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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **July 29, 2020**

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**Trinseo S.A.**

(Exact name of registrant as specified in its charter)

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**Luxembourg**  
(State or other jurisdiction  
of incorporation or organization)

**001-36473**  
(Commission  
File Number)

**N/A**  
(I.R.S. Employer  
Identification Number)

**1000 Chesterbrook Boulevard, Suite 300,  
Berwyn, Pennsylvania 19312**  
(Address of principal executive offices, including zip code)

**(610) 240-3200**  
(Telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading symbol</u>	<u>Name of Exchange on which registered</u>
Ordinary Shares, par value \$0.01 per share	TSE	New York Stock Exchange

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**ITEM 2.02 Results of Operations and Financial Condition**

On July 29, 2020, Trinseo S.A., a public limited liability company (*société anonyme*) existing under the laws of Luxembourg (the “Company”), issued a press release announcing its financial results for the second quarter ended June 30, 2020. A copy of the press release is furnished as Exhibit 99.1 hereto. The Company intends to hold an investor call and webcast to discuss these results on Thursday, July 30, 2020 at 10 AM Eastern Time. Ahead of this call the Company is also making available on its website an investor presentation, which will be discussed on the call and is furnished as Exhibit 99.2 hereto.

The information contained herein and in the accompanying exhibits shall not be deemed filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

**ITEM 9.01. Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press Release, dated July 29, 2020</a>
99.2	<a href="#">Investor Presentation, dated July 29, 2020</a>
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

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EXHIBIT INDEX

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, each registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TRINSEO S.A.**

By: /s/ David Stasse  
Name: David Stasse  
Title: Executive Vice President and Chief Financial Officer

Date: July 29, 2020

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## News Release

**Press Contact:**

Trinseo  
 Matthew Cassidy  
 Tel : +1 610-240-3264  
 Email: mcassidy@trinseo.com

**Investor Contact:**

Trinseo  
 Andy Myers  
 Tel : +1 610-240-3221  
 Email: aemyers@trinseo.com

### Trinseo Reports Second Quarter 2020 Financial Results

**Second Quarter 2020 and Other Highlights**

- Net loss of \$128 million and diluted EPS of (\$3.36), inclusive of a \$6 million pre-tax charge related to corporate restructuring costs; Adjusted EPS\* of (\$2.95)
- Adjusted EBITDA\* of negative \$8 million, including a \$43 million unfavorable impact from net timing and a \$60 million to \$65 million unfavorable impact from COVID-19
- Continued liquidity-focused actions in response to COVID-19 including reduced capital spending, operating expenses, and working capital which resulted in second quarter cash from operations of \$82 million, Free Cash Flow\* of \$58 million, quarter-ending cash and cash equivalents of \$582 million, and Liquidity\* of \$953 million

Smillions, except per share data	Three Months Ended	
	June 30,	
	2020	2019
Net Sales	\$ 570	\$ 952
Net Income (Loss)	(128)	28
EPS (Diluted) (\$)	(3.36)	0.68
Adjusted Net Income (Loss)*	(113)	41
Adjusted EPS (\$)*	(2.95)	0.99
EBITDA*	(17)	88
Adjusted EBITDA*	(8)	103

*\*For a reconciliation of EBITDA, Adjusted EBITDA, and Adjusted Net Income, all of which are non-GAAP measures, to Net Income, as well as a reconciliation of Free Cash Flow, Adjusted EPS and Liquidity, see Notes 2 and 3 to the financial statements included below.*

BERWYN, Pa — July 29, 2020 — Trinseo (NYSE: TSE), a global materials company and manufacturer of plastics, latex binders and synthetic rubber, today reported its second quarter 2020 financial results.

Commenting on the Company's second quarter performance, Frank Bozich, President and Chief Executive Officer of Trinseo, said, "I am very proud of our employees as we continue to work safely to meet customer demand and adapt to challenging market conditions. Despite a historically low-demand environment, we achieved strong cash generation and quarter-ending liquidity by closely managing costs and working capital levels."

Net sales of \$570 million in the second quarter decreased 40% versus prior year. The decline in sales was split between lower sales volume and lower pricing from the pass through of lower raw material cost. Lower sales volume was a result of COVID-19 impacts, and was mainly in the Performance Plastics and Synthetic Rubber segments resulting from reduced sales in automotive and tire applications. Second quarter net loss of \$128 million was \$156 million below prior year net income while second quarter Adjusted EBITDA of negative \$8 million, including an unfavorable net timing impact of \$43 million, was \$111 million below prior year. Lower year-over-year profitability was due mainly to the decline in sales volume as well as unfavorable net timing; these impacts were

partially offset by lower fixed cost spending and utility costs. The COVID-19 pre-tax impact on profitability was approximately \$60 million to \$65 million in the second quarter and approximately \$65 million to \$70 million year-to-date.

Cash provided by operating activities for the second quarter was \$82 million and capital expenditures were \$24 million, resulting in Free Cash Flow for the quarter of \$58 million. This reflected a \$131 million decrease across accounts receivable, inventory, and accounts payable as a result of lower raw material prices as well as inventory reduction initiatives. The cash balance at the end of the quarter was \$582 million. For a reconciliation of Free Cash Flow to cash provided by operating activities, see Note 3 below.

Bozich continued, “During the second quarter we observed significant volume declines from COVID-19, with trough conditions in April, most markedly in applications supporting automotive, tires, graphical paper and textiles. However, we saw significant end-market improvement as the quarter progressed, particularly in June, and this gives us confidence that the worst demand impacts from COVID-19 are behind us.”

#### **Second quarter Results and Commentary by Business Segment**

- **Latex Binders** net sales of \$165 million for the quarter decreased 28% versus prior year due mainly to the pass through of lower raw material costs as well as lower sales volume to graphical paper and textile applications as demand was impacted by COVID-19. Adjusted EBITDA of \$17 million was \$4 million lower than prior year mainly from lower sales volume which was partially offset by lower fixed and utility costs. Year-to-date sales volume to CASE applications increased 3% in comparison to prior year.
- **Synthetic Rubber** net sales of \$36 million for the quarter decreased 68% versus prior year. Lower sales volume, caused by weaker demand in the global tire market due to COVID-19, contributed to a 56% decline in net sales, with the remainder due mainly to raw material cost pass through. Adjusted EBITDA of negative \$28 million, which included a \$15 million unfavorable net timing impact, was \$41 million below prior year due mainly to lower sales volume and net timing.
- **Performance Plastics** net sales of \$189 million for the quarter decreased 46% versus prior year. COVID-19 caused significant volume headwinds in automotive applications as many customers in Europe and North America shut down production in the first half of the quarter, which contributed to a 33% volume-related decline in net sales. Automotive applications have historically made up approximately 40% of Performance Plastics net sales. Adjusted EBITDA of negative \$6 million included a \$15 million unfavorable impact from net timing. This result was \$40 million lower than prior year due to lower sales volume and net timing, which were partially offset by lower fixed costs. Year-to-date sales volume to Engineered Materials applications decreased approximately 12% in comparison to prior year.
- **Polystyrene** net sales of \$156 million for the quarter were 25% below prior year. Lower pricing from the pass through of lower raw material costs negatively impacted net sales by 39%. This was partially offset by higher sales volume in Europe from prior year destocking and higher demand to essential applications such as packaging and appliances in the current year. Adjusted EBITDA of \$15 million was \$1 million lower than prior year as higher sales volume was more than offset by unfavorable net timing and lower fixed cost absorption.
- **Feedstocks** net sales of \$24 million for the quarter were 57% below prior year due to lower styrene pricing as well as lower styrene-related sales volume. Adjusted EBITDA of negative \$4 million, which included an unfavorable net timing impact of \$8 million, was \$3 million lower than prior year as unfavorable net timing variance was partially offset by lower fixed costs and higher styrene production.
- **Americas Styrenics** Adjusted EBITDA of \$14 million for the quarter was \$26 million below prior year due mainly to lower styrene margins in North America as well as volume-related impacts from COVID-19.

