



## **Axalta Coating Systems**

A Company Overview

## \$4.4 BILLION IN REVENUE

**100,000+**  
Customers

**4,000+**  
Distributors

**~14,000**  
People

**130**  
Countries

**50+**  
Brands



**50**  
Manufacturing  
Centers

**47**  
Training Centers

**4**  
R&D Technology Centers

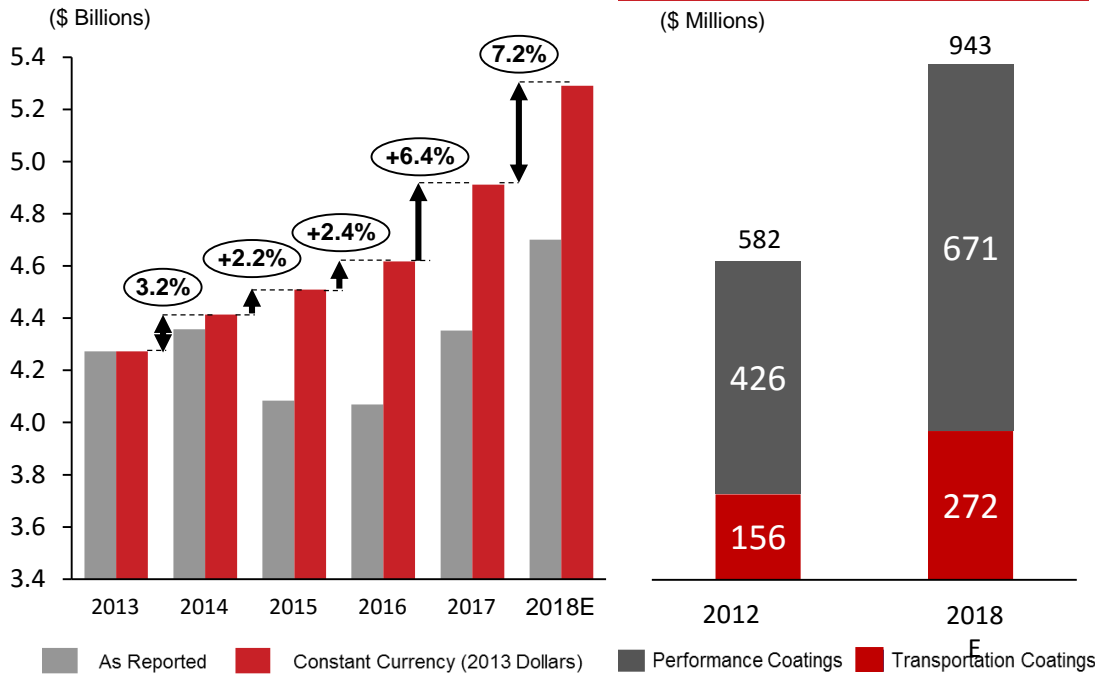
**30+**  
Laboratories

**150+**  
Years in the Industry

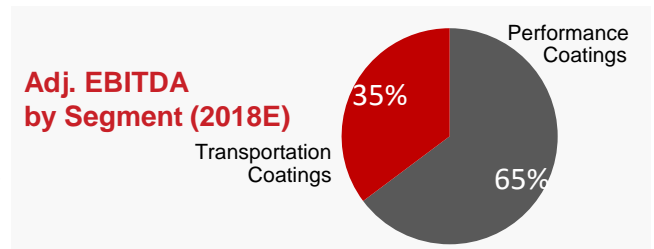
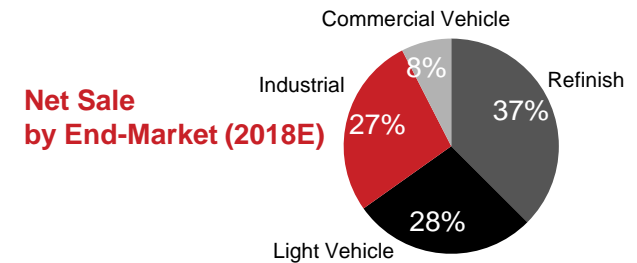
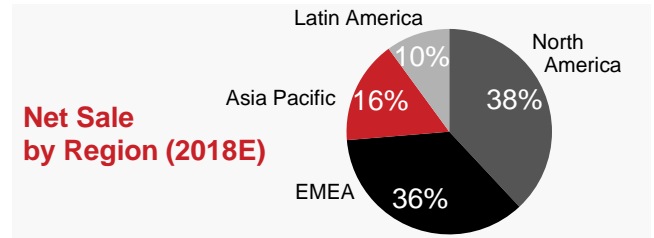
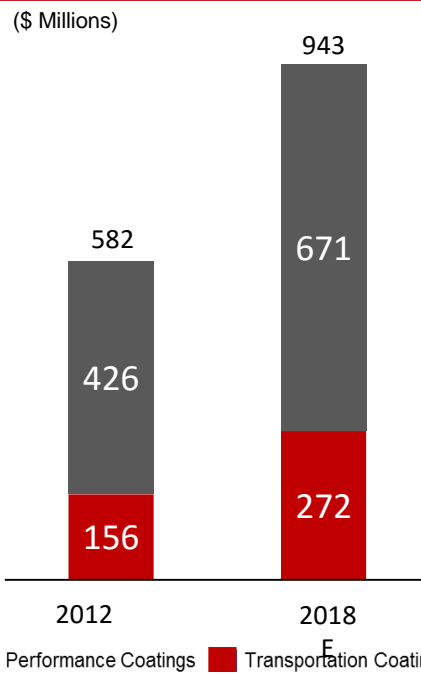
DURABLE COATINGS THAT PROTECT, ENHANCE PRODUCTIVITY AND ADD BEAUTY

