiary. These contracts have not been designated as hedges and all gains and losses are marked to market through other expense (income), net in the condensed consolidated statements of operations.

Fair value gains and losses of derivative contracts, as determined using Level 2 inputs, that have not been designated for hedge accounting treatment are recorded in earnings as follows:

		Three Months Ended September 30,		Nine Months Ended September 30,	
Derivatives Not Designated as Hedging Instruments under ASC 815	Location of Loss (Gain) Recognized in Income on Derivatives	2026	2025	2026	2025
Foreign currency forward contracts	Other expense (income), net	$ 5	$ 2	$ 15	$ (20)

(17) 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 Mobility 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 both large regional and global customers and to a fragmented and local customer base. These customers comprise independent or multi-shop operator body shops as well as a wide variety of industrial manufacturers. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets and reporting units within this segment are refinish and industrial.

Through our Mobility Coatings segment, we provide coatings technologies for light vehicle and commercial vehicle original equipment manufacturers ("OEMs"). These global customers are faced with evolving megatrends in electrification, sustainability, personalization and autonomous driving that require a high level of technical expertise. The OEMs require efficient, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed. The end-markets and reporting units within this segment are light vehicle and commercial vehicle.

Segment Adjusted EBITDA is the primary measure used by our CODM to evaluate financial performance of the operating segments and allocate resources and is therefore our measure of segment profitability in accordance with GAAP under ASC 280, *Segment Reporting.* Asset information is not reviewed or included with our internal management reporting. Therefore, we have not disclosed asset information for each reportable segment. The following tables present relevant information of our reportable segments.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net sales [1]:				
Refinish	$ 504	$ 517	$ 1,547	$ 1,542
Industrial	314	311	945	944
Total Net sales Performance Coatings	818	828	2,492	2,486
Light Vehicle	374	364	1,083	1,066
Commercial Vehicle	119	96	336	303
Total Net sales Mobility Coatings	493	460	1,419	1,369
Total Net sales	$ 1,311	$ 1,288	$ 3,911	$ 3,855
Segment Adjusted EBITDA:				
Performance Coatings	188	211	586	608
Mobility Coatings	94	83	260	248
Total	$ 282	$ 294	$ 846	$ 856
			September 30, 2026	December 31, 2025
Investment in unconsolidated affiliates:				
Performance Coatings			$ 2	$ 1
Mobility Coatings			10	11
Total			$ 12	$ 12

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

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

The following tables reconcile net sales to Segment Adjusted EBITDA for the periods presented:

	Three Months Ended September 30, 2026			Nine Months Ended September 30, 2026		
	Performance Coatings	Mobility Coatings	Total	Performance Coatings	Mobility Coatings	Total
Net sales	$ 818	$ 493	$ 1,311	$ 2,492	$ 1,419	$ 3,911
Segment cost of goods sold [1]	453	318	771	1,370	914	2,284
Other segment items [2]	177	81	258	536	245	781
Segment Adjusted EBITDA	$ 188	$ 94	$ 282	$ 586	$ 260	$ 846

	Three Months Ended September 30, 2025			Nine Months Ended September 30, 2025		
	Performance Coatings	Mobility Coatings	Total	Performance Coatings	Mobility Coatings	Total
Net sales	$ 828	$ 460	$ 1,288	$ 2,486	$ 1,369	$ 3,855
Segment cost of goods sold [1]	440	295	735	1,331	879	2,210
Other segment items [2]	177	82	259	547	242	789
Segment Adjusted EBITDA	$ 211	$ 83	$ 294	$ 608	$ 248	$ 856

(1) Certain amounts included in cost of goods sold on the consolidated statements of operations are excluded from Segment cost of goods sold regularly provided to the CODM.

(2) Other segment items for both segments include certain cost of goods sold not regularly provided to the CODM, selling, general and administrative expenses, research and development expenses, and other expense (income), net. Certain amounts included in Segment cost of goods sold, including depreciation, are excluded from Segment Adjusted EBITDA and are adjusted for in other segment items.

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

The following table reconciles Segment Adjusted EBITDA to income before income taxes for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Segment Adjusted EBITDA [1]:				
Performance Coatings	$ 188	$ 211	$ 586	$ 608
Mobility Coatings	94	83	260	248
Total	282	294	846	856
Interest expense, net	37	45	112	134
Depreciation and amortization	81	74	233	218
Termination benefits and other employee-related costs [a]	5	2	11	22
Merger and acquisition-related costs [b]	19	5	76	11
Site closure costs [c]	1	1	5	6
Foreign exchange remeasurement losses [d]	2	4	7	11
Long-term employee benefit plan adjustments [e]	3	3	11	9
Stock-based compensation [f]	8	6	23	19
Other adjustments [g]	(2)	(1)	1	(1)
Income before income taxes	$ 128	$ 155	$ 367	$ 427

(1) The primary measure of segment operating performance is Segment Adjusted EBITDA, which is defined as net income before interest, taxes, depreciation, amortization and select other items impacting operating results. These other items impacting operating results are items that management has concluded are (i) non-cash items included within net income, (ii) items the Company does not believe are indicative of ongoing operating performance or (iii) non-recurring, unusual or infrequent items that have not occurred within the last two years or the Company believes are not reasonably likely to recur within the next two years. Segment 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, which represents Segment EBITDA adjusted for the select items referred to above.