#### **Outlook**

Commenting on the outlook for the remainder of 2020, Bozich said, “As the second quarter progressed we saw improved demand across many of the applications we serve, and so far in the third quarter we are seeing this momentum continue. While we are seeing significant improvement, the rate of recovery remains unknown. Regardless, we’ve taken actions to reduce operating costs and maximize liquidity and we will continue to manage this closely given the market uncertainty. In addition, we will continue to invest in the higher growth applications we previously outlined – CASE, Engineered Materials, and SSBR – so that we are better positioned to accelerate growth and cash generation.”

#### **Conference Call and Webcast Information**

Trinseo will host a conference call to discuss its second quarter 2020 financial results on Thursday, July 30, 2020 at 10 a.m. Eastern Time.

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Commenting on results will be Frank Bozich, President and Chief Executive Officer, David Stasse, Executive Vice President and Chief Financial Officer, and Andy Myers, Director of Investor Relations. To register for this conference call, please use the following links:

- Conference Call Registration – for those interested in asking questions during the Q&A session
- Webcast Registration – for those interested in listening only

After registering, you will receive a confirmation email with a meeting invitation and information for entry. Registration is open through the live call, but it is advised that you register at least one day in advance to ensure you are connected for the full call.

Trinseo has posted its second quarter 2020 financial results on the Company's Investor Relations website. The presentation slides will also be made available in the webcast player prior to the conference call. The Company will also furnish copies of the financial results press release and presentation slides to investors by means of a Form 8-K filing with the U.S. Securities and Exchange Commission.

A replay of the conference call and transcript will be archived on the Company's Investor Relations website shortly following the conference call. The replay will be available until July 30, 2021.

#### **About Trinseo**

Trinseo (NYSE:TSE) is a global materials solutions provider and manufacturer of plastics, latex binders, and synthetic rubber. We are focused on delivering innovative and sustainable solutions to help our customers create products that touch lives every day — products that are intrinsic to how we live our lives — across a wide range of end-markets, including automotive, consumer electronics, appliances, medical devices, lighting, electrical, carpet, paper and board, building and construction, and tires. Trinseo had approximately \$3.8 billion in net sales in 2019, with 17 manufacturing sites around the world, and approximately 2,700 employees. For more information visit [www.trinseo.com](http://www.trinseo.com).

#### **Use of non-GAAP measures**

*In addition to using standard measures of performance and liquidity that are recognized in accordance with accounting principles generally accepted in the United States of America ("GAAP"), we use additional measures of income excluding certain GAAP items ("non-GAAP measures"), such as Adjusted Net Income, EBITDA, Adjusted EBITDA and Adjusted EPS and measures of liquidity excluding certain GAAP items, such as Free Cash Flow. We believe these measures are useful for investors and management in evaluating business trends and performance each period. These measures are also used to manage our business and assess current period profitability, as well as to provide an appropriate basis to evaluate the effectiveness of our pricing strategies. Such measures are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance or liquidity, as applicable. The definitions of each of these measures, further discussion of usefulness, and reconciliations of non-GAAP measures to GAAP measures are provided in the Notes to Condensed Consolidated Financial Information presented herein.*

#### **Cautionary Note on Forward-Looking Statements**

*This press release may contain "forward-looking statements" including, without limitation, statements concerning plans, objectives, goals, projections, expectations, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. Forward-looking statements may be identified by the use of words like "expect," "estimate," "will," "may," or expressions of similar meaning. Forward-looking statements reflect management's evaluation of information currently available and are based on the Company's current expectations and assumptions regarding the impact from the COVID-19 pandemic, the Company's business, the economy and other future conditions. Specific factors that could cause future results to differ from those expressed by the forward-looking statements include, but are not limited to, risks related to the ongoing impact of the COVID-19 pandemic and those discussed in the Company's Annual Report for the year ended December 31, 2019 filed with the Securities and Exchange Commission ("SEC"), in subsequent Quarterly Reports on Form 10-Q and in other filings and furnishings made by the Company with the SEC from time to time. Other unknown or unpredictable factors could also have material adverse effects on the Company's performance. As a result of these or other factors, the Company's actual results may differ materially from those contemplated by the forward-looking statements. The forward-looking statements included in this press release are made only as of the date hereof and are not a guarantee of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.*

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TRINSEO S.A.

Condensed Consolidated Statements of Operations  
(In millions, except per share data)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Net sales	\$ 569.7	\$ 951.8	\$ 1,423.2	\$ 1,964.9
Cost of sales	576.8	865.6	1,360.6	1,781.2
Gross profit (loss)	(7.1)	86.2	62.6	183.7
Selling, general and administrative expenses	58.3	71.4	135.8	140.3
Equity in earnings of unconsolidated affiliates	14.4	40.3	24.2	72.5
Impairment charges	—	—	38.3	—
Operating income (loss)	(51.0)	55.1	(87.3)	115.9
Interest expense, net	11.7	9.9	22.0	20.1
Other expense, net	1.0	1.5	2.6	5.5
Income (loss) before income taxes	(63.7)	43.7	(111.9)	90.3
Provision for income taxes	64.7	15.7	52.8	26.5
Net income (loss)	\$ (128.4)	\$ 28.0	\$ (164.7)	\$ 63.8
Weighted average shares- basic	38.2	40.8	38.4	41.0
Net income (loss) per share- basic	\$ (3.36)	\$ 0.69	\$ (4.29)	\$ 1.56
Weighted average shares- diluted	38.2	41.1	38.4	41.5
Net income (loss) per share- diluted	\$ (3.36)	\$ 0.68	\$ (4.29)	\$ 1.54

TRINSEO S.A.

Condensed Consolidated Balance Sheets  
(In millions)  
(Unaudited)

	June 30, 2020	December 31, 2019
<b>Assets</b>		
Cash and cash equivalents	\$ 581.8	\$ 456.2
Accounts receivable, net	432.2	570.8
Inventories	313.3	438.2
Other current assets	12.2	25.9
Investments in unconsolidated affiliates	212.3	188.1
Property, plant, equipment, goodwill, and other intangible assets, net	825.6	885.0
Right-of-use assets - operating	75.3	71.4
Total other assets	136.5	123.2
Total assets	<u>\$ 2,589.2</u>	<u>\$ 2,758.8</u>
<b>Liabilities and shareholders' equity</b>		
Current liabilities	435.6	527.6
Long-term debt, net	1,261.3	1,162.6
Noncurrent lease liabilities - operating	63.2	58.0
Other noncurrent obligations	370.3	341.7
Shareholders' equity	458.8	668.9
Total liabilities and shareholders' equity	<u>\$ 2,589.2</u>	<u>\$ 2,758.8</u>

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TRINSEO S.A.

