



PLATFORM SPECIALTY
PRODUCTS CORPORATION

Second Quarter 2017



MacDermid
PERFORMANCE SOLUTIONS



Arysta
LifeScience

August 9, 2017

Safe Harbor



Please note that in this presentation, we may discuss events or results that have not yet occurred or been realized, commonly referred to as forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements made by or on behalf of the Company. Such discussion and statements will often contain words such as “expect,” “anticipate,” “project,” “will,” “should,” “believe,” “intend,” “plan,” “estimate,” and similar expressions, and relate, without limitations, to the Company's adjusted EBITDA and adjusted earnings per share, expected or estimated organic and net sales growth, meeting financial and/or strategic goals and objectives, including the company's full year 2017 guidance, segment adjusted EBITDA, net interest expense, income tax provision, cash flow from operations, full year cash interest, taxes and capital expenditures, restructuring costs and other non-cash charges, outlook for the Company's markets and the demand for its products, free cash flows, gross, operating and adjusted EBITDA margin requirements and expansion, performance trends, extending into new markets, bank leverage ratios, the success of new product introductions, growth in costs and expenses, the impact of commodities and currencies costs, and the Company's ability to manage its risk in these areas, the Company's ability to identify, hire and retain executives and other qualified employees, the Company's assessment over its internal control over financial reporting, and the impact of acquisitions, divestitures, restructurings, refinancings, and other unusual items, including the Company's ability to raise new debt and equity and to integrate and obtain the anticipated benefits, results and synergies from its consummated acquisitions and related strategic initiatives.

These projections and statements are based on management's estimates and assumptions with respect to future events and financial performance and are believed to be reasonable, though are inherently uncertain and difficult to predict. Actual results could differ materially from those projected as a result of certain factors. A discussion of factors that could cause actual results to vary is included in the Company's periodic and other reports filed with the Securities and Exchange Commission, including the Company's annual report on form 10-K for the fiscal year ended December 31, 2016. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Information



To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States (“GAAP”), the Company uses the following non-GAAP financial measures: adjusted EBITDA, adjusted EBITDA margin, adjusted EBITDA guidance, adjusted earnings (loss) per share (EPS) organic sales growth and free cash flow. The Company also evaluates and presents its results of operations on a constant currency basis.

The reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP can be found in the appendices of this presentation and the tables included in the Company’s earnings release dated August 9, 2017 (the “earnings release”), a copy of which can be found on the Company’s website at www.platformspecialtyproducts.com. This presentation should be read in conjunction with the earnings release. The Company only provides adjusted EBITDA guidance and organic sales growth expectations on a non-GAAP basis and does not provide reconciliations of such forward-looking non-GAAP measures to GAAP due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments that could be made for restructuring, integration and acquisition-related expenses, share-based compensation amounts, adjustments to inventory and other charges reflected in the reconciliation of historic numbers, the amount of which, based on historical experience, could be significant.

Management internally reviews each of these non-GAAP measures to evaluate performance on a comparative period-to-period basis in terms of absolute performance, trends and expected future performance with respect to the Company’s business, and believes that these non-GAAP measures provide investors with an additional perspective on trends and underlying operating results on a period-to-period comparable basis. Platform also believes that investors find this information helpful in understanding the ongoing performance of its operations separate from items that may have a disproportionate positive or negative impact on Platform's financial results in any particular period. These non-GAAP financial measures, however, are not prepared in accordance with GAAP and may not be indicative of the results that the Company expects to recognize for future periods. In addition, these non-GAAP financial measures may differ from measures that other companies may use. These non-GAAP financial measures are therefore supplemental in nature and should not be considered in isolation, or a substitute for, or superior to, the related financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures included herein and in the earnings release.

Please see the appendices to this presentation for a more detailed description of each non-GAAP financial measure used by the Company, including the adjustments reflected in each of them and the reason why we believe such non-GAAP measures are useful to investors.