(a) Represents expenses and associated changes to estimates related to employee termination benefits, consulting, legal and other employee-related costs associated with restructuring programs and other employee-related costs. We do not consider these amounts indicative of our ongoing operating performance.

(b) Represents merger and acquisition-related expenses, including costs related to financial, tax and legal advisory services, associated with both consummated and unconsummated transactions, all of which we do not consider indicative of our ongoing operating performance.

(c) Represents costs related to the closure of certain manufacturing sites, including impairment charges, which we do not consider indicative of our ongoing operating performance.

(d) Represents foreign exchange losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, net of the impacts of our foreign currency instruments used to hedge our balance sheet exposures.

(e) Represents the non-cash, non-service cost components of long-term employee benefit costs.

(f) Represents non-cash impacts associated with stock-based compensation.

(g) Represents (benefits) costs for certain non-operational or non-cash (gains) losses, net, unrelated to our core business and which we do not consider indicative of our ongoing operating performance.

Geographic Area Information:

The following tables provide disaggregated information related to our net sales and long-lived assets.

Net sales by region were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
North America	$ 445	$ 444	$ 1,285	$ 1,363
EMEA	443	455	1,438	1,370
Asia Pacific	238	223	677	657
Latin America [1]	185	166	511	465
Total [2]	$ 1,311	$ 1,288	$ 3,911	$ 3,855

Net long-lived assets by region were as follows:

	September 30, 2026	December 31, 2025
North America	$ 577	$ 561
EMEA	408	420
Asia Pacific	194	185
Latin America [1]	140	133
Total [3]	$ 1,319	$ 1,299

(1) Includes Mexico.

(2) Net sales are attributed to countries based on the customer's location. Net sales to customers in China represented approximately 12% of the total for the three months ended September 30, 2026 and 2025 and 11% of the total for the nine months ended September 30, 2026 and 2025. Germany represented approximately 7% of the total for the three months ended September 30, 2026 and 2025 and 8% and 7% of the total for the nine months ended September 30, 2026 and 2025, respectively. Mexico represented approximately 7% and 6% of the total for the three months ended September 30, 2026 and 2025, respectively, and 6% of the total for the nine months ended September 30, 2026 and 2025. Brazil represented approximately 6% of the total for the three and nine months ended September 30, 2026 and 5% of the total for the three and nine months ended September 30, 2025, respectively. Canada, which is included in the North America region, represented approximately 2% and 3% of the total for the three months ended September 30, 2026 and 2025, respectively, and 3% of the total for the nine months ended September 30, 2026 and 2025.

(3) Long-lived assets consist of property, plant and equipment, net. Germany long-lived assets amounted to approximately $223 million and $230 million at September 30, 2026 and December 31, 2025, respectively. China long-lived assets amounted to approximately $165 million and $156 million at September 30, 2026 and December 31, 2025, respectively. Mexico long-lived assets amounted to approximately $95 million and $92 million at September 30, 2026 and December 31, 2025, respectively. Canada long-lived assets, which are included in the North America region, amounted to approximately $6 million at both September 30, 2026 and December 31, 2025.

(18) ACCUMULATED OTHER COMPREHENSIVE LOSS

	Unrealized Currency Translation Adjustments	Pension Plan Adjustments	Unrealized Gain on Derivatives	Accumulated Other Comprehensive Loss
Balance, December 31, 2025	$ (312)	$ (71)	$ —	$ (383)
Current year deferrals to AOCI	(14)	—	1	(13)
Reclassifications from AOCI to Net income	(4)	1	—	(3)
Net Change	(18)	1	1	(16)
Balance, March 31, 2026	(330)	(70)	1	(399)
Current year deferrals to AOCI	6	—	1	7
Reclassifications from AOCI to Net income	(4)	1	—	(3)
Net Change	2	1	1	4
Balance, June 30, 2026	(328)	(69)	2	(395)
Current year deferrals to AOCI	(2)	—	—	(2)
Reclassifications from AOCI to Net income	(4)	1	—	(3)
Net Change	(6)	1	—	(5)
Balance, September 30, 2026	$ (334)	$ (68)	$ 2	$ (400)

The cumulative income tax expense related to the adjustments for foreign exchange at September 30, 2026 was $1 million. The cumulative income tax benefit related to the adjustments for pension benefits at September 30, 2026 was $29 million. The cumulative income tax expense related to the adjustments for the unrealized gain on derivatives at September 30, 2026 was immaterial. See Note 16 for classification within the condensed consolidated statements of operations of the gains and losses on derivatives reclassified from AOCI.

	Unrealized Currency Translation Adjustments	Pension Plan Adjustments	Unrealized (Loss) Gain on Derivatives	Accumulated Other Comprehensive Loss
Balance, December 31, 2024	$ (517)	$ (64)	$ (1)	$ (582)
Current year deferrals to AOCI	66	—	—	66
Reclassifications from AOCI to Net income	(5)	1	—	(4)
Net Change	61	1	—	62
Balance, March 31, 2025	(456)	(63)	(1)	(520)
Current year deferrals to AOCI	140	—	—	140
Reclassifications from AOCI to Net income	(4)	1	—	(3)
Net Change	136	1	—	137
Balance, June 30, 2025	(320)	(62)	(1)	(383)
Current year deferrals to AOCI	2	—	1	3
Reclassifications from AOCI to Net income	(4)	—	—	(4)
Net Change	(2)	—	1	(1)
Balance, September 30, 2025	$ (322)	$ (62)	$ —	$ (384)

The cumulative income tax benefit related to the adjustments for foreign exchange at September 30, 2025 was $7 million. The cumulative income tax benefit related to the adjustments for pension benefits at September 30, 2025 was $26 million. The cumulative income tax expense related to the adjustments for the unrealized loss on derivatives at September 30, 2025 was immaterial. See Note 16 for classification within the condensed consolidated statements of operations of the gains and losses on derivatives reclassified from AOCI.