Condensed Consolidated Statements of Cash Flows  
(In millions)  
(Unaudited)

	Six Months Ended	
	June 30,	
	2020	2019
<b>Cash flows from operating activities</b>		
Cash provided by operating activities	\$ 75.8	\$ 234.0
<b>Cash flows from investing activities</b>		
Capital expenditures	(48.2)	(47.6)
Net cash received for asset and business acquisitions, net of cash acquired	0.1	—
Proceeds from the sale of businesses and other assets	11.9	0.7
Proceeds from the settlement of hedging instruments	51.6	—
Cash provided by (used in) investing activities	15.4	(46.9)
<b>Cash flows from financing activities</b>		
Short-term borrowings, net	(5.4)	(2.3)
Purchase of treasury shares	(25.0)	(59.1)
Dividends paid	(31.2)	(33.8)
Proceeds from exercise of option awards	—	0.8
Withholding taxes paid on restricted share units	(0.6)	(4.0)
Repayments of 2024 Term Loan B	(3.4)	(3.5)
Net proceeds from draw on 2022 Revolving Facility	100.0	—
Cash provided by (used) in financing activities	34.4	(101.9)
Effect of exchange rates on cash	(0.5)	(1.6)
Net change in cash, cash equivalents, and restricted cash	125.1	83.6
Cash, cash equivalents, and restricted cash—beginning of period	457.4	452.3
Cash, cash equivalents, and restricted cash—end of period	\$ 582.5	\$ 535.9
Less: Restricted cash, included in "Other current assets"	(0.7)	(1.0)
Cash and cash equivalents—end of period	\$ 581.8	\$ 534.9

TRINSEO S.A.

Notes to Condensed Consolidated Financial Information  
(Unaudited)

**Note 1: Net sales by Segment**

(In millions)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2020	2019	2020	2019
Latex Binders	\$ 164.9	\$ 230.2	\$ 384.0	\$ 454.1
Synthetic Rubber	36.4	112.1	138.0	236.7
Performance Plastics	189.0	347.5	494.2	716.8
Polystyrene	155.8	207.1	338.6	435.6
Feedstocks	23.6	54.9	68.4	121.7
Americas Styrenics*	—	—	—	—
<b>Total Net Sales</b>	<b>\$ 569.7</b>	<b>\$ 951.8</b>	<b>\$ 1,423.2</b>	<b>\$ 1,964.9</b>

\* The results of this segment are comprised entirely of earnings from Americas Styrenics, our 50%-owned equity method investment. As such, we do not separately report net sales of Americas Styrenics within our condensed consolidated statements of operations.

**Note 2: Reconciliation of Non-GAAP Performance Measures to Net Income**

EBITDA is a non-GAAP financial performance measure, which is defined as income from continuing operations before interest expense, net; income tax provision; depreciation and amortization expense. We refer to EBITDA in making operating decisions because we believe it provides our management as well as our investors with meaningful information regarding the Company's operational performance. We believe the use of EBITDA as a metric assists our board of directors, management and investors in comparing our operating performance on a consistent basis.

We also present Adjusted EBITDA as a non-GAAP financial performance measure, which we define as income from continuing operations before interest expense, net; income tax provision; depreciation and amortization expense; loss on extinguishment of long-term debt; asset impairment charges; gains or losses on the dispositions of businesses and assets; restructuring charges; acquisition related costs and benefits, and other items. In doing so, we are providing management, investors, and credit rating agencies with an indicator of our ongoing performance and business trends, removing the impact of transactions and events that we would not consider a part of our core operations.

Lastly, we present Adjusted Net Income and Adjusted EPS as additional performance measures. Adjusted Net Income is calculated as Adjusted EBITDA (defined beginning with net income, above), less interest expense, less the provision for income taxes and depreciation and amortization, tax affected for various discrete items, as appropriate. Adjusted EPS is calculated as Adjusted Net Income per weighted average diluted shares outstanding for a given period. We believe that Adjusted Net Income and Adjusted EPS provide transparent and useful information to management, investors, analysts and other stakeholders in evaluating and assessing our operating results from period-to-period after removing the impact of certain transactions and activities that affect comparability and that are not considered part of our core operations.

There are limitations to using the financial performance measures noted above. These performance measures are not intended to represent net income or other measures of financial performance. As such, they should not be used as alternatives to net income as indicators of operating performance. Other companies in our industry may define these performance measures differently than we do. As a result, it may be difficult to use these or similarly-named financial measures that other companies may use, to compare the performance of those companies to our performance. We compensate for these limitations by providing reconciliations of these performance measures to our net income, which is determined in accordance with GAAP.

(In millions, except per share data)	Three Months Ended	
	June 30,	
	2020	2019
<b>Net income (loss)</b>	<b>\$ (128.4)</b>	<b>\$ 28.0</b>
Interest expense, net	11.7	9.9
Provision for income taxes	64.7	15.7
Depreciation and amortization	34.8	34.7
EBITDA	\$ (17.2)	\$ 88.3
Restructuring and other charges (a)	6.3	(0.3)
Acquisition transaction and integration net costs	(0.4)	0.7
Other items (b)	3.0	14.1
Adjusted EBITDA	\$ (8.3)	\$ 102.8
<u>Adjusted EBITDA to Adjusted Net Income:</u>		
Adjusted EBITDA	(8.3)	102.8
Interest expense, net	11.7	9.9
Provision for income taxes - Adjusted (c)	59.3	19.1
Depreciation and amortization - Adjusted (d)	33.6	33.1
Adjusted Net Income (Loss)	\$ (112.9)	\$ 40.7
Adjusted EPS	\$ (2.95)	\$ 0.99
<u>Adjusted EBITDA by Segment:</u>		
Latex Binders	\$ 17.0	\$ 20.6
Synthetic Rubber	(27.7)	12.9
Performance Plastics	(5.6)	34.2
Polystyrene	14.8	16.2
Feedstocks	(3.5)	(0.6)
Americas Styrenics	14.4	40.3
Corporate unallocated	(17.7)	(20.8)
Adjusted EBITDA	\$ (8.3)	\$ 102.8

- (a) Restructuring and other charges for the three months ended June 30, 2020 primarily relate to employee termination benefit charges as well as contract termination charges incurred in connection with the Company's corporate restructuring program. The remainder of restructuring and other charges for the three months ended June 30, 2020 and restructuring and other charges for the three months ended June 30, 2019 primarily relate to decommissioning and employee termination benefit charges incurred in connection with the upgrade and replacement of our compounding facility in Terneuzen, The Netherlands as well as our decision to cease manufacturing activities at our latex binders manufacturing facility in Livorno, Italy.

