



**FOURTH QUARTER AND FISCAL YEAR 2018**  
**Earnings Conference Call & Presentation**  
December 6, 2018 at 9:00 a.m. CT (10:00 a.m. ET)

**nexeo**<sup>®</sup>  
solutions

# Fourth Quarter & Fiscal Year 2018

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**Welcome to Nexeo's Earnings Conference Call and Presentation**  
December 6, 2018 beginning at 9:00 a.m. CT (10:00 a.m. ET)

*...Please stand by, we will begin momentarily*

## Dial-In Information

Domestic: +1.844.412.1004

International: +1.216.562.0451

Passcode: 2695293

# Agenda & Management Introductions

<b>1</b>	<b>INTRODUCTIONS AND SAFE HARBOR</b>	<b>Michael Everett</b> VP, Treasurer, FP&A, Investor Relations
<b>2</b>	<b>BUSINESS COMMENTARY</b>	<b>David Bradley</b> President & Chief Executive Officer
<b>3</b>	<b>FINANCIAL PERFORMANCE</b>	<b>Ross Crane</b> Executive VP & Chief Financial Officer
<b>4</b>	<b>CLOSING REMARKS</b>	<b>David Bradley</b> President & Chief Executive Officer
<b>5</b>	<b>Q&amp;A</b>	

# Non-GAAP Financial Measures & Safe Harbor

## Non-GAAP Financial Measures

Certain financial measures presented herein, including EBITDA, adjusted EBITDA, adjusted net income, adjusted EPS, Conversion Ratio and Net Debt were derived based on methodologies other than in accordance with generally accepted accounting principles (GAAP). We have included these measures because we believe they are indicative of our operating performance, are used by investors and analysts to evaluate us and can facilitate comparisons across periods. As presented by us, these measures may not be comparable to similarly titled measures reported by other companies. EBITDA, adjusted EBITDA, adjusted net income, adjusted EPS, Conversion Ratio, free cash flow and Net Debt should be considered in addition to, not as substitutes for, financial measures presented in accordance with GAAP. For a reconciliation of EBITDA, adjusted EBITDA, adjusted net income, adjusted EPS, and Net Debt to the most comparable GAAP financial measure, see the appendix slides.

## Safe Harbor

Forward Looking Statements: This presentation contains statements related to Nexeo Solutions, Inc.'s ("Nexeo" or the "Company") future plans and expectations and, as such, includes "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements are those statements that are based upon management's current plans and expectations as opposed to historical and current facts. Although the forward-looking statements contained in this presentation reflect management's current assumptions based upon information currently available to management and based upon that which management believes to be reasonable assumptions, the Company cannot be certain that actual results will be consistent with these forward-looking statements. These risks and uncertainties include, among other things: The Company's ability to achieve projected cost savings, increased costs of products the Company purchases and its ability to pass on cost increases to its customers; and uncertainty regarding the proposed merger. The Company's future results will depend upon various risks and uncertainties, including the risks and uncertainties discussed in the Company's SEC filings, including in the sections entitled "Risk Factors" in such SEC filings. The Company does not intend to provide all information enclosed in this presentation on an ongoing basis.

# BUSINESS COMMENTARY

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David Bradley

President & Chief Executive Officer

# Pending Merger Accelerates Transformation & Growth

- Pending merger creates true industry leader equipped to drive significant value to stakeholders
- Leveraging best of the best from both companies to enhance service to customers and supplier partners
- Combined company will leverage the capabilities of Nexeo's proprietary operating platform
- Transaction on track to close in the first calendar quarter of 2019
  - On November 16, 2018, Univar and Nexeo announced that the waiting period under the HSR Act had expired
  - Nexeo's key stockholders, TPG and First Pacific, have provided consent for the proposed transaction

