



PLATFORM SPECIALTY
PRODUCTS CORPORATION

Q4 and FY 2014 Supplement

March 18, 2015

Disclaimer

- 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 Platform. Such discussion and statements will often contain words as “expect,” “anticipate,” “believe,” “intend,” “plan” and “estimate,” and include statements regarding Platform’s earnings per share, expected or estimated revenue, the outlook for its markets and the demand for its products, estimated sales, segment earnings, net interest expense, income tax provision, restructuring and other charges, cash flows from operations, consistent profitable growth, free cash flow, future revenues and gross operating and adjusted EBITDA margin improvement requirement and expansion, organic net sales growth, bank debt covenants, the success of new product introductions, growth in costs and expenses, the impact of commodities and currencies and Platform’s ability to manage its risk in these areas, and the impact of acquisitions, divestitures, restructuring and other unusual items, including Platform’s ability to successfully integrate and obtain the anticipated results and synergies from its consummated and future acquisitions. 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 difficult to predict. Actual results could differ materially from those projected as a result of certain factors. A discussion of factors that could cause results to vary is included in Platform’s periodic and other reports filed with the Securities and Exchange Commission, including Platform’s annual report on Form 10-K for the fiscal year ended December 31, 2013 and quarterly reports on Form 10-Q for the fiscal quarters ended June 30, 2014 and September 30, 2014. Platform undertakes no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise.
- This presentation also contains non-GAAP financial measures. Pursuant to the requirements of Regulation G, a reconciliation of such non-GAAP financial measures to the most directly comparable GAAP financial measures is provided herein. These non-GAAP financial measures are provided because management of Platform uses such measures in monitoring and evaluating Platform’s ongoing financial results, as well as to reflect Platform’s acquisitions. Management believes these measures provide a more complete understanding of Platform’s operational results and a meaningful comparison of Platform’s performance between periods. These non-GAAP measures may not, however, reflect the actual financial results Platform would have achieved absent such acquisitions, and may not be indicative of the results that Platform would expect to recognize for future periods.
- These non-GAAP measures should be considered in addition to, not a substitute for, measures of financial performance prepared in accordance with GAAP.

Platform Adj. Financial Results Q4'14 vs. Prior Year



(in millions)	Q4 2014 Actual	Q4 2013 Actual	Prior Year Variance	
Total Sales	\$273.6	\$185.3	\$ 88.3	47.7%
Gross Profit	\$135.9	\$93.6	\$ 42.3	45.2%
GP% Total	49.7%	50.5%		
SG&A Costs	\$77.2	\$49.8	\$ 27.4	55.0%
Op Profit	\$58.7	\$43.8	\$ 14.9	34.0%
Other Inc/(Exp)	\$0.1	(\$4.3)		
Depreciation	\$6.9	\$5.0		
Adjusted EBITDA ⁽¹⁾	\$65.7	\$44.5	\$ 21.2	47.6%
Adjusted EBITDA Margin	24.0%	24.0%		

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement.

Platform (Ex-Agro) Adj. Financial Results Q4'14 vs. Prior Year



(in millions)	Q4 2014 Actual	Q4 2013 Actual	Prior Year Variance	
Total Sales	\$185.6	\$185.4	\$0.2	0.1%
Gross Profit	\$101.2	\$93.8	\$7.4	7.9%
GP% Total	54.5%	50.6%		
SG&A Costs	\$54.8	\$54.5	\$0.3	0.6%
Op Profit	\$46.4	\$39.3	\$7.1	18.1%
Other Inc/(Exp)	(\$1.7)	\$0.2		
Depreciation	4.9	5.0		
Adjusted EBITDA ⁽¹⁾	\$49.6	\$44.5	\$5.1	11.5%
Adjusted EBITDA Margin	26.7%	24.0%		