Note that the accelerated depreciation charges incurred as part of both the Company's corporate restructuring program and the upgrade and replacement of the Company's compounding facility in Terneuzen, The Netherlands are included within the "Depreciation and amortization" caption above, and therefore are not included as a separate adjustment within this caption.

- (b) Other items for the three months ended June 30, 2020 and 2019 primarily relate to advisory and professional fees incurred in conjunction with our initiative to transition business services from Dow, including certain administrative services such as accounts payable, logistics, and IT services. Also included within other items for the three months ended June 30, 2020 and 2019 are fees incurred in conjunction with certain of the Company's strategic initiatives.
- (c) Adjusted to remove the tax impact of the items noted in (a), (b), and (d). The income tax expense (benefit) related to these items was determined utilizing either (1) the estimated annual effective tax rate on our ordinary income based upon our forecasted ordinary income for the full year or, (2) for items treated discretely for tax purposes we utilized the applicable rates in the taxing jurisdictions in which these adjustments occurred. The three months ended June 30, 2020 excludes a \$2.4 million tax expense related to provision to return adjustments.
- (d) Amounts exclude accelerated depreciation of \$1.2 million for the three months ended June 30, 2020 related to the shortening of the useful life of certain fixed assets related to the Company's corporate restructuring program. The amounts exclude \$1.6 million for the three months ended June 30, 2019 related to the shortening of the useful life of certain information technology assets related to the transition of business services from The Dow Chemical Company (noted in (b) above).

**Note 3: Reconciliation of Non-GAAP Liquidity Measures to Cash from Operations**

The Company uses certain measures, such as Free Cash Flow and Liquidity, as non-GAAP measures, to evaluate and discuss its liquidity position and results. Free Cash Flow is defined as cash from operating activities, less capital expenditures. Liquidity is defined as total cash and cash equivalents plus unused borrowing capacity on the Company's revolving debt and accounts receivable securitization facility. We believe that Free Cash Flow provides an indicator of the Company's ongoing ability to generate cash through core operations, as it excludes the cash impacts of various financing transactions as well as cash flows from business combinations that are not considered organic in nature. We also believe that Free Cash Flow and Liquidity provide management and investors with useful analytical indicators of our ability to service our indebtedness, pay dividends (when declared), and meet our ongoing cash obligations.

Free Cash Flow and Liquidity are not intended to represent cash flows from operations as defined by GAAP, and therefore, should not be used as alternatives for that measure. Other companies in our industry may define Free Cash Flow and Liquidity differently than we do. As a result, it may be difficult to use these or similarly-named financial measures that other companies may use, to compare the liquidity and cash generation of those companies to our own. The Company compensates for these limitations by providing the following detail, which is determined in accordance with GAAP.

**Free Cash Flow**

<u>(In millions)</u>	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 30,</u>		<u>June 30,</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash provided by operating activities	\$ 81.6	\$ 80.8	\$ 75.8	\$ 234.0
Capital expenditures	(23.8)	(22.6)	(48.2)	(47.6)
Free Cash Flow	<u>\$ 57.8</u>	<u>\$ 58.2</u>	<u>\$ 27.6</u>	<u>\$ 186.4</u>

**Liquidity**

<u>(In millions)</u>	<u>As of</u>	
	<u>June 30,</u>	
	<u>2020</u>	
Cash and cash equivalents	\$	581.8
Available borrowings under the accounts receivable securitization facility		110.3
Available borrowings under the revolving credit facility		261.0
Liquidity	<u>\$</u>	<u>953.1</u>

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July 29, 2020

# Second Quarter 2020 Financial Results

<sup>TM</sup> Trademark of Trinseo S.A. or its affiliates

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# Introductions & Disclosure Rules



## Introductions

- **Frank Bozich, President & CEO**
- **David Stasse, Executive Vice President & CFO**
- **Andy Myers, Director of Investor Relations**

## Disclosure Rules

*Cautionary Note on Forward-Looking Statements.* This presentation contains forward-looking statements including, without limitation, statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts or guarantees or assurances of future performance. Forward-looking statements may be identified by the use of words like "expect," "anticipate," "intend," "forecast," "outlook," "will," "may," "might," "see," "tend," "assume," "potential," "likely," "target," "plan," "contemplate," "seek," "attempt," "should," "could," "would" or expressions of similar meaning. Forward-looking statements reflect management's evaluation of information currently available and are based on our current expectations and assumptions regarding the impact from the Covid-19 pandemic, our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Factors that might cause such a difference include, but are not limited to, those discussed in our Annual Report on Form 10-K, under Part I, Item 1A — "Risk Factors" and elsewhere in our other reports filed with the U.S. Securities and Exchange Commission. As a result of these or other factors, our actual results may differ materially from those contemplated by the forward-looking statements. Therefore, we caution you against relying on any of these forward-looking statements. The forward-looking statements included in this presentation are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

This presentation contains financial measures that are not in accordance with generally accepted accounting principles in the US ("GAAP") including EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted EPS, Free Cash Flow and Liquidity. We believe these measures provide relevant and meaningful information to investors and lenders about the ongoing operating results and liquidity position of the Company. Such measures when referenced herein should not be viewed as an alternative to GAAP measures of performance or liquidity, as applicable. We have provided a reconciliation of these measures to the most comparable GAAP metric alongside of the respective measure or otherwise in the Appendix section of this presentation.

# Summary



## Q2 2020 Results

- \$60 to \$65 million COVID-19 impact (pre-tax): steep demand decline particularly in automotive, tire, textile, and graphical paper with April as the trough followed by sequential improvement each month
- Strong Polystyrene volume in packaging and appliances
- Abundance of naphtha from low fuel demand and lower POSM operating rates continue to aid styrene margins in Europe

## Cash and Liquidity

- Q2 cash from operations of \$82 million and Free Cash Flow\* of \$58 million, including a working capital release of \$131 million from lower raw materials and inventory management
- Q2 ending cash of \$582 million and availability of \$371 million under committed lines\*\*\*, resulting in Liquidity\*\* of \$953 million
- \$100 million revolver borrowing repaid in July

## 2<sup>nd</sup> Half 2020 Outlook

- Increasing volume from Q2 lows from improved demand in applications such as automotive and tires
- Lower project spend expected in 2<sup>nd</sup> half as larger turnarounds and major projects, such as the transition from Dow Services, were completed in the first half

## Key Initiatives

- Released 2020 Sustainability Report on July 17<sup>th</sup> including Sustainability Goals for 2030
- Continued COVID-19 safety actions for employees including increased cleanings and social distancing practices
- Investments in CASE, SSBR, and Engineered Materials

NOTE: Working Capital represents accounts receivable, inventory and accounts payable. \*See Appendix for a reconciliation of non-GAAP measures. \*\*For the definition of Liquidity and other non-GAAP measures, refer to the accompanying press release furnished as Exhibit 99.1 to our Form 8-K dated July 29, 2020. \*\*\*\$371 million of availability under committed facilities includes \$261 million of available borrowings under the revolver facility as of June 30, 2020, and \$110 million of available borrowings under the accounts receivable securitization facility as of June 30, 2020.