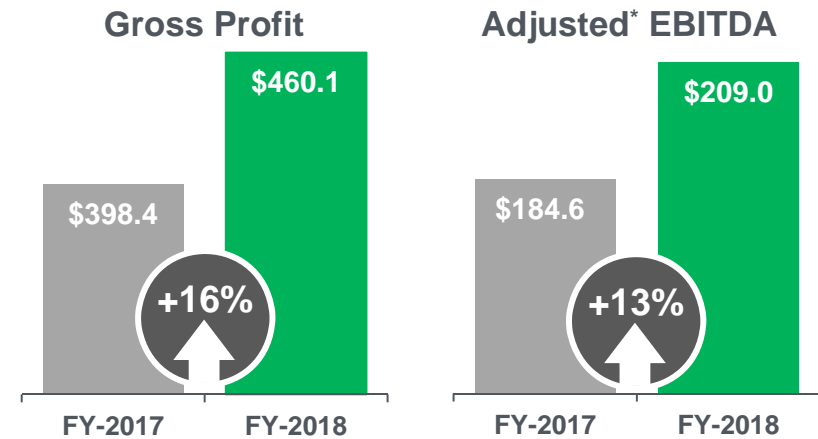


# Fiscal Year 2018 Business Update

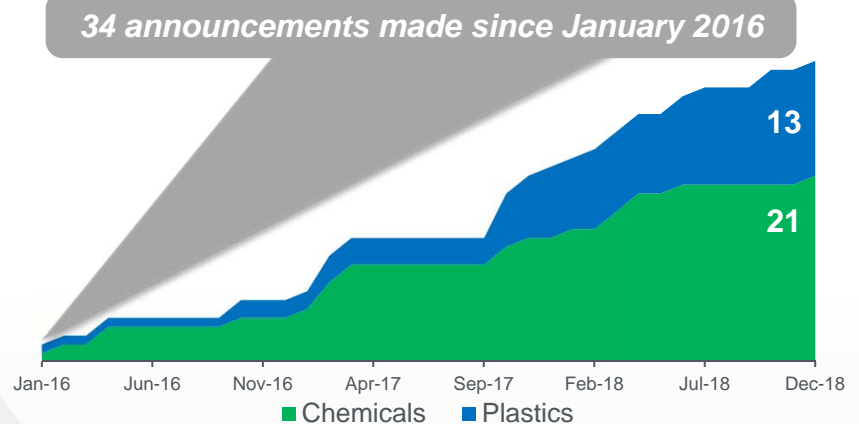
- Revenue growth of 11%, driven by specialty growth and disciplined price execution in an inflationary environment
- Fiscal year net income of \$29.4 million, or \$0.38 per diluted share
  - Adjusted\* net income was \$57 million, or \$0.74 per diluted share
- Record gross profit and adjusted\* EBITDA
- Seventeen new specialty supplier authorizations, nearly doubling last year's number of awards
- Free cash flow<sup>(1)</sup> generation of \$74 million, a 23% increase from last year
- Net leverage reduction to 3.5x, down from 4.3x last year

## Growth Performance Year-Over-Year

(\$ in millions, Unaudited)



## Cumulative Supplier Authorizations



(1) Free cash flow defined as net cash provided by operating activities from continuing operations less Capex, net of proceeds from asset disposal  
 \*Non-GAAP financial measure; See appendix slides for reconciliation to the most comparable GAAP financial measure

# FINANCIAL PERFORMANCE

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Ross Crane  
Chief Financial Officer



# Fiscal Fourth Quarter 2018 Highlights

## Consolidated

(\$ in millions)	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Variance
Sales and operating revenues	\$ 1,017.2	\$ 981.7	4%
Gross profit	117.3	109.1	8%
Gross profit margin	11.5%	11.1%	+ 40 bps

## Consolidated

- Volume down 9%
- Average selling prices up 13%

## Chemicals

(\$ in millions)	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Variance
Sales and operating revenues	\$ 489.9	\$ 455.9	8%
Gross profit	62.7	58.0	8%
Gross profit margin	12.8%	12.7%	+ 10 bps