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 should be read in conjunction with the interim unaudited condensed consolidated financial statements and the condensed notes thereto included elsewhere in this Quarterly Report on Form 10-Q, as well as the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

FORWARD-LOOKING STATEMENTS

Many statements made in the following discussion and analysis of our financial condition and results of operations and elsewhere 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 federal securities laws 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, strategies and capital structure. These statements often include words such as "expect," "expects," "expected," "believe," "intended," "estimated," "designed to," "likely," "could," "would," "may," "will," "plans" and "future" and the negative of these words or other comparable or similar terminology. 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 and uncertainties, including, but not limited to, economic, competitive, governmental, including related to any new or existing tariffs imposed by the U.S. and any retaliatory actions from other countries, geopolitical (including the current conflict in the Middle East and related effects on raw material and freight prices, as well as mitigation strategies developed in response thereto) and technological factors outside of our control, as well as risks related to the proposed Merger with AkzoNobel (including our ability to consummate the Merger and realize the anticipated benefits thereof), execution of, and assumptions underlying, our tariff mitigation strategies, capital allocation strategy and future share repurchases (if any), our planned divestiture of our North America Building Products business, our previously-announced global transformation initiative (the "2024 Transformation Initiative"), and our previously-announced three-year 2024-2026 strategy, that may cause our business, industry, strategy, financing activities or actual results to differ materially. More information on potential factors that could affect our financial results is available in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2025 as well as "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025 and in other documents that we have filed with, or furnished to, the U.S. Securities and Exchange Commission (the "SEC"), 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, including, but not limited to, those described in "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025, 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.

These forward-looking 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 of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

We use our investor relations page at ir.axalta.com as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (or Reg. FD). Investors should routinely monitor that site, in addition to our press releases, SEC filings and public conference calls and webcasts, as information posted on that page could be deemed to be material information.

OVERVIEW

We are a leading global manufacturer, marketer and distributor of high-performance coatings systems and products. We have over a 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 42 manufacturing facilities, four technology centers, 52 customer training centers and approximately 12,100 team members allows us to meet the needs of customers in over 140 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through over 5,000 independent, locally based distributors.

We operate our business in two operating segments, Performance Coatings and Mobility 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 sustainable liquid and powder coating solutions to both large regional and global customers and to a fragmented and local customer base. These customers comprise, among others, independent or multi-shop operator body shops as well as a wide variety of industrial manufacturers. 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 Mobility Coatings segment, we provide coatings technologies for light vehicle and commercial vehicle OEMs. These global customers are faced with evolving megatrends in electrification, sustainability, personalization and autonomous driving that require a high level of technical expertise. The OEMs require efficient, 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.

BUSINESS HIGHLIGHTS

General Business Highlights

Our net sales increased 1.5%, driven primarily by a 3.1% benefit from favorable foreign currency translation, for the nine months ended September 30, 2026 compared with the nine months ended September 30, 2025. The increased net sales were furthered by contributions of 0.9% from acquisitions completed during 2025 and 2026 in the Performance Coatings segment (the "Recent Acquisitions"), partially offset by lower sales volumes of 2.4% and unfavorable average selling prices and product mix of 0.1%. The following trends impacted our segment net sales performance for the nine months ended September 30, 2026:

- *Performance Coatings:* Net sales increased 0.3% for the nine months ended September 30, 2026 compared with the nine months ended September 30, 2025. The increased net sales were driven by favorable foreign currency translation of 2.5% driven by fluctuations of the Euro, Mexican Peso and Chinese Yuan, in each case compared to the U.S. Dollar, furthered by contributions of 1.4% from the Recent Acquisitions and favorable average selling prices and product mix of 0.3%. The increased net sales were partially offset by lower sales volumes of 3.9%.
- *Mobility Coatings:* Net sales increased 3.6% for the nine months ended September 30, 2026 compared with the nine months ended September 30, 2025. The increased net sales were driven by favorable foreign currency translation of 4.1% driven by fluctuations of the Chinese Yuan, Brazilian Real, Mexican Peso and Euro, in each case compared to the U.S. Dollar, and higher sales volumes of 0.2%. The increased net sales were partially offset by unfavorable average selling prices and product mix of 0.7%.

Our business serves four end-markets globally with net sales for the three and nine months ended September 30, 2026 and 2025, as follows:

(In millions)	Three Months Ended September 30,		2026 vs 2025	Nine Months Ended September 30,		2026 vs 2025
	2026	2025	% change	2026	2025	% change
Performance Coatings						
Refinish	$ 504	$ 517	(2.3)%	$ 1,547	$ 1,542	0.4 %
Industrial	314	311	0.9 %	945	944	0.2 %
Total Net sales Performance Coatings	818	828	(1.1)%	2,492	2,486	0.3 %
Mobility Coatings						
Light Vehicle	374	364	2.4 %	1,083	1,066	1.5 %
Commercial Vehicle	119	96	24.4 %	336	303	10.8 %
Total Net sales Mobility Coatings	493	460	7.0 %	1,419	1,369	3.6 %
Total Net sales	$ 1,311	$ 1,288	1.8 %	$ 3,911	$ 3,855	1.5 %

Proposed Merger with Akzo Nobel N.V.