# Our 2019 Sustainability Results at a Glance



## Sustainability Journey

- Developed strategic, ambitious and achievable Sustainability Goals to develop a sustainable product portfolio, increase supplier responsibility, elevate responsible operations, develop a sustainable workforce, and directly address climate change



## Business & Operations

- Took steps to transition IT and other services from Dow Chemical (achieved systems independence in 2020) – hired 440 new employees, bringing global count to approximately 2,700
- Continued implementation of the Corporate Procurement Policy by developing evaluation tools, including an updated Supplier Relationships Management scorecard



## Products & Innovations

### Plastics

- Unveiled plans to offer an average of 30% recycled content to customers for polystyrene packaging in Europe by 2025

### Latex Binders

- Introduced low-VOC containing latexes with reduced levels of unreacted monomers and impurities, reducing hydrocarbon releases into the atmosphere

### Synthetic Rubber

- Introduced SPRINTAN™ 918S SSBR, enabling up to 15% improvement in rolling resistance, 8% better wet grip, and 20% less wear in comparison to standard, non-functional high-grip SSBR\*

## Corporate Citizenship



- Trinseo employees spent 3,545 hours supporting local organizations at 24 locations across the globe as part of the 2019 Trinseo Volunteer Days



## Safety

- Achieved an injury rate of 0.11, which places Trinseo in the upper echelons of the chemical industry for safety
- For the fifth year in a row, recorded no Process Safety Incidents



## Environmental Protection

Since 2011, Trinseo has reduced:

- Electricity usage by **15%**
- Water consumption by **34%**
- Scope 1 Green House Gas (GH) emissions by **37%**
- Nitrogen Oxide (NOx) by **40%**
- Total chemical emissions by **29%**

# Our 2030 Sustainability Goals



## Climate Change

- By 2035, reduce, by 35%, Scope 1 & 2 GHG emissions intensity (2017 base year)
- By 2030, increase the share of electricity from non-fossil sources from 5% to 30% (2017 base year)
- By 2025, establish a management system and begin reporting and tracking Scope 3 emissions



## Sustainable Product Portfolio

- By 2025, 30% of Trinseo's technology and innovation/R&D efforts will be aimed at circular economy solutions
- By 2030, 40% of Trinseo's products will be sustainably advantaged
- By 2030, 50% of Trinseo's products will be used in applications that align with the United Nations Sustainable Development Goals (UNSDG)



## Supplier Responsibility

- By 2025, implement a Sustainability/CSR Due Diligence program for new key suppliers as an addition to the existing supplier on-boarding process
- By 2030, 80% of our existing suppliers with recurring spend of >\$100K are assessed and demonstrated to be compliant with our sustainability requirements



## Responsible Operations

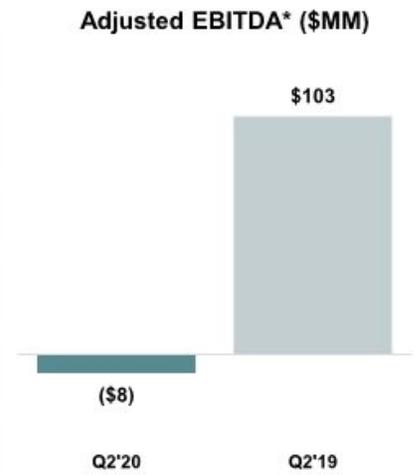
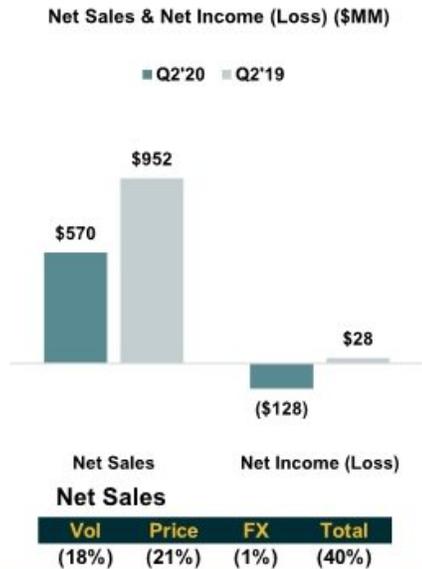
- By 2030, reduce fresh water intake by 20%
- By 2030, reduce overall waste generation by 15%
- By 2030, reduce waste disposal to landfill to zero
- By 2030, all pellet-handling sites achieve zero pellet loss to the environment through Operation Clean Sweep



## Sustainable Workforce

- By 2030, achieve gender balance in the organization through filling 50% of company open positions with women; and double the percentage of women in senior management and executive positions to 40%
- By 2023, all employees will have a personal employee development plan which will enable the creation of holistic learning and development strategy, which is to be implemented by 2025
- By 2030, achieve one or more years of zero recordable injuries for employees and contractors globally

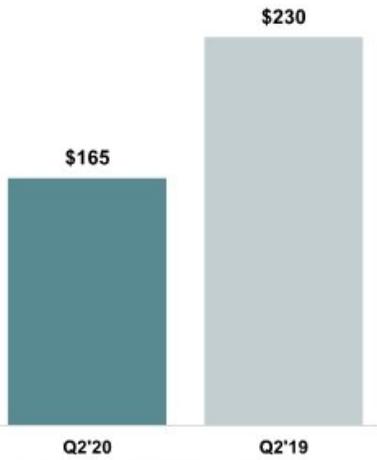
# Trinseo Q2 2020 Financial Results



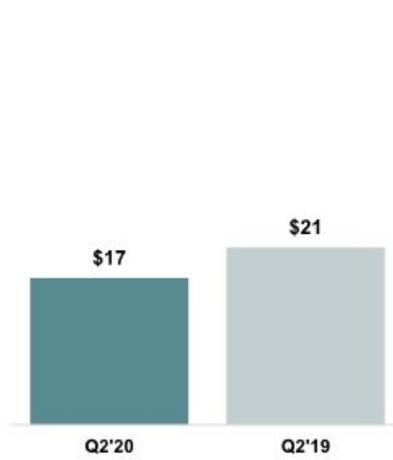
- Q2 results include an unfavorable net timing impact of \$43 million and an unfavorable COVID-19 impact of approximately \$60 million to \$65 million
- Lower profitability versus prior year due to net timing and significantly lower volumes attributed to COVID-19, particularly in the applications of automotive, tires, graphical paper and textiles
- Resiliency in demand in packaging and appliance applications

# Latex Binders

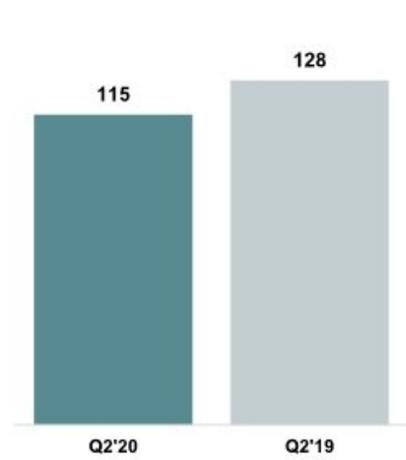
Net Sales (\$MM)



