



# PolyOne Corporation Investor Day 2012

May 16, 2012



*Collaboration. Innovation. Excellence.™*



Welcome



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# Forward Looking Statements



- In this presentation, statements that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. They use words such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance and/or sales.
- Factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to:
  - ✓ Disruptions, uncertainty or volatility in the credit markets that could adversely impact the availability of credit already arranged and the availability and cost of credit in the future;
  - ✓ The financial condition of our customers, including the ability of customers (especially those that may be highly leveraged and those with inadequate liquidity) to maintain their credit availability;
  - ✓ The speed and extent of an economic recovery, including the recovery of the housing market;
  - ✓ The amount and timing of repurchases, if any, of PolyOne common shares and our ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends;
  - ✓ The effect on foreign operations of currency fluctuations, tariffs, and other political, economic and regulatory risks;
  - ✓ Changes in polymer consumption growth rates in the markets where we conduct business;
  - ✓ Changes in global industry capacity or in the rate at which anticipated changes in industry capacity come online;
  - ✓ Fluctuations in raw material prices, quality and supply and in energy prices and supply;
  - ✓ Production outages or material costs associated with scheduled or unscheduled maintenance programs;
  - ✓ Unanticipated developments that could occur with respect to contingencies such as litigation and environmental matters;
  - ✓ An inability to achieve or delays in achieving or achievement of less than the anticipated financial benefit from initiatives related to working capital reductions, cost reductions, employee productivity goals, and an inability to raise or sustain prices for products or services;
  - ✓ The ability to successfully integrate acquired companies into our operations, retain the management teams of acquired companies, and retain relationships with customers of acquired companies, including without limitation, Color Matrix Group, Inc. (ColorMatrix);
  - ✓ The ability to achieve the expected results of any acquisitions, including the acquisitions being accretive, including without limitation, the acquisition of ColorMatrix;
  - ✓ An inability to maintain appropriate relations with unions and employees; and
  - ✓ Other factors affecting our business beyond our control, including, without limitation, changes in the general economy, changes in interest rates and changes in the rate of inflation.
- The above list of factors is not exhaustive.
- We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any further disclosures we make on related subjects in our reports on Form 10-Q, 8-K and 10-K that we provide to the Securities and Exchange Commission.

# Use of Non GAAP Measures

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- This presentation includes the use of both GAAP (generally accepted accounting principles) and non-GAAP financial measures. The non-GAAP financial measures include: adjusted EPS, earnings before interest, tax, depreciation and amortization (EBITDA), adjusted EBITDA, net debt, Specialty platform operating income and gross margin, adjusted operating income, free cash flow, return on invested capital, GLS operating income, net debt/ EBITDA, and the exclusion of corporate charges in certain calculations. In certain cases throughout this presentation, we have presented GAAP and non-GAAP financial measures adjusted to reflect full-year 2011 Pro forma results, including ColorMatrix.
- PolyOne's chief operating decision makers use these financial measures to monitor and evaluate the ongoing performance of the Company and each business segment and to allocate resources. In addition, operating income before special items is a component of various PolyOne annual and long-term employee incentive plans.
- A reconciliation of each non-GAAP financial measure with the most directly comparable GAAP financial measure is attached to this presentation which is posted on our website at [www.polyone.com](http://www.polyone.com).