## Financial Highlights

### Net Sales Progression (2013-2018E)



### Adj. EBITDA (2012 vs. 2018E)



Note: 2018E reflects our net sales guidance of ~8% and midpoint of our guidance Adjusted EBITDA range of \$935-950 million



## CHINA

- Jiading (Shanghai) waterborne - 2015
- Asia Pacific Technology Center - 2017
- Nanjing construction announced



## ARGENTINA

- Buenos Aires new operations center - 2016



## MEXICO

- Tlalnepantla resin production - 2016



## FRANCE

- Montbrison powder production - 2016



## GERMANY

- Wuppertal expanded waterborne production – 2015
- Wuppertal expanded European Technology Center – 2016
- Landshut expanded powder production - 2016



## BRAZIL

- E-Coat and dispersion enhancements - 2015-2016



## INDIA

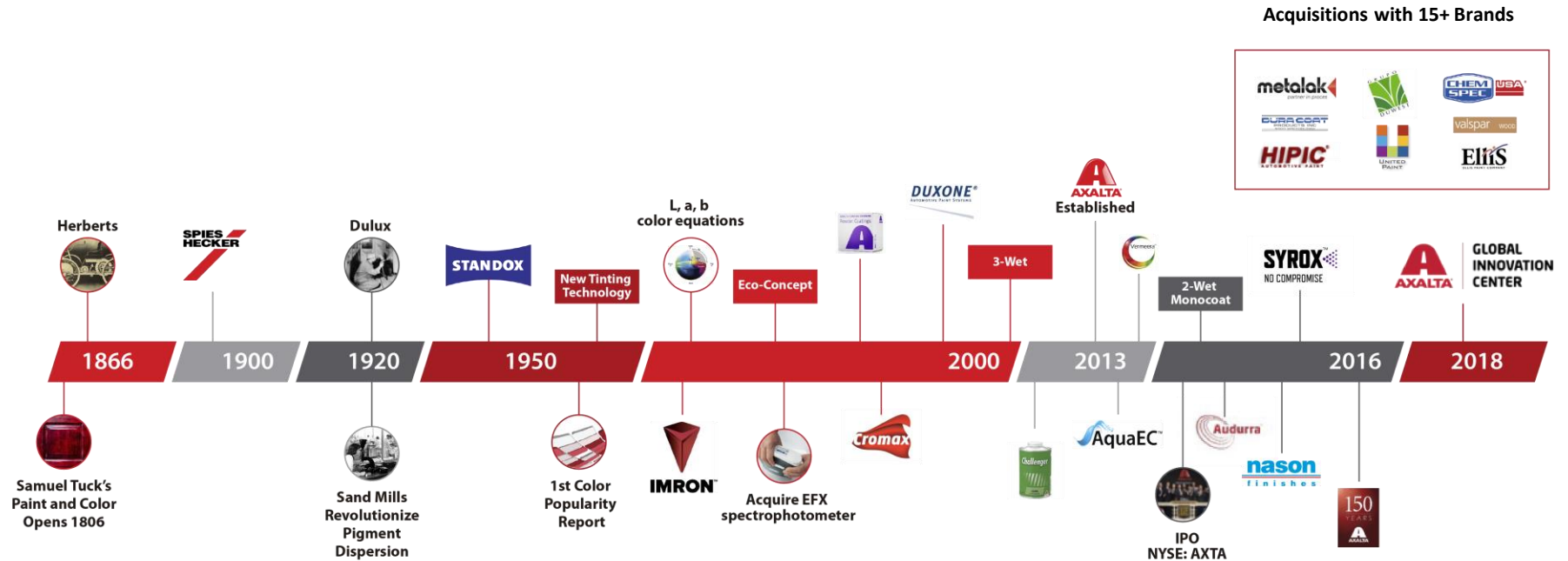
- Savli, Gujarat OEM technology center and color lab – 2016
- Savli, Gujarat expanded OEM production capacity - 2018