Platform Second Quarter Results

(\$ in millions)				Constant Currency ^{1*}		Organic ^{2*}
	Q2 2017	Q2 2016	YoY%	Q2 2017	YoY%	YoY%
Net Sales	\$941	\$922	2%	\$947	3%	2%
Performance Solutions	462	438	6%	471	8%	6%
Agricultural Solutions	479	484	(1)%	476	(2)%	(2)%
GAAP Diluted EPS	\$(0.21)	\$(0.04)	<i>nm</i>			
Adj. EBITDA*	205	193	6%	208	8%	
% margin	21.8%	20.9%	87 bps	22.0%	107 bps	
Performance Solutions	103	98	5%	105	7%	
% margin	22.2%	22.4%	(13) bps	22.3%	(2) bps	
Agricultural Solutions	103	95	8%	103	9%	
% margin	21.4%	19.6%	177 bps	21.7%	204 bps	
Adj. EPS*	\$0.20	\$0.16	25%			

- Net sales grew 2% driven by organic growth in Performance Solutions partially offset by a slight decline in Agricultural Solutions EMEA region
 - Continued strength in global industrial and Asian electronic assembly markets
 - Modest growth in all Ag regions excluding EMEA, with declines in Africa due to previously announced change in strategy
- GAAP EPS loss of \$0.21 increased year-over-year driven primarily by increased FX losses relating to debt re-valuation
- Constant currency adj. EBITDA increased 8% driven by organic sales growth, regional mix improvements in Ag and continued cost synergy realization in Performance Solutions
 - Constant currency Adj. EBITDA margin improved over 100 basis points year-over-year

1. Constant currency, on this chart and subsequent charts, refers to the financial results of the current period translated at the prior period exchange rates

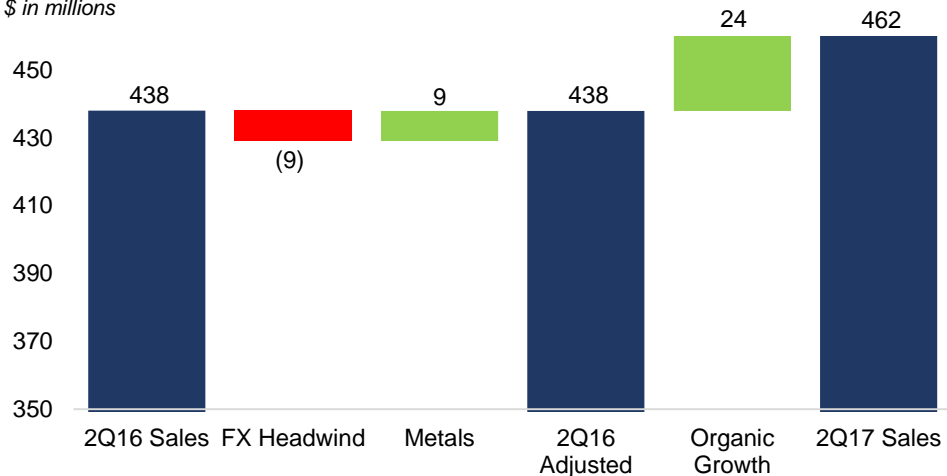
2. Organic sales growth, on this chart and subsequent charts, excludes the impact of currency, metal prices, acquisitions and/or divestitures as applicable

* The financial measures in this chart and on subsequent charts are not in accordance with GAAP. For definitions of these non-GAAP measures, discussions of adjustments and reconciliations, please refer to the appendices of this presentation