During November 2025, we entered into a Merger Agreement with AkzoNobel (as amended on May 27, 2026 and on July 23, 2026), providing for the combination of the Company and AkzoNobel in an all-stock merger. On August 5, 2026, the Company's shareholders approved and adopted the Merger Agreement and the transactions contemplated therein at a special general meeting of shareholders held for that purpose, and AkzoNobel's shareholders approved the Merger on the same date. The completion of the Merger remains subject to the satisfaction or waiver of other customary closing conditions, including receipt of required regulatory approvals. On October 20, 2026, the Company announced it plans to divest its North American Building Products business to address regulatory requirements. See Note 1 to the condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

Middle East Conflict

The conflict in the Middle East involving Iran has increased the level of economic and political uncertainty globally. While our operations in the Middle East region do not constitute a material portion of our business, during the three months ended September 30, 2026, we were negatively impacted by the broader economic impact on raw material and freight costs, which were partially offset by mitigation strategies developed in response to these pressures. We will continue to monitor these conditions and take actions that we believe will help mitigate costs.

Capital and Liquidity Highlights

During the nine months ended September 30, 2026, we prepaid $195 million of the outstanding principal amount of the 2029 Dollar Term Loans. See Note 15 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

FACTORS AFFECTING OUR OPERATING RESULTS

There have been no changes in the factors affecting our operating results previously disclosed under such heading in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2025.

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 summarized and analyzed below may not necessarily reflect what will occur in the future.

Net sales

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Net sales	$ 1,311	$ 1,288	$ 23	1.8 %	$ 3,911	$ 3,855	$ 56	1.5 %
Exchange rate effect				0.9 %				3.1 %
Impact of the Recent Acquisitions				0.8 %				0.9 %
Price/Mix effect				0.4 %				(0.1)%
Volume effect				(0.3)%				(2.4)%

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Net sales increased primarily due to the following:

- Favorable impacts of currency translation driven by the strengthening of the Chinese Yuan and Mexican Peso, partially offset by the weakening of the Euro, in each case compared to the U.S. Dollar
- Contributions from the Recent Acquisitions
- Favorable average selling prices and product mix in Performance Coatings

Partially offset by:

- Lower sales volumes driven primarily by Performance Coatings in Europe

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Net sales increased primarily due to the following:

- Favorable impacts of currency translation driven by fluctuations of the Euro, Chinese Yuan, Mexican Peso and Brazilian Real, in each case compared to the U.S. Dollar
- Contributions from the Recent Acquisitions

Partially offset by:

- Lower sales volumes driven primarily by Performance Coatings in North America
- Unfavorable average selling prices and product mix primarily in Mobility Coatings

Cost of sales

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Cost of sales	$ 877	$ 838	$ 39	4.7 %	$ 2,596	$ 2,515	$ 81	3.2 %
% of net sales	66.9 %	65.1 %			66.4 %	65.2 %		

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Cost of sales increased primarily due to the following:

- Higher variable input costs, primarily driven by raw material and freight cost increases from the Middle East conflict
- Contributions from the Recent Acquisitions
- Unfavorable impacts of currency translation of 0.6% driven by the strengthening of the Chinese Yuan and Mexican Peso, partially offset by the weakening of the Euro, in each case compared to the U.S. Dollar

Partially offset by:

- Lower sales volumes driven primarily by Performance Coatings in Europe
- Lower operating expenses, inclusive of contributions from cost savings initiatives

Cost of sales as a percentage of net sales increased primarily due to the following:

- Higher variable input costs, primarily driven by raw material and freight cost increases from the Middle East conflict
- Less effective coverage of fixed costs as a result of lower sales volumes

Partially offset by:

- Lower operating expenses, inclusive of contributions from cost savings initiatives
- Favorable average selling prices and product mix primarily in Performance Coatings

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Cost of sales increased primarily due to the following:

- Unfavorable impacts of currency translation of 2.8% driven by fluctuations of the Euro, Chinese Yuan, Mexican Peso and Brazilian Real, in each case compared to the U.S. Dollar
- Increased freight costs driven by the Middle East conflict
- Contributions from the Recent Acquisitions

Partially offset by:

- Lower sales volumes driven primarily by Performance Coatings in North America
- Lower variable input costs
- Lower operating expenses, inclusive of contributions from cost savings initiatives

Cost of sales as a percentage of net sales increased primarily due to the following:

- Less effective coverage of fixed costs as a result of lower sales volumes
- Increased freight costs driven by the Middle East conflict
- Unfavorable average selling prices and product mix primarily in Mobility Coatings

Partially offset by:

- Lower variable input costs
- Lower operating expenses, inclusive of contributions from cost savings initiatives

Selling, general and administrative expenses

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Selling, general and administrative expenses	$ 201	$ 197	$ 4	2.0 %	$ 614	$ 607	$ 7	1.2 %

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Selling, general and administrative expenses increased primarily due to the following:

- Contributions from the Recent Acquisitions
- Unfavorable impacts of currency translation of 0.2% due primarily to the strengthening of the Chinese Yuan, partially offset by the weakening of the Euro, in each case compared to the U.S. Dollar

Partially offset by:

- Decrease of $2 million in bad debt expense

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Selling, general and administrative expenses increased primarily due to the following:

- Unfavorable impacts of currency translation of 2.7% due primarily to fluctuations of the Euro, Chinese Yuan and Mexican Peso, in each case compared to the U.S. Dollar
- Contributions from the Recent Acquisitions

Partially offset by:

- Lower operating expenses, inclusive of contributions from savings initiatives
- Decrease of $6 million in bad debt expense

Other operating charges

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Other operating charges	$ 24	$ 6	$ 18	300.0 %	$ 92	$ 32	$ 60	187.5 %

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Other operating charges increased primarily due to the following:

- Increase of $14 million in merger and acquisition-related costs, primarily driven by the proposed Merger with AkzoNobel
- Increase of $5 million due to the absence of gains from the sale of previously closed manufacturing facilities recognized in the prior year period
- Increase of $3 million in termination benefits and other employee-related costs

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Other operating charges increased primarily due to the following:

- Increase of $65 million in merger and acquisition-related costs, primarily driven by the proposed Merger with AkzoNobel
- Increase of $5 million due to the absence of gains from the sale of previously closed manufacturing facilities recognized in the prior year period

Partially offset by:

- Decrease of $11 million in termination benefits and other employee-related costs primarily as a result of significantly higher costs associated with the 2024 Transformation Initiative in the prior year period

Research and development expenses

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Research and development expenses	$ 18	$ 18	$ —	— %	$ 54	$ 55	$ (1)	(1.8)%

Three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025

- Research and development expenses remained generally consistent and impacts of currency translation were immaterial compared to the prior year period

Amortization of acquired intangibles

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Amortization of acquired intangibles	$ 26	$ 25	$ 1	4.0 %	$ 77	$ 73	$ 4	5.5 %

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Amortization of acquired intangibles increased primarily due to the following:

- Assets acquired in the past 12 months contributed $1 million
- Impacts of currency translation were immaterial compared to the prior year period

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Amortization of acquired intangibles increased primarily due to the following:

- Assets acquired in the past 12 months contributed $3 million
- Unfavorable impacts of currency translation of 1.8% due primarily to fluctuations of the Euro compared to the U.S. Dollar

Interest expense, net

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Interest expense, net	$ 37	$ 45	$ (8)	(17.8)%	$ 112	$ 134	$ (22)	(16.4)%

Three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025

Interest expense, net decreased primarily due to the following:

- Favorable impact attributable to lower principal and decreased variable interest rate on our 2029 Dollar Term Loans

Other expense (income), net

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Other expense (income), net	$ —	$ 4	$ (4)	100.0 %	$ (1)	$ 12	$ (13)	108.3 %

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

The change in other expense (income), net was primarily due to the following:

- Increased miscellaneous income of $2 million compared to the prior year period
- Favorable impact of foreign exchange gains of $2 million compared to the prior year period

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

The change in other expense (income), net was primarily due to the following:

- $9 million related to government incentive income in China recognized in the current year period
- Favorable impact of foreign exchange gains of $4 million compared to the prior year period

Provision for income taxes

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Income before income taxes	$ 128	$ 155	$ 367	$ 427
Provision for income taxes	33	45	92	108
Statutory income tax rate	15.0 %	15.0 %	15.0 %	15.0 %
Effective tax rate	25.8 %	29.2 %	25.1 %	25.3 %
Effective tax rate vs. statutory income tax rate	10.8 %	14.2 %	10.1 %	10.3 %

	(Favorable) Unfavorable Impact			
	Three Months Ended September 30,		Nine Months Ended September 30,	
Items impacting the effective tax rate vs. statutory income tax rate	2026	2025	2026	2025
Earnings generated in jurisdictions where the income tax rate is different from the statutory rate [1]	$ 4	$ 4	$ 11	$ 9
Changes in valuation allowance [2]	3	9	(15)	60
Foreign exchange (gains) losses, net	(1)	1	(4)	(6)
Non-deductible expenses and interest [3]	5	3	21	6
Changes in unrecognized tax benefits [4]	—	7	13	(31)
Foreign taxes [5]	6	3	17	12

(1) For the three and nine months ended September 30, 2026, earnings generated in jurisdictions where the statutory rate is different from the Bermuda rate is primarily related to earnings in Brazil, Germany, and the United States. For the three and nine months ended September 30, 2025, earnings generated in jurisdictions where the statutory rate is different from the Bermuda statutory tax rate is primarily related to earnings in Brazil, Germany, Switzerland, and the United States.

(2) Changes in valuation allowance primarily relate to operations in Luxembourg, the Netherlands, and the United Kingdom. During the nine months ended September 30, 2026, the Company released $25 million of valuation allowance which is fully offset by changes in unrecognized tax benefits.

(3) Non-deductible expenses and interest includes tax impacts of $3 million and $15 million for the three and nine months ended September 30, 2026, respectively, related to merger and acquisition-related costs, driven by the proposed Merger with AkzoNobel.