## Investing for Growth – Technology

- More than 1,400 research fellows, scientists and engineers
- Global Innovation Center in Philadelphia  
Grand Opening November 7, 2018
- Three regional Technology Centers
  - Wuppertal, Germany – Europe, Middle East and Africa
  - Shanghai, China – Asia Pacific
  - Mt. Clemens, Michigan - Americas
- 30+ country laboratories to support local customer needs



## Axalta – More Than 150 Years of Experience in the Coatings Industry







# Major Acquisitions 2015 - 2017



	Target	End-Market	Geography	Closed	Company Overview
	<b>DuWest Performance Coatings</b>	Refinish	Latin America	2015	Leading manufacturer/distributor of refinish and architectural coating products in Central America
	<b>ChemSpec North America</b>	Refinish	North America	2015	Ohio-based refinish manufacturer focused on mainstream and economy market segments
	<b>High Performance Coatings</b>	Refinish	Asia Pacific	2016	Producer of refinish coatings in Malaysia and Indonesia
	<b>United Paint (division)</b>	Light Vehicle	North America	2016	Automotive interior coatings with strong position with North American OEM's
	<b>Dura Coat Products</b>	Industrial	North America	2016	Leading independent supplier of coil coatings
	<b>Ellis Paint Company</b>	Industrial	North America	2017	Leading independent supplier of industrial paint
	<b>Century Industrial Coatings</b>	Industrial	North America	2017	Leading supplier of custom industrial coatings
	<b>Industrial Wood Coatings</b>	Industrial	North America	2017	Leading supplier of industrial wood coatings
	<b>Spencer Coatings Group</b>	Industrial	EMEA	2017	Leading supplier of industrial liquid coatings for drums/towers, ACE, pipelines, flooring & architectural
	<b>Plascoat Systems Limited</b>	Industrial	EMEA	2017	Leading supplier of thermoplastic coatings

## Customer Segments and End-Use Markets

SEGMENTS	TRANSPORTATION COATINGS		PERFORMANCE COATINGS	
				
	LIGHT VEHICLES	COMMERCIAL VEHICLES	INDUSTRIAL	REFINISH
END MARKETS	<ul style="list-style-type: none"> <li>Automotive Interiors</li> <li>Automotive Parts and Components (APC)</li> <li>Original Equipment Manufacturers (OEM)</li> </ul>	<ul style="list-style-type: none"> <li>Aviation</li> <li>Bus</li> <li>Heavy and medium duty trucks</li> <li>Marine</li> <li>Rail</li> <li>Recreational &amp; off-road</li> <li>Trailers and utility trucks</li> </ul>	<ul style="list-style-type: none"> <li>Electrical insulation systems</li> <li>Architectural &amp; decorative</li> <li>Oil &amp; gas pipelines</li> <li>Valves &amp; rebar</li> <li>Automotive components &amp; specialized coatings</li> <li>Metal furniture &amp; playground</li> <li>General industrial</li> <li>Agriculture, construction &amp; earth moving equipment</li> <li>Coil / extruded metal</li> <li>Industrial wood coatings</li> </ul>	<ul style="list-style-type: none"> <li>Multi-shop operators</li> <li>Independent body shops</li> <li>Light vehicle / car dealerships</li> <li>Commercial Vehicle aftermarket</li> </ul>
POSITION	Global leading supplier to OEMs	#1 Global supplier to heavy duty truck and bus segments	#2 Global supplier to the electrical insulation sector #2 Global supplier to the powder coatings sector #2 North America supplier of industrial wood coatings	#1 Global supplier to refinish sector