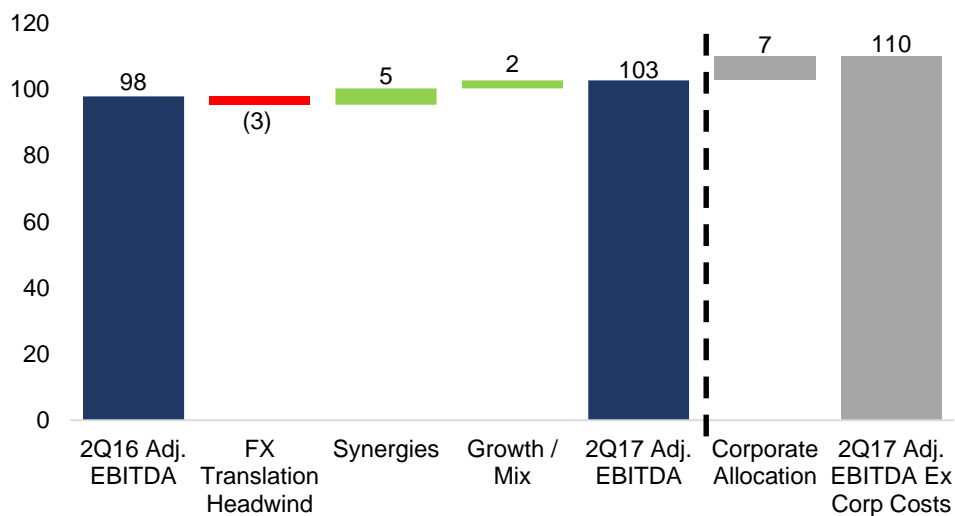
Performance Solutions Results

Net Sales

\$ in millions



Adj. EBITDA*



- Net sales increased by \$24 million over 2Q16 due to organic growth in most business units. Metals price increases were offset by moderate FX headwinds
 - EUR, GBP and CNY exposures driving FX headwinds
 - \$9 million benefit from certain metals pricing
- Organic sales* increased 6%
 - Strength in electronics assembly markets
 - Memory disk strength helped offset some moderation in traditional PCB markets which is expected to continue into 2H given difficult comps
 - Industrial growth continued in all regions, with Mexico strength offsetting the moderation in US automotive production
 - Continued impact of modest sales declines in graphics in Latin America
- Constant currency adj. EBITDA increased 7%
 - Synergy progress offset by negative mix driven by growth in lower margin bar solder business
 - Certain raw material price increases muted incremental margins on the organic growth