Adjusted EBITDA (\$MM)



Volume (kt)



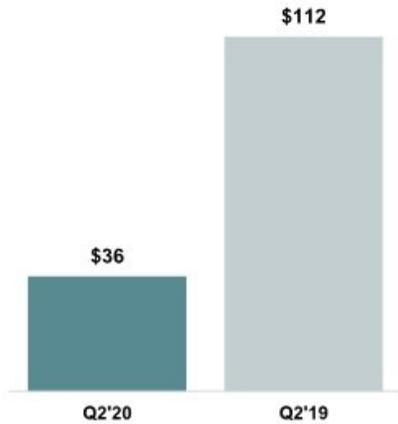
Vol	Price	FX	Total
(7%)	(20%)	(1%)	(28%)



- Lower demand versus prior year in graphical paper and textile applications due to COVID-19, with resiliency in board
- Q2 year-to-date CASE sales volume up 3%
- Lower price from the pass through of lower raw material cost

# Synthetic Rubber

Net Sales (\$MM)

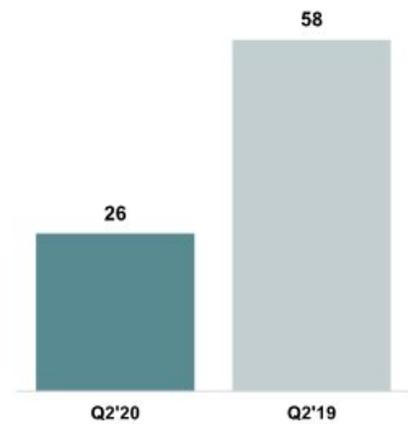


Vol	Price	FX	Total
(56%)	(11%)	(1%)	(68%)

Adjusted EBITDA (\$MM)



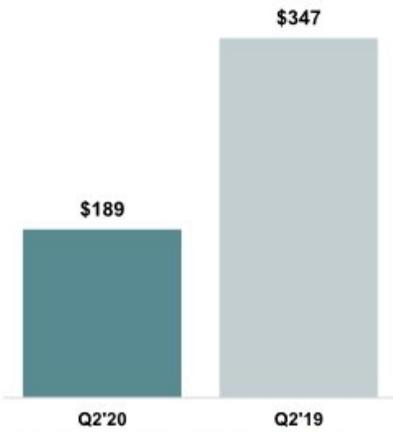
Volume (kt)



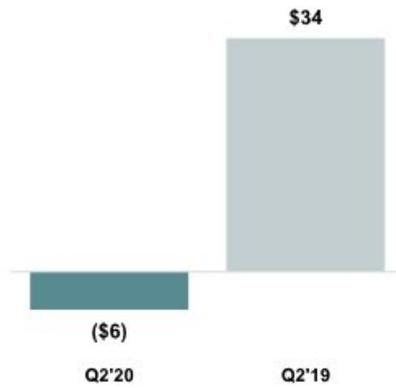
- Adjusted EBITDA includes a negative net timing impact of \$15 million
- Roughly 35% decline in global tire demand led to historically low volumes, particularly early in the quarter
- Lower price from the pass through of lower raw material cost

# Performance Plastics

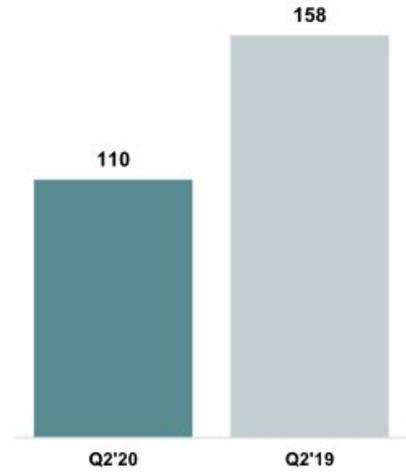
Net Sales (\$MM)



Adjusted EBITDA (\$MM)



Volume (kt)



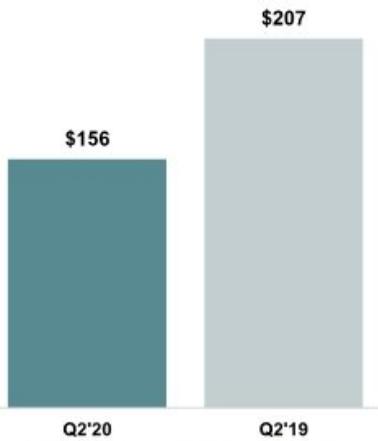
Vol	Price	FX	Total
(33%)	(12%)	(0%)	(46%)



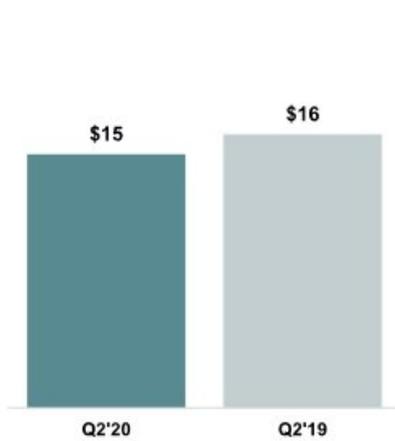
- Adjusted EBITDA includes a negative net timing impact of \$15 million
- Automotive volume down 65% as manufacturers in Europe and North America shut down in the first half of the quarter
- Improvement in polycarbonate margin from increased demand in protective applications and lower raw material cost

# Polystyrene

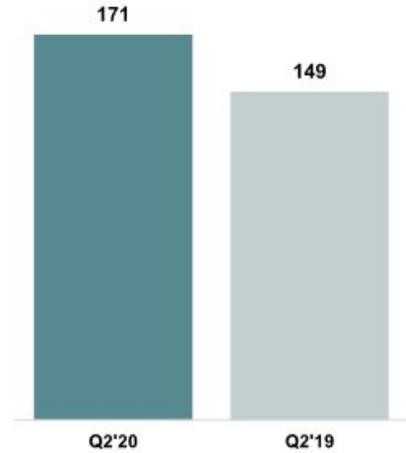
Net Sales (\$MM)



Adjusted EBITDA (\$MM)



Volume (kt)



Vol	Price	FX	Total
15%	(39%)	(1%)	(25%)



- Adjusted EBITDA slightly lower than prior year as negative net timing variance of \$3 million and lower fixed cost absorption offset gains in volume and fixed costs
- Higher volumes due to increased demand for packaging in Europe and strong demand for appliances as well as prior year destocking
- Lower price from the pass through of lower raw material cost

# Feedstocks & Americas Styrenics

## FEEDSTOCKS

Adjusted EBITDA (\$MM)



- Below prior year as \$9 million of negative net timing variance and lower styrene margins in Europe were partially offset by increased production

## AMERICAS STYRENICS

Adjusted EBITDA (\$MM)



- Below prior year primarily from lower styrene margins in North America
- Negative impacts from COVID-19 via lower demand in Latin America and appliance production shutdowns in North America
- No Q2 dividend

## Significant Impacts on 2020 First Half Profitability



<u>Fav/(Unfav)</u>	<u>\$MM</u>
Net Timing	(58)
COVID-19	(65)-(70)