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement

Platform Adj. Financial Results FY 2014 vs. Prior Year



(in millions)	2014 Actual	2013 Actual	Prior Year Variance	
Total Sales	\$843.2	\$746.0	\$97.2	13.0%
Gross Profit	\$432.0	\$382.7	\$49.3	12.9%
GP% Total	51.2%	51.3%		
SG&A Costs	\$238.7	\$216.1	\$22.6	10.5%
Op Profit	\$193.3	\$166.6	\$26.7	16.0%
Other Inc/(Exp)	(\$1.6)	(\$0.8)		
Depreciation	\$20.5	\$14.3		
Adjusted EBITDA ⁽¹⁾	\$212.2	\$180.1	\$32.1	17.8%
Adjusted EBITDA Margin	25.2%	24.1%		

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement

Platform (Ex-Agro) Adj. Financial Results FY 2014 vs. Prior Year



(in millions)	2014 Actual	2013 Actual	Prior Year Variance	
Total Sales	\$755.2	\$746.0	\$9.2	1.2%
Gross Profit	\$397.3	\$382.7	\$14.6	3.8%
GP% Total	52.6%	51.3%		
SG&A Costs	\$216.3	\$216.1	\$0.2	0.1%
Op Profit	\$181.0	\$166.6	\$14.4	8.6%
Other Inc/(Exp)	(\$3.3)	(\$0.8)		
Depreciation	\$18.5	\$14.3		
Adjusted EBITDA ⁽¹⁾	\$196.2	\$180.1	\$16.1	8.9%
Adjusted EBITDA Margin	26.0%	24.1%		

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement

Segment Trend Breakdown Q4'14 vs. Prior Year

<u>Revenue (in millions):</u>	Q4 2014 Actual	Q4 2013 Actual	Prior Year Variance	
Performance Materials	\$145.4	\$145.0	\$0.4	0.3%
Graphic Solutions	\$40.2	\$40.3	(\$0.2)	(0.5%)
Agrosolutions	\$88.0		\$88.0	
Total Revenue	\$273.6	\$185.4	\$88.2	47.6%
<u>Adjusted EBITDA (in millions):</u>				
Performance Materials	\$37.3	\$35.7	\$1.6	4.6%
Graphic Solutions	\$12.3	\$8.8	\$3.6	40.5%
Agrosolutions	\$16.0		\$16.0	
Adjusted EBITDA (1)	\$65.7	\$44.5	\$21.2	47.7%

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement

Segment Trend Breakdown

<u>Revenue (in millions):</u>	<u>2014</u>	<u>2013</u>
Performance Materials	\$589.3	\$574.5
Graphic Solutions	\$165.9	\$171.5
Agro Solutions	\$88.0	
Total Revenue	\$843.2	\$746.0
<u>Adjusted EBITDA (in millions):</u>		
Performance Materials	\$148.7	\$136.6
Graphic Solutions	\$47.5	\$43.5
Agro Solutions	\$16.0	
Adjusted EBITDA (1)	\$212.2	\$180.1

(1) For a reconciliation to GAAP, please refer to slide #10 of this supplement

Recurring Free Cash Flow per Share



	Q4'14	Q4'13	YTD'14	YTD'13
Net Income (Loss) ¹	\$ (33,659)	\$ (201,531)	\$ (24,202)	\$ (182,111)
Plus: D&A ²	30,737	16,155	87,950	45,613
Plus: Other Non-Cash Expenses	16,205	195,123	30,109	218,897
Less: Change in Working Capital ³	39,364	3,961	27,176	(5,471)
Cash Flow from Operations	\$ 52,647	\$ 13,708	\$ 121,033	\$ 76,928
Less: Capex ⁴	(13,874)	(4,322)	(20,665)	(11,194)
Free Cash Flow	\$ 38,773	\$ 9,386	\$ 100,368	\$ 65,734
Plus: Acquisition-Related Expenses ⁵	28,984	32,125	47,829	32,125
Recurring Free Cash Flow	\$ 67,757	\$ 41,511	\$ 148,197	\$ 97,859
% of EBITDA	103%	93%	70%	54%
<i>Adjusted EBITDA</i>	\$ 65,674	\$ 44,471	\$ 212,234	\$ 180,106
<i>Adjusted Diluted Shares Outstanding</i>	193,100	193,100	193,100	193,100
Recurring Free Cash Flow per Share	\$ 0.35	\$ 0.21	\$ 0.77	\$ 0.51

¹ Represents net income (loss) prior to non-controlling interest allocation and PIK dividend accrual for 2013.