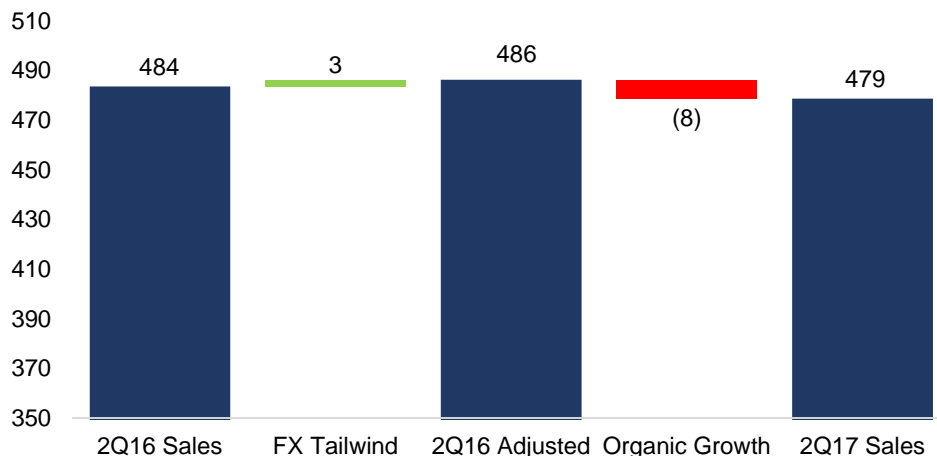
* See Non-GAAP footnotes on p. 4

Note: Totals may not sum due to rounding

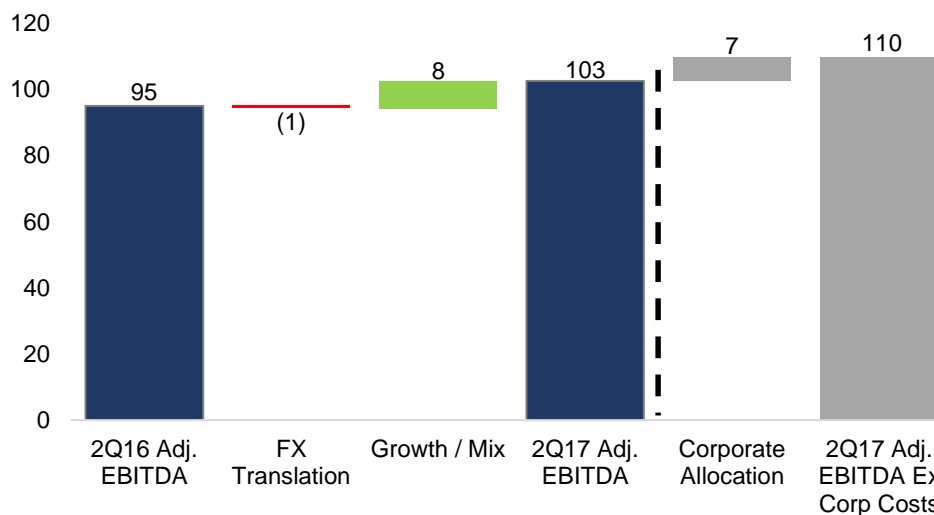
Agricultural Solutions Results

Net Sales

\$ in millions



Adj. EBITDA*



- Net sales decreased \$5 million over 2Q16 driven by modest organic declines that offset favorable FX
 - FX tailwind driven primarily by the Brazilian Real
- Organic sales* decreased 2% in the quarter
 - Delayed season start due to cold weather conditions in parts of Western and Eastern Europe and US northern plains
 - Favorable rains and higher temperatures in late May and June did not fully offset earlier weather pressures
 - Continued positive contributions from new market expansion initiatives in Europe were offset by change in West Africa selling strategy, leading to a modest decline in the EMEA region year-over-year
 - Predictable weather conditions and stable macro environment in Latin America drove sales growth in Q2 and remain a positive indicator for 2H
- Constant currency adj. EBITDA increased 9%
 - Product mix improvements driven by specialty herbicides and insecticides in US and Europe offset by the impact of reducing lower margin West Africa sales
 - New biosolutions introductions in most regions also improved mix
 - STG&A savings initiatives largely offset by re-investments into newly entered European markets

* See Non-GAAP footnotes on p. 4
Note: Totals may not sum due to rounding

Balance Sheet & Cash Flow Considerations

Key Cash Flow Items

- Working capital peak in 2017 slightly delayed further into Q2 vs. 2016 largely as a result of weather in Europe
- Inventory build in Performance Solutions driven by ongoing footprint rationalization activity - expected to reverse through year end
- New EMEA non-recourse factoring contributed ~\$43 million of net cash flow in the quarter
- Cash tax increase year over year driven mainly by higher profits and payments related to prior year periods
- Q2 free cash flow¹ of \$88 million

2Q 2017 Cash Flow Uses and Updated Outlook

\$ millions	Q2 YTD	2017E
Cash Interest	\$163	~\$330
Cash Taxes	\$84	~\$130 - 150
Net Capex ²	\$47	~\$100

Note: Totals may not sum due to rounding

1. Free cash flow is defined as net cash flows provided by operating activities less net capex (see footnote 2 for definition of net capex)
2. Net Capex includes capital expenditures and investments in registrations of products less proceeds from disposal of property, plant and equipment
3. See appendix on p. 12 for reconciliation to Adjusted Share Counts
4. Based on Platform's closing price of \$12.68 at June 30, 2017

Balance Sheet Management

- Debt repricings since October 2016 drove ~\$10 million of year-over-year interest savings in Q2
- Quarter-over-quarter increase in net debt driven by EUR strength, partially offset by increase in cash
- Modest increase in revolver balance due to delayed peak of working capital into Q2 driven by Ag Europe and Latin America and inventory build in Performance Solutions
 - Expect release of working capital consistent with previous years through year end

2Q 2017 Debt Summary

Instrument	\$ millions
Corporate Revolver (\$500M)	\$105
Term Loans and Other	3,386
Total First Lien Debt	\$3,491
Total Unsecured Debt	\$2,050
Total Debt	\$5,541
Cash Balance as of 6/30/17	427
Net Debt	\$5,114
Adjusted Shares Outstanding ³	300
Market Capitalization ⁴	3,808
Total Capitalization	\$8,921

2017 Guidance – Q2 Update

Performance Solutions

Market Commentary

- Modest global GDP expectations with slower growth in Europe
- US automotive units moderating
- Low-single-digit electronics demand growth

2H Considerations

- Smart phone replacement cycle should drive growth albeit muted by difficult comps
- US auto units steadying, with growth in Mexico and Asia to continue
- Continued cost-synergy progress

Organic Sales Growth Expectations

~Mid-single-digit growth

Anticipated Translational FX Impacts (June 30 Rates)

~\$5 million adj. EBITDA headwind

Agricultural Solutions

- Modest recovery assumed in global commodity prices
- Ag chemical markets expected to be flat to slightly negative given weak channel inventory positions and FX volatility
- Predictable weather and stable macro in Latin America with some continued FX volatility
- Recovery expected in US miticides markets by year end
- Expected product mix improvements and planned cost reductions

~Low-single-digit growth

~ Flat adj. EBITDA impact

Increasing 2017 Adj. EBITDA Guidance¹ to \$810 million to \$830 Million²

1. For a definition of non-GAAP measures, discussions of adjustments and reconciliations, please refer to the appendices of this presentation
2. 2017 Guidance based on foreign exchange rates at June 30, 2017. Guidance increase reflects upward change of \$10 million dollars to lower-end of Adj. EBITDA range, or a \$5 million increase at mid-point