Earnings faced significant headwinds in the first half of the year in the form of:

- Net Timing – as raw material prices sharply declined
- COVID-19 – from significant volume impacts mainly in automotive, tire, textile and graphical paper applications

## Q3 2020 Expectations

- Improving sequential demand in applications such as automotive and tires, although still below prior year levels
  - Performance Plastics: automotive volume 20% lower than prior year
  - Synthetic Rubber: volume 20% lower than prior year
  - Latex Binders: volume 10% lower than prior year
- Similar sequential styrene margins – Europe margins at higher level as low fuel demand and reduced POSM operating rates persist
- Continued solid demand for polystyrene, particularly in appliances, but below strong Q2
- Polycarbonate margins sequentially lower following relatively stronger Q2
- Favorable net timing of approximately \$10 million

## Q4 Expectations and Full Year Cash Assumptions



- Unknown duration and recovery rate from COVID-19 pandemic
- Q4 expectations
  - Seasonally weaker demand
  - Lower styrene margins due to less demand and lower level of planned styrene turnarounds
- Free Cash Flow\* assumptions:

\$Millions	1st Half	2nd Half	2020
Taxes	8	12-17	20-25
Interest	21	19	40
Dow Transition / Mfg Upgrades	19	14-16	33-35
Other CapEx	<u>29</u>	<u>18-21</u>	<u>47-50</u>
Capital Expenditures	48	32-37	80-85
Turnarounds	22	8	30
Corporate Restructuring	9	11	20
Dow Transition Expense	11	6	17

- 2<sup>nd</sup> half outlays \$25 million to \$30 million lower than 1<sup>st</sup> half
- Expect book tax expense to be similar to cash taxes

\*For the definition of Free Cash Flow and other non-GAAP measures, refer to the accompanying press release furnished as Exhibit 99.1 to our Form 8-K dated July 29, 2020.

# Appendix

# US GAAP to Non-GAAP Reconciliation



<i>(In \$millions, unless noted)</i>	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	2017	2018	2019
<b>Net Income (Loss)</b>	<b>117.3</b>	<b>60.2</b>	<b>33.2</b>	<b>117.7</b>	<b>120.3</b>	<b>98.3</b>	<b>74.7</b>	<b>(0.9)</b>	<b>35.8</b>	<b>28.0</b>	<b>22.5</b>	<b>5.7</b>	<b>(36.3)</b>	<b>(128.4)</b>	<b>328.3</b>	<b>292.5</b>	<b>92.0</b>
Interest expense, net	18.2	18.7	18.4	14.8	14.9	10.8	10.1	10.6	10.2	9.9	9.2	10.0	10.3	11.7	70.1	46.4	39.3
Provision for income taxes	29.3	18.8	8.3	26.4	24.9	20.4	19.2	7.3	10.8	15.7	9.3	(23.2)	(11.9)	64.7	82.8	71.8	12.6
Depreciation and amortization	24.7	26.3	29.2	30.3	31.9	32.3	31.8	34.2	33.9	34.7	33.0	34.3	36.4	34.8	110.6	130.2	136.0
<b>EBITDA</b>	<b>189.5</b>	<b>124.0</b>	<b>89.1</b>	<b>189.2</b>	<b>192.0</b>	<b>161.8</b>	<b>135.8</b>	<b>51.2</b>	<b>90.7</b>	<b>88.3</b>	<b>74.0</b>	<b>26.8</b>	<b>(1.5)</b>	<b>(17.2)</b>	<b>591.8</b>	<b>540.9</b>	<b>279.9</b>
Loss on extinguishment of long-term debt	-	-	65.3	-	-	0.2	-	-	-	-	-	-	-	-	65.3	0.2	-
Other items	-	-	1.6	(21.6)	2.7	6.8	6.1	7.4	11.1	14.1	13.3	16.9	18.7	3.0	(19.9)	22.8	55.4
Restructuring and other charges	2.1	1.1	1.5	1.2	0.5	1.2	0.9	5.6	0.4	(0.3)	0.2	17.9	1.8	6.3	6.0	8.2	18.1
Net (gains) / losses on dispositions of businesses and assets	(9.9)	-	0.2	-	(0.5)	-	-	(0.5)	(0.2)	-	-	(0.5)	(0.4)	-	(9.7)	(1.0)	(0.7)
Acquisition transaction and integration costs	-	1.1	3.8	(0.1)	0.3	0.2	0.1	-	-	0.7	0.6	(2.2)	0.1	(0.4)	4.7	0.6	(0.9)
Asset impairment charges or write-offs	-	-	4.3	-	-	-	-	1.5	-	-	-	-	-	-	4.3	1.5	-
<b>Adjusted EBITDA</b>	<b>181.7</b>	<b>126.2</b>	<b>165.8</b>	<b>168.7</b>	<b>195.0</b>	<b>170.2</b>	<b>142.9</b>	<b>65.2</b>	<b>102.0</b>	<b>102.8</b>	<b>88.1</b>	<b>58.9</b>	<b>57.0</b>	<b>(8.3)</b>	<b>642.5</b>	<b>573.2</b>	<b>351.8</b>
<b>Adjusted EBITDA to Adjusted Net Income</b>																	
Adjusted EBITDA	181.7	126.2	165.8	168.7	195.0	170.2	142.9	65.2	102.0	102.8	88.1	58.9	57.0	(8.3)	642.5	573.2	351.8
Interest expense, net	18.2	18.7	18.4	14.8	14.9	10.8	10.1	10.6	10.2	9.9	9.2	10.0	10.3	11.7	70.1	46.4	39.3
Provision for income taxes - Adjusted	29.5	19.2	21.0	28.4	26.0	22.3	21.9	10.8	12.7	19.1	19.7	1.3	1.7	59.3	98.2	81.0	52.8
Depreciation and amortization - Adjusted	24.2	25.8	28.6	30.0	31.7	32.1	31.5	34.0	33.4	33.1	32.0	33.9	35.0	33.6	108.6	129.1	132.4
<b>Adjusted Net Income (Loss)</b>	<b>109.8</b>	<b>62.5</b>	<b>97.8</b>	<b>96.5</b>	<b>122.4</b>	<b>106.0</b>	<b>79.4</b>	<b>9.8</b>	<b>45.7</b>	<b>40.7</b>	<b>27.2</b>	<b>13.7</b>	<b>10.0</b>	<b>(112.9)</b>	<b>365.6</b>	<b>316.7</b>	<b>127.3</b>
Wtd Avg Shares - Diluted (000)	45,313	44,995	44,782	44,734	44,430	43,810	43,347	43,269	41,762	41,104	40,410	39,434	38,632	38,243	44,973	43,666	40,710
<b>Adjusted EPS - Diluted (\$)</b>	<b>2.42</b>	<b>1.39</b>	<b>2.18</b>	<b>2.14</b>	<b>2.76</b>	<b>2.40</b>	<b>1.83</b>	<b>0.23</b>	<b>1.09</b>	<b>0.99</b>	<b>0.67</b>	<b>0.35</b>	<b>0.26</b>	<b>(2.95)</b>	<b>8.13</b>	<b>7.25</b>	<b>3.13</b>
<b>Adjustments by Statement of Operations Caption</b>																	
Loss on extinguishment of long-term debt	-	-	65.3	-	-	0.2	-	-	-	-	-	-	-	-	65.3	0.2	-
Cost of sales	-	-	2.4	(18.4)	-	1.2	-	0.6	-	-	-	0.4	-	-	(16.0)	1.8	0.4
SG&A and Impairment Charges	2.1	2.2	7.6	(2.1)	3.5	6.5	7.1	13.8	11.5	14.5	14.1	34.6	58.9	9.3	9.9	30.8	74.7
Other expense (income), net	(9.9)	-	1.4	-	(0.5)	0.5	-	(0.5)	(0.2)	-	-	(3.0)	(0.4)	(0.4)	(8.5)	(0.5)	(3.2)
<b>Total EBITDA Adjustments</b>	<b>(7.8)</b>	<b>2.2</b>	<b>76.7</b>	<b>(20.5)</b>	<b>3.0</b>	<b>8.4</b>	<b>7.1</b>	<b>14.0</b>	<b>11.3</b>	<b>14.5</b>	<b>14.1</b>	<b>32.1</b>	<b>58.5</b>	<b>8.9</b>	<b>50.7</b>	<b>32.3</b>	<b>71.9</b>
<b>Free Cash Flow Reconciliation</b>																	
Cash provided by (used in) operating activities	(25.7)	62.3	158.3	196.5	40.8	141.6	56.1	128.0	153.2	80.8	40.9	47.6	(5.8)	81.6	391.3	366.5	322.5
Capital expenditures	(36.0)	(38.2)	(34.6)	(38.5)	(30.6)	(28.9)	(31.5)	(30.5)	(25.0)	(22.6)	(23.6)	(38.9)	(24.3)	(23.8)	(147.4)	(121.4)	(110.1)
<b>Free Cash Flow</b>	<b>(61.7)</b>	<b>24.1</b>	<b>123.7</b>	<b>158.0</b>	<b>10.2</b>	<b>112.7</b>	<b>24.6</b>	<b>97.5</b>	<b>128.2</b>	<b>58.2</b>	<b>17.3</b>	<b>97.5</b>	<b>(30.1)</b>	<b>57.8</b>	<b>243.9</b>	<b>245.1</b>	<b>212.4</b>