(4) The Company recorded tax of $0 million and $12 million for the three and nine months ended September 30, 2026, respectively, related to unrecognized tax benefit adjustments resulting from ongoing discussions with tax authorities in jurisdictions where we have open audits. The increase to unrecognized tax benefits for the nine months ended September 30, 2026 is partially offset by changes in valuation allowance.

(5) Foreign taxes includes Pillar Two top-up taxes primarily attributable to Swiss operations of $2 million, $6 million, $0 million and $3 million for the three and nine months ended September 30, 2026 and September 30, 2025, respectively.

SEGMENT RESULTS

The Company's products and operations are managed and reported in two operating segments: Performance Coatings and Mobility Coatings. See Note 17 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

Performance Coatings Segment

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Net sales	$ 818	$ 828	$ (10)	(1.1)%	$ 2,492	$ 2,486	$ 6	0.3 %
Exchange rate effect				0.1 %				2.5 %
Impact of the Recent Acquisitions				1.3 %				1.4 %
Price/Mix effect				1.1 %				0.3 %
Volume effect				(3.6)%				(3.9)%
Adjusted EBITDA	$ 188	$ 211	$ (23)	(10.7)%	$ 586	$ 608	$ (22)	(3.5)%
Adjusted EBITDA Margin	23.0 %	25.5 %			23.5 %	24.5 %		

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Net sales decreased primarily due to the following:

- Lower sales volumes primarily in the European refinish end-market

Partially offset by:

- Contributions from the Recent Acquisitions
- Favorable average selling prices and product mix primarily in the refinish end-market
- Favorable impacts of currency translation due primarily to the strengthening of the Chinese Yuan and Mexican Peso, partially offset by the weakening of the Euro, in each case compared to the U.S. Dollar

Adjusted EBITDA and Adjusted EBITDA margin decreased primarily due to the following:

- Lower sales volumes primarily in the European refinish end-market
- Higher variable input costs, primarily driven by raw material and freight cost increases from the Middle East conflict
- Unfavorable impacts of currency translation due primarily to the weakening of the Euro compared to the U.S. Dollar

Partially offset by:

- Favorable average selling prices and product mix primarily in the refinish end-market
- Contributions from the Recent Acquisitions
- Lower operating expenses, inclusive of contributions from savings initiatives

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Net sales increased primarily due to the following:

- Favorable impacts of currency translation due primarily to fluctuations of the Euro, Mexican Peso and Chinese Yuan, in each case compared to the U.S. Dollar
- Contributions from the Recent Acquisitions
- Favorable average selling prices and product mix primarily in the industrial end-market

Partially offset by:

- Lower sales volumes across both end-markets due primarily to unfavorable macro trends in North America

Adjusted EBITDA and Adjusted EBITDA margin decreased due to the following:

- Lower sales volumes across both end-markets due primarily to unfavorable macro trends in North America
- Increased freight costs driven by the Middle East conflict

Partially offset by:

- Lower operating expenses, inclusive of contributions from savings initiatives
- Favorable impacts of currency translation due primarily to fluctuations of the Euro and Mexican Peso compared to the U.S. Dollar
- Contributions from the Recent Acquisitions
- Favorable average selling prices and product mix primarily in the industrial end-market
- Lower variable input costs

Mobility Coatings Segment

	Three Months Ended September 30,		2026 vs 2025		Nine Months Ended September 30,		2026 vs 2025	
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Net sales	$ 493	$ 460	$ 33	7.0 %	$ 1,419	$ 1,369	$ 50	3.6 %
Exchange rate effect				2.4 %				4.1 %
Volume effect				5.5 %				0.2 %
Price/Mix effect				(0.9)%				(0.7)%
Adjusted EBITDA	$ 94	$ 83	$ 11	12.8 %	$ 260	$ 248	$ 12	4.7 %
Adjusted EBITDA Margin	19.0 %	18.0 %			18.3 %	18.1 %		

Three months ended September 30, 2026 compared to the three months ended September 30, 2025

Net sales increased primarily due to the following:

- Increased sales volumes primarily in the commercial vehicle end-market
- Favorable impacts of currency translation driven by the strengthening of the Chinese Yuan, Mexican Peso and Brazilian Real, partially offset by the weakening of the Euro, in each case compared to the U.S. Dollar

Partially offset by:

- Unfavorable average selling prices and product mix in both end-markets

Adjusted EBITDA and Adjusted EBITDA margin increased primarily due to the following:

- Increased sales volumes primarily in the commercial vehicle end-market
- Favorable impacts of currency translation driven by the strengthening of the Chinese Yuan compared to the U.S. Dollar
- Lower operating expenses, inclusive of contributions from cost savings initiatives

Partially offset by:

- Unfavorable average selling prices and product mix
- Higher variable input costs, primarily driven by raw material and freight cost increases from the Middle East conflict

Nine months ended September 30, 2026 compared to the nine months ended September 30, 2025

Net sales increased primarily due to the following:

- Favorable impacts of currency translation driven by fluctuations of the Chinese Yuan, Brazilian Real, Mexican Peso and Euro, in each case compared to the U.S. Dollar
- Increased sales volumes in the commercial vehicle end-market

Partially offset by:

- Unfavorable average selling prices and product mix in both end-markets

Adjusted EBITDA and Adjusted EBITDA margin increased due to the following:

- Favorable impacts of currency translation driven by the strengthening of the Chinese Yuan, Mexican Peso and Brazilian Real, in each case compared to the U.S. Dollar
- Lower variable input costs
- $7 million of benefit related to government incentive income in China
- Higher sales volumes in the commercial vehicle end-market

Partially offset by:

- Unfavorable average selling prices and product mix in both end-markets
- Increased freight costs driven by the Middle East conflict

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash on hand, net cash provided by operating activities and available borrowing capacity under our Senior Secured Credit Facilities.