Execution: Build on Operating Momentum

Focus Commercial Efforts on Fast Growing Niches

Synergy Realization and Continuous Cost Improvement

Generate Free Cash Flow and Reduce Leverage

Appendix

Capital Structure

\$ millions			
Instrument	Maturity	Coupon	6/30/2017
Corporate Revolver (\$500M)	6/7/2019		\$105
Term Loan B5 - USD ¹	6/7/2020	L + 350	606
Term Loan B6 - USD ^{1,2}	6/7/2023	L + 300	1,228
Term Loan C4 - EUR ¹	6/7/2020	E + 325	794
Term Loan C5 - EUR ^{1,2}	6/7/2023	E + 275	741
Other Secured Debt			19
Total First Lien Debt			\$3,491
10.375% Senior Notes due 2021	5/1/2021	10.375%	500
6.5% Senior Notes due 2022	2/1/2022	6.5%	1,100
6.0% Senior Notes due 2023 (Euro)	2/1/2023	6.0%	400
Other Unsecured Debt			50
Total Unsecured Debt			\$2,050
Total Debt			\$5,541
Cash Balance as of 6/30/17			427
Net Debt			\$5,114
Adjusted Shares Outstanding ³			300
Market Capitalization ⁴			\$3,808
Total Capitalization			\$8,921

1. Platform has swapped certain amounts of its floating term loans to fixed rate including \$1.1 billion of its USD tranches and €280 million of its Euro tranches. At June 30, 2017, approximately 37% of debt was floating and 63% was fixed.
2. These term loans mature on June 7, 2023, provided that the Company prepays, redeems or otherwise retires and/or refinances in full its 6.50% USD Senior Notes due 2022, as permitted under its Amended and Restated Credit Agreement, on or prior to November 2, 2021, otherwise the maturity reverts to November 2, 2021.
3. See Appendix on p12 for reconciliation to Adjusted Share Counts
4. Based on Platform's closing price of \$12.68 at June 30, 2017

Note: Totals may not sum due to rounding

Reconciliation to Adjusted Share Counts

<i>(in millions)</i>	Q2 2017	Q2 2016
Basic outstanding shares	286	230
Number of shares issuable upon conversion of Series B Convertible Preferred Stock	-	22
Number of shares issuable upon conversion of PDH Common Stock	6	8
Number of shares issuable upon conversion of Series A Preferred Stock	2	2
Number of shares issuable upon vesting and exercise of Stock Options	1	1
Number of shares issuable upon vesting of granted Equity Awards	5	4
Adjusted shares	300	266

Note: Totals may not sum due to rounding

Net Loss Attributable to Common Stockholders Reconciliation to Adjusted EBITDA

<i>(Amounts in millions)</i>	Q2 2017	Q2 2016
Net loss attributable to common stockholders	\$(61)	\$(9)
Net income attributable to the non-controlling interests	1	1
Income tax expense	11	27
<i>(Loss) income before income taxes and non-controlling interests</i>	(49)	19
<i>Adjustments to reconcile to Adjusted EBITDA:</i>		
Interest expense, net	85	97
Depreciation expense	20	19
Amortization expense	67	67
Long-term compensation issued in connection with acquisitions	—	—
Restructuring expense	9	7
Amortization of inventory step-up	—	—
Acquisition and integration costs	—	5
Non-cash change in fair value contingent consideration	1	1
Legal settlements	(11)	(3)
Foreign exchange loss (gain) on foreign denominated external and internal long-term debt	57	(19)
Debt refinancing costs	13	—
Other, net	12	—
Adjusted EBITDA	\$205	\$193

Note: Totals may not sum due to rounding

GAAP Diluted EPS Loss Reconciliation to Adjusted Diluted EPS



<i>(amounts in millions, except per share amounts)</i>	Q2 2017	Q2 2016
GAAP diluted loss per share	\$(0.21)	\$(0.04)
<i>Weighted average shares outstanding</i>	286	230
Net loss attributable to common stockholders	\$(61)	\$(9)
Adjustments:		
Reversal of amortization expense	67	67
Adjustment for investment in registration of products	(5)	(8)
Long-term compensation issued in connection with acquisitions	-	-
Restructuring expense	9	7
Amortization of inventory step-up	-	-
Acquisition and integration costs	-	5
Non-cash change in fair value of contingent consideration	1	1
Legal settlements	(11)	(3)
Foreign exchange loss (gain) on foreign denominated external and internal long-term debt	57	(19)
Debt refinancing costs	13	-
Other, net	12	-
Tax effect of pre-tax non-GAAP adjustments	(50)	(18)
Adjustment to estimated effective tax rate	28	20
Adjustment to reverse loss attributable to certain non-controlling interests	-	(2)
Adjusted net income attributable to common stockholders	\$61	\$43
Adjusted earnings per share	\$0.20	\$0.16
Adjusted shares outstanding	300	266