NOTE: For definitions of non-GAAP measures as well as descriptions of current period reconciling items from Net Income to Adjusted EBITDA and to Adjusted Net Income, refer to the accompanying press release furnished as Exhibit 99.1 to our Form 8-K dated July 29, 2020. Totals may not sum due to rounding.

# Selected Segment Information



<i>(in \$millions, unless noted)</i>	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	2017	2018	2019
<b>Trade Volume (kt)</b>	<b>591</b>	<b>613</b>	<b>603</b>	<b>601</b>	<b>563</b>	<b>621</b>	<b>619</b>	<b>579</b>	<b>606</b>	<b>551</b>	<b>567</b>	<b>565</b>	<b>549</b>	<b>471</b>	<b>2,408</b>	<b>2,382</b>	<b>2,288</b>
Latex Binders	289	292	266	250	255	281	278	255	224	230	230	219	219	165	1,097	1,069	903
Synthetic Rubber	163	174	119	127	149	155	138	130	125	112	104	100	102	36	583	573	441
Performance Plastics	337	339	362	381	403	413	401	361	369	347	325	325	305	189	1,419	1,578	1,366
Polystyrene	228	233	238	241	240	286	252	240	228	207	198	176	183	156	941	1,017	809
Feedstocks	87	107	111	103	75	102	131	79	67	55	66	69	45	24	408	387	256
<b>Net Sales</b>	<b>1,104</b>	<b>1,145</b>	<b>1,097</b>	<b>1,102</b>	<b>1,122</b>	<b>1,237</b>	<b>1,200</b>	<b>1,065</b>	<b>1,013</b>	<b>952</b>	<b>922</b>	<b>889</b>	<b>854</b>	<b>570</b>	<b>4,448</b>	<b>4,623</b>	<b>3,776</b>
Latex Binders	37	36	32	33	27	36	25	22	18	21	21	22	22	17	139	110	81
Synthetic Rubber	46	28	(6)	15	26	31	15	5	9	13	7	12	15	(28)	83	77	41
Performance Plastics	52	48	62	68	66	49	44	31	36	34	36	29	37	(6)	231	189	135
Polystyrene	14	7	9	19	10	14	5	6	17	16	16	5	12	15	48	34	55
Feedstocks	42	(1)	46	24	42	32	40	(7)	17	(1)	0	(10)	(16)	(4)	111	107	7
Americas Styrenics	18	30	44	31	46	33	35	31	32	40	26	21	10	14	123	144	119
Corporate	(27)	(22)	(22)	(21)	(20)	(25)	(21)	(22)	(26)	(21)	(19)	(20)	(22)	(18)	(92)	(88)	(85)
<b>Adjusted EBITDA*</b>	<b>182</b>	<b>126</b>	<b>166</b>	<b>169</b>	<b>195</b>	<b>170</b>	<b>143</b>	<b>65</b>	<b>102</b>	<b>103</b>	<b>88</b>	<b>59</b>	<b>57</b>	<b>(8)</b>	<b>642</b>	<b>573</b>	<b>352</b>
<b>Adj. EBITDA Variance Analysis</b>																	
<b>Net Timing** Impacts - Fav/(Unfav)</b>																	
Latex Binders	(8)	1	(5)	4	(4)	4	(3)	4	(0)	(1)	1	1	(3)	(2)	(8)	1	1
Synthetic Rubber	16	(4)	(25)	0	2	7	3	(3)	(5)	1	(2)	(0)	1	(15)	(13)	9	(6)
Performance Plastics	(2)	(3)	1	2	(0)	(3)	(1)	(5)	(1)	0	0	(0)	(1)	(15)	(2)	(9)	(0)
Polystyrene	4	(5)	1	3	(2)	1	(2)	(7)	2	(0)	2	(3)	(4)	(3)	3	(9)	0
Feedstocks	11	(11)	4	7	(3)	0	(2)	(17)	3	1	4	(5)	(7)	(6)	11	(21)	3
<b>Net Timing** Impacts - Fav/(Unfav)</b>	<b>22</b>	<b>(23)</b>	<b>(24)</b>	<b>15</b>	<b>(7)</b>	<b>10</b>	<b>(4)</b>	<b>(28)</b>	<b>(1)</b>	<b>1</b>	<b>6</b>	<b>(8)</b>	<b>(15)</b>	<b>(43)</b>	<b>(9)</b>	<b>(30)</b>	<b>(2)</b>

\*\*Net Timing is the difference between Raw Material Timing and Price Lag. Raw Material Timing represents the timing of raw material cost changes flowing through cost of goods sold versus current pricing. Price Lag represents the difference in revenue between the current contractual price and the current period price.

\* See this Appendix for a reconciliation of non-GAAP measures. NOTE: Totals may not sum due to rounding.