At September 30, 2026, availability under the Revolving Credit Facility was $768 million, net of $32 million of letters of credit outstanding. All such availability may be utilized without violating any covenants under the Credit Agreement or the indentures governing our senior notes (the “Senior Notes”). Our remaining available borrowing capacity under other lines of credit in certain non-U.S. jurisdictions totaled $20 million at September 30, 2026.

We, or our affiliates, at any time and from time to time, may purchase shares of our common stock or the Senior Notes, and may prepay our 2029 Dollar Term Loans or other indebtedness. Any such purchases of our common stock or Senior Notes may be made through the open market or privately negotiated transactions with third parties or pursuant to one or more redemptions, 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. Our 2027 Dollar Senior Notes have a principal amount of $500 million, bear interest at 4.750% and are due on June 15, 2027. We have intentionally not repaid or refinanced the 2027 Dollar Senior Notes as of September 30, 2026; therefore, the related balances are classified as current liabilities on our condensed consolidated balance sheets at September 30, 2026. We expect to repay or refinance the 2027 Dollar Senior Notes prior to or on their maturity date.

We have various supplier finance programs in place around the world. We partner with large banking institutions and utilize these programs to enhance our liquidity profile. The liabilities under the programs are classified as accounts payable on our unaudited condensed consolidated balance sheets. Our supplier finance programs are more fully described in Note 14 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Cash Flows

	Nine Months Ended September 30,	
(In millions)	**2026**	**2025**
Net cash provided by (used for):		
Operating activities:		
Net income	$ 275	$ 319
Depreciation and amortization	233	218
Amortization of deferred financing costs and original issue discount	6	6
Deferred income taxes	24	28
Realized and unrealized foreign exchange (gains) losses, net	(8)	31
Stock-based compensation	23	19
Interest income on swaps designated as net investment hedges	(9)	(9)
Other non-cash, net	(2)	8
Net income adjusted for non-cash items	542	620
Changes in operating assets and liabilities	(187)	(315)
Operating activities	355	305
Investing activities	(138)	(122)
Financing activities	(221)	(195)
Effect of exchange rate changes on cash	—	26
Net (decrease) increase in cash	$ (4)	$ 14

Nine months ended September 30, 2026

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the nine months ended September 30, 2026 was $355 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of $542 million. This was partially offset by changes in operating assets and liabilities of $187 million, for which the most significant drivers were increases in accounts and notes receivable, inventories, and prepaid expenses and other assets of $132 million, $99 million, and $75 million, respectively. These outflows were driven primarily by timing of collections from customers, decreased sales volumes, higher variable costs and payments of BIPs. These outflows were partially offset by increases in accounts payable of $146 million, driven by timing of payments to vendors.

Net Cash Used for Investing Activities

Net cash used for investing activities for the nine months ended September 30, 2026 was $138 million. The primary uses were for purchases of property, plant and equipment of $144 million and business acquisitions of $8 million, partially offset by $9 million from interest proceeds from swaps designated as net investment hedges and $8 million from payments received on customer loans. Details of the interest proceeds from swaps designated as net investment hedges are discussed further in Note 16 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Net Cash Used for Financing Activities

Net cash used for financing activities for the nine months ended September 30, 2026 was $221 million. The primary use was for prepayments of $195 million of the outstanding principal amount of the 2029 Dollar Term Loans, contractual debt repayments of $16 million and cash outflows of $7 million primarily due to stock-based compensation withholding tax settlements.

Other Impacts on Cash

Currency exchange impacts on cash for the nine months ended September 30, 2026 were immaterial.

Nine months ended September 30, 2025

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the nine months ended September 30, 2025 was $305 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of $620 million. This was partially offset by net uses of working capital of $315 million, for which the most significant drivers were increases in prepaid expenses and other assets, inventories and accounts and notes receivable of $132 million, $53 million and $48 million, respectively, as well as decreases in other accrued liabilities and accounts payable of $71 million and $15 million, respectively. These outflows were driven primarily by payments of BIPs and rebates, decreased sales volumes and timing of collections from customers and payments to vendors.

Net Cash Used for Investing Activities

Net cash used for investing activities for the nine months ended September 30, 2025 was $122 million. The primary uses were for purchases of property, plant and equipment of $138 million and a business acquisition of $6 million, partially offset by proceeds of $10 million from the sales of two previously closed manufacturing sites and proceeds of $9 million from interest proceeds from swaps designated as net investment hedges.

Net Cash Used for Financing Activities

Net cash used for financing activities for the nine months ended September 30, 2025 was $195 million. The primary use was for purchases of our common shares of $165 million, prepayments of $10 million of the outstanding principal amount of the 2029 Dollar Term Loans, and contractual debt repayments of $15 million.

Other Impacts on Cash

Currency exchange impacts on cash for the nine months ended September 30, 2025 were favorable by $26 million, which was driven primarily by fluctuations of the Euro, Brazilian Real and Mexican Peso, in each case compared to the U.S. Dollar.