Note: Totals may not sum due to rounding

Quarterly Results Overview



<i>(Amount in millions)</i>	2016				2017	
	Q1	Q2	Q3	Q4	Q1	Q2
<u>Net Sales</u>						
Performance Solutions	\$420	\$438	\$455	\$457	\$447	\$462
Agricultural Solutions	404	484	436	493	415	479
Total Net Sales	\$824	\$922	\$891	\$950	\$862	\$941
<u>Adjusted EBITDA</u>						
Performance Solutions	\$83	\$98	\$110	\$111	\$102	\$103
Agricultural Solutions	85	95	80	108	91	103
Total Adjusted EBITDA	\$168	\$193	\$190	\$218	\$193	\$205

Note: Totals may not sum due to rounding

Organic Sales Growth and Constant Currency Reconciliations



Q2 2017 Organic Sales Growth					
	Reported Net Sales Growth	Impact of Currency	Metals	Acquisitions	Organic Sales Growth
Performance Solutions	6%	2%	(2)%	—%	6%
Agricultural Solutions	(1)%	(1)%	—%	—%	(2)%
Total	2%	1%	(1)%	—%	2%

Q2 2017 Constant Currency			
<i>(Amounts in millions)</i>	Reported	Impact of Currency	Constant Currency
Net Sales			
Performance Solutions	\$462	\$9	\$471
Agricultural Solutions	479	(3)	476
Total	\$941	\$6	\$947
Adjusted EBITDA			
Performance Solutions	\$103	\$3	\$105
Agricultural Solutions	103	1	103
Total	\$205	\$3	\$208

Note: Totals may not sum due to rounding

Non-GAAP Definitions

Adjusted EBITDA:

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, as further adjusted for additional items included in earnings that are not representative or indicative of our ongoing business as described in the footnotes to the non-GAAP measures reconciliations in the earnings release. Management believes adjusted EBITDA and adjusted EBITDA margin provide investors with a more complete understanding of the long-term profitability trends of Platform's business, and facilitate comparisons of its profitability to prior and future periods. Adjusted EBITDA for each segment also includes an allocation of corporate costs, such as compensation expense and professional fees.

Adjusted Earnings Per Share (EPS):

Adjusted earnings per share is defined as net loss attributable to common stockholders adjusted to reflect adjustments consistent with our definition of adjusted EBITDA. Additionally, the company eliminates the amortization associated with (i) intangible assets recognized in purchase accounting for acquisitions and (ii) costs capitalized in connection with obtaining regulatory approval of our products ("registration rights") as part of ongoing operations, and deducts capital expenditures associated with obtaining these registration rights. Further, it adjusts the effective tax rate to 35%. The resulting adjusted net income available to stockholders is divided by the number of shares of outstanding common stock as of the period end plus the number of shares that would be issued if all Platform's convertible stock were converted to common stock, vested stock options were exercised, and awarded equity grants were vested as of the period end. Adjusted earnings per share is a key metric used by management to measure operating performance and trends. In particular, the exclusion of certain expenses in calculating adjusted earnings per share facilitates operating performance comparisons on a period-to-period basis.

Constant Currency:

Management discloses operating results from net sales through operating profit on a constant currency basis, by adjusting results to exclude the impact of changes due to the translation of foreign currencies of its international locations into U.S. Dollar. Management believes this non-GAAP financial information facilitates period-to-period comparison in the analysis of trends in business performance, thereby providing valuable supplemental information regarding its results of operations, consistent with how the Company evaluates its financial results.

The impact of foreign currency is calculated by converting the Company's current-period local currency financial results into U.S. Dollar using the prior period's exchange rates and comparing these adjusted amounts to its prior period reported results. The difference between actual growth rates and constant currency growth rates represents the impact of foreign currency.

Organic Sales Growth:

Organic sales growth is defined as net sales excluding the impact of foreign currency translation, changes due to the price of certain metals, and acquisitions and/ or divestitures, as applicable. Management believes this non-GAAP financial measure provides investors with a more complete understanding of the underlying net sales trends by providing comparable sales over differing periods on a consistent basis.

For the three and six months ended June 30, 2017, metals pricing had a positive impact on Performance Solutions' results of \$8.9 million and \$21.9 million, respectively. For the six months ended June 30, 2016, Performance Solutions' results benefitted from acquisitions by \$2.8 million.