## Light Vehicle

### Full System Supplier



E-Coat Metal Corrosion Prevention



Paint Formulations for Non-Metal Parts



Primer, Color Basecoat and Clear Coat Protection

### Products

- **AquaEC™** – Deep-rooted line of electrocoat products
- **HyperDur™** – Primers for smoothness and adhesion
- **HyperDyne™** – Foundation layer for cost-saving wet-on-wet processes
- **ChromaDyne™** – Leading line-up of thousands of brilliant, colorful base coats
- **Lumeera™** – A full range of clearcoats offering the ultimate in finish protection
- Axalta employs more **Harmonized Coating Technologies™** than any competitor increasing productivity, saving energy and reducing costs
  - **Eco-Concept** – Proprietary technology that combines primer and basecoat, eliminating intermediate baking steps and creating an effectively primerless technology
  - **3-Wet / 2-Wet Systems** – Reduce the number of bake cycles needed allowing successive coats to be applied on top of prior coats while still wet

### Recognitions

- **FCA** Purchasing Most Improved Award
- **Ford** Green Pillar and Silver Supplier Award
- Three consecutive **GM** Supplier of the Year Awards
- **Honda** Excellence in Cost and Delivery Awards
- **Hyundai** Excellence in Purchasing Award
- **Jaguar Land Rover** Q-Award
- **Renault** Award for Innovation in Aftermarket
- **SMP** A-Rating
- **Volvo** Cars Quality Excellence Award

## Segment-Leading

- **Electrodeposition** coatings
- **Primers\*** – 1K and 2K, low and high bake technologies, high to ultra-high-solids
- Integrated and **primerless processes**
- **Topcoats\*** – 1K and 2K, low and high bake technologies, high to ultra-high-solids products, NMP- & NEP-free waterborne products, metric mix machine concept and fac pacs for high volume colors
- **Clearcoats** – 1K and 2K, low and high bake technologies, high to ultra-high-solids, and high-, semi-flat and flat gloss
- Axle, chassis, brakelike, wheel and engine, coatings

## Establish Experience

- Axalta's IMRON brand is the finish-of-choice for truck, bus, and trailer manufacturers
  - Precise color matching
  - Easy application
  - Environmentally compliant
  - Maximum productivity
- Select customer recognitions
  - Daimler's prestigious Global and North American Masters of Quality Awards
  - Multiple Tata Marcopolo Motors Ltd. Best Performance Awards



Numerous brands and coating solutions for diverse markets and customers:



- Serving 80,000 auto body collision and repair shops globally
- Strong presence in all aspects of the refinish business
  - Multi-shop operators (MSOs) and franchises
  - Dealer-operated body shops
  - Individual shops
- Latest generation water-based coatings and traditional solvent coatings
- Dedicated Performance Management team to help improve customer business performance
- Technical and business training to meet customer needs, including virtually, online or in 45 training centers worldwide



Premium



Mainstream and Economy



## ■ Wood

- Kitchen cabinets, building products, flooring, furniture
- #2 supplier in North America

## ■ Powder Coatings

- Auto metal parts, appliances, architectural extrusions, furniture, general industrial (shelving, lighting), IT

## ■ Coil

- Metal building products, architectural extrusions, lighting, appliances

## ■ Energy Solutions

- Power tools, e-mobility, wind turbines, power generation

## ■ Industrial Coating Systems

- Agricultural, Construction and Earthmoving (ACE) equipment, oil and gas, structural steel, storage tanks, helmets, fences



## Durable coatings that protect, increase productivity, and provide brilliant color

### ENVIRONMENT

- Responsible operation of our plants and sites
- Reduction of emissions, energy, water, and waste from operations
- Enable reduction of energy, emissions and waste for our customers
- Technology that makes materials last longer, facilitates use of novel substrates, and reduces the impact of coatings on the environment

### GOVERNANCE

- Corporate governance and ethical leadership
- Compliance with laws, including antibribery laws and accurate financial reporting
- Information governance/cybersecurity
- Industry relations/association memberships

### SOCIAL

- STEM education and environmental stewardship programs in our communities
- Safe working conditions at Axalta sites
- Supply chain sustainability
- Efforts to increase workplace and supplier diversity
- Employee/Candidate understanding of sustainability efforts

### SUSTAINABILITY REPORT

- Full report online at:

**[Axalta.com/axaltasustainability](https://axalta.com/axaltasustainability)**



# Corporate Social Responsibility – Axalta Focused Giving



Axalta Bright Futures supports and nurtures active participation in STEM education and environmental stewardship programs and initiatives to make the world a better place and improve the wellbeing of the cities, towns, and communities where our employees live, work, and raise their families.

## STEM EDUCATION

Supporting initiatives that promote science, technology, engineering and math

## ENVIRONMENTAL STEWARDSHIP

Supporting initiatives that promote conservation and preservation of the environment



\*A sampling of programs worldwide



**Thank You!**