² Includes \$9.7 million in amortization and \$2.0 million in depreciation associated with Chemtura and Agriphar Acquisitions.

³ Change in working capital reflects changes in accounts receivable, inventories and accounts payable

⁴ Reflects gross capital expenditures and post-acquisition registration and re-registration capitalized costs.

⁵ Reflects deal costs in connection with CAS, Agriphar and Arysta acquisitions in 2014 and MacDermid acquisition in 2013.

Platform Pro Forma As Adjusted EPS



(in thousands, except EPS)	Q4 2014	Q4 2013	2014	2013
As Adjusted NIAT ⁽¹⁾	\$ 27,734	\$ 20,530	\$ 113,764	\$ 89,911
As Adjusted EPS Basic:	\$0.17	\$0.13	\$0.84	\$0.66
Basic Share Count:	167,480	167,480	135,305	135,305
As Adjusted Diluted EPS:	\$0.14	\$0.11	\$0.59	\$0.46
Diluted Share Count ⁽²⁾	193,100	193,100	193,100	193,100

⁽¹⁾ NIAT excludes income attributable to minority interest

⁽²⁾ Diluted Share count calculated as follows: Basic Shares Outstanding @12/31/14: 182,067+ Conversion of exchange rights held by selling stockholders of MacDermid (8,641) + Common shares equivalent of founder's preferred shares (2,000) + Vested Director stock options (250) + Equity awards granted in 2014 (142)

Platform Reconciliation of Net Income to Adjusted EBITDA



(in millions)	<i>Combined</i>		<i>Successor</i>	
	Q4 2013	Q4 2014	YTD 2013	YTD 2014
Net loss	\$ (200.1)	\$ (34.0)	\$ (181.0)	\$ (29.9)
<i>Adjustments to reconcile to net loss:</i>				
Income tax (benefit) expense	(13.8)	(3.1)	7.1	(6.7)
Interest expense	10.8	14.9	51.8	38.7
Depreciation and amortization expense	16.2	30.7	45.6	88.0 (1)
Equity based compensation expense	9.6	0.5	9.6	1.3 (2)
Restructuring and related expenses	2.5	2.0	8.0	3.0 (3)
Non cash charges related to Founder Preferred Dividend	172.0	-	172.0	- (4)
Predecessor loss on extinguishment of debt	-	-	18.8	- (5)
Manufacturer's profit in inventory adjustment	23.9	23.6	23.9	35.5 (6)
Non-cash fair value adjustment to contingent consideration	-	3.0	-	29.1 (7)
Acquisition Costs	32.1	29.5	32.1	47.8 (8)
Other expense (income)	(8.7)	(1.4)	(7.8)	5.4 (9)
Adjusted EBITDA	\$ 44.5	\$ 65.7	\$ 180.1	\$ 212.2

Footnotes:

- (1) Includes \$23.8 million in Q4 2014 and \$11.1 million in Q4 2013 and \$67.4 million in YTD 2014 and \$31.3 million in YTD 2013 for amortization expense that is added back in the "As Adjusted" Income Statement.
- (2) Adjustment for predecessor stock compensation and long term incentive plan expense.
- (3) Includes restructuring expenses of \$1.9 million of reorganization costs adjusted out of operating expenses for YTD 2013.
- (4) Non-cash charge related to preferred stock dividend rights.
- (5) Adjustment to eliminate extinguishment of debt associated with recapitalization of MacDermid in Q2 2013.
- (6) Adjustment to reverse manufacturer's profit in inventory purchase accounting adjustment associated with MacDermid Acquisition for YTD 2013 and Chemtura and Agriphar Acquisitions for YTD 2014..
- (7) Adjustment to fair value of contingent consideration in connection with the MacDermid Acquisition primarily associated with achieving the share price targets.
- (8) Adjustment to reverse deal costs primarily in connection with the MacDermid Acquisition for YTD 2013 and the Chemtura, Arysta and Agriphar Acquisitions for YTD 2014.
- (9) Adjustment for 2014 primarily for reversal of the income attributable to the non-controlling interest resulting from the MacDermid Acquisition. For 2013, adjustment to reverse miscellaneous non-recurring charges.