Financial Condition

We had cash and cash equivalents at September 30, 2026 and December 31, 2025 of $650 million and $657 million, respectively. Of these balances, $568 million and $555 million were maintained in non-U.S. jurisdictions as of September 30, 2026 and December 31, 2025, respectively. We believe at this time our organizational structure allows us the necessary flexibility to move funds throughout our subsidiaries to meet our operational and working capital needs.

Our business may not generate sufficient cash flow from operations and future borrowings may not be available under our Senior Secured Credit Facilities in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs, including planned capital expenditures. In such circumstances, we may need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on commercially reasonable terms or at all. If we cannot service our indebtedness, we may have to take actions such as selling assets, selling additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances. Our primary sources of liquidity are cash on hand, cash flow from operations and available borrowing capacity under our Senior Secured Credit Facilities. 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 other existing lines of credit will be adequate to service debt, fund our cost saving initiatives, meet liquidity needs and fund necessary capital expenditures for the next twelve months.

Our ability to make scheduled or prepayments 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 and is subject to restrictions in the Merger Agreement. 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 and elevated interest rate environments may increase our interest expense and weaken our financial condition.

Our indebtedness, including the Senior Secured Credit Facilities, Senior Notes and short-term borrowings, is more fully described in Note 15 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and in Note 18 to the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2025.

We believe that we continue to maintain sufficient liquidity to meet our cash requirements, including our debt service obligations as well as our working capital needs. Availability under the Revolving Credit Facility was $768 million and $770 million at September 30, 2026 and December 31, 2025, respectively, all of which may be borrowed by us without violating any covenants under the Credit Agreement or the indentures governing the Senior Notes.

Contractual Obligations

Information related to our material contractual obligations and cash requirements can be found in Note 6 and Note 18 to the audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2025. As noted above and within Note 15 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q, we have made voluntary prepayments during the nine months ended September 30, 2026 of $195 million of the outstanding principal amount of the 2029 Dollar Term Loans. There have been no other material changes in the Company's contractual obligations and cash requirements as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025.

Off-Balance Sheet Arrangements

See Note 5 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for disclosure of our guarantees of certain customers' obligations to third parties.

Recent Accounting Guidance

See Note 1 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

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements. The preparation of our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q requires us to make estimates and judgments that affect the amounts reported in the financial statements. We base our estimates and judgments on historical experiences and assumptions believed to be reasonable under the circumstances and re-evaluate them on an ongoing basis. Actual results could differ from our estimates under different assumptions or conditions. There have been no material changes to our critical accounting policies and estimates previously disclosed under "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the market risks previously disclosed in Part II, Item 7A of the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

As required by Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act"), the Company carried out an evaluation, under the supervision and with the participation of management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. No matter how well designed and operated, disclosure controls and procedures can provide only reasonable, rather than absolute, assurance of achieving the desired control objectives. Based on the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of September 30, 2026.

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 September 30, 2026 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 adverse effect on us as discussed in Note 5 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

SEC regulations require disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed a specified threshold. Consistent with SEC rules, we use a threshold of $1 million for such proceedings. At this time, the Company is not aware of any matters that exceed this threshold and that meet the other conditions for disclosure pursuant to this requirement.

ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors from those previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025.

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

(a) None.

(b) None.

(c) During the three months ended September 30, 2026, no director or “officer” of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

ITEM 6. EXHIBITS

EXHIBIT NO.	DESCRIPTION OF EXHIBITS
2.1*	Amendment No. 2 to Merger Agreement, by and among Akzo Nobel N.V., Eagles MergeCo Ltd, Eagles Holding Ltd and Axalta Coating Systems Ltd., dated July 23, 2026. (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K (File No. 001-36733) filed with the SEC on July 23, 2026)
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 - Inline XBRL Instance Document. The document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document
101	SCH - Inline XBRL Taxonomy Extension Schema Document
101	CAL - Inline XBRL Taxonomy Extension Calculation Linkbase Document
101	DEF - Inline XBRL Taxonomy Extension Definition Linkbase Document
101	LAB - Inline XBRL Taxonomy Extension Label Linkbase Document
101	PRE - Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
*	Previously filed.
†	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.

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: October 29, 2026

By: /s/ Chris Villavarayan
Chris Villavarayan
Chief Executive Officer and President
(Principal Executive Officer)

Date: October 29, 2026

By: /s/ Carl D. Anderson II
Carl D. Anderson II
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: October 29, 2026

By: /s/ Anthony Massey
Anthony Massey
Vice President, Finance and Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Chris Villavarayan, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) 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
   (d) 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: October 29, 2026

By: /s/ Chris Villavarayan
Name: Chris Villavarayan
Title: Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Carl D. Anderson II, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) 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
   (d) 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: October 29, 2026

By: /s/ Carl D. Anderson II
Name: Carl D. Anderson II
Title: Senior 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, Chris Villavarayan, Chief Executive Officer and President of Axalta Coating Systems Ltd. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) 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: October 29, 2026

By:	/s/ Chris Villavarayan
Name:	Chris Villavarayan
Title:	Chief Executive Officer and President

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, Carl D. Anderson II, Senior Vice President and Chief Financial Officer of Axalta Coating Systems Ltd. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended September 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) 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: October 29, 2026

By:	/s/ Carl D. Anderson II
Name:	Carl D. Anderson II
Title:	Senior 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.