## Chemicals

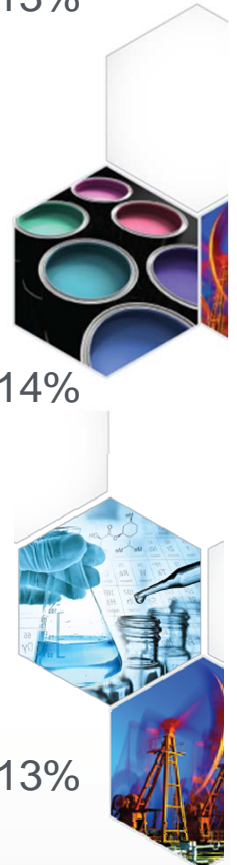
- Volume down 6%
- Average selling prices up 14%

## Plastics

(\$ in millions)	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Variance
Sales and operating revenues	\$ 488.3	\$ 491.3	(1)%
Gross profit	47.9	42.3	13%
Gross profit margin	9.8%	8.6%	+ 120 bps

## Plastics

- Volume down 12%
- Average selling prices up 13%



# Fiscal Fourth Quarter 2018 Consolidated Results



(\$ in millions)

	Three Months Ended Sep-30-2018	Three Months Ended Sep-30-2017	Variance	
	Q4-FY18	Q4-FY17	\$	%
Sales and operating revenues	\$ 1,017.2	\$ 981.7	\$ 35.5	4%
Cost of sales and operating expenses	899.9	872.6	27.3	3%
Gross profit	117.3	109.1	8.2	8%
SG&A	93.1	79.0	14.1	18%
Transaction related costs	2.7	0.6	2.1	350%
Change in fair value related to contingent consideration obligations	22.2	(3.6)	25.8	717%
Operating income (loss)	(0.7)	33.1	(33.8)	(102)%
Other income, net	0.1	-	0.1	NA
Interest expense, net	(13.3)	(13.0)	(0.3)	(2)%
Net income (loss) before income taxes	(13.9)	20.1	(34.0)	(169)%
Income tax expense	1.1	6.5	(5.4)	(83)%
<b>Net income (loss)</b>	<b>\$ (15.0)</b>	<b>\$ 13.6</b>	<b>\$ (28.6)</b>	<b>(210)%</b>
<b>Adjusted* EBITDA</b>	<b>\$ 53.5</b>	<b>\$ 52.7</b>	<b>\$ 0.8</b>	<b>2%</b>
<b>Adjusted* EBITDA % of sales</b>	<b>5.3%</b>	<b>5.4%</b>		
<b>Conversion Ratio**</b>	<b>45.6%</b>	<b>48.3%</b>	<b>9.8%</b>	
<b>Adjusted<sup>(1)</sup> Conversion Ratio**</b>	<b>51.1%</b>	<b>48.3%</b>	<b>87.8%</b>	

(1) Q4-FY18 excludes \$6.4 million of incremental variable incentives (actuals less forecast)

\*Non-GAAP financial measure; See appendix slides for reconciliation to the most comparable GAAP financial measure

\*\*Non-GAAP financial measure; Calculated as adjusted\* EBITDA divided by gross profit

# Fiscal Year 2018 Consolidated Results

(\$ in millions, except per share data)

	Twelve Months Ended Sep-30-2018	Twelve Months Ended Sep-30-2017	Variance	
	FY-2018	FY-2017	\$	%
Sales and operating revenues	\$ 4,034.2	\$ 3,636.9	\$ 397.3	11%
Cost of sales and operating expenses	3,574.1	3,238.5	335.6	10%
Gross profit	460.1	398.4	61.7	16%
SG&A	352.6	312.9	39.7	13%
Transaction related costs	2.8	1.9	0.9	47%
Change in fair value related to contingent consideration obligations	7.5	16.2	(8.7)	(54)%
Operating income	97.2	67.4	29.8	44%
Other income, net	1.0	8.3	(7.3)	(88)%
Interest expense, net	(52.1)	(50.8)	(1.3)	(3)%
Net income before income taxes	46.1	24.9	21.2	85%
Income tax expense	16.7	10.5	6.2	59%
<b>Net income</b>	<b>\$ 29.4</b>	<b>\$ 14.4</b>	<b>\$ 15.0</b>	<b>104%</b>
<b>Adjusted* net income</b>	<b>\$ 57.0</b>	<b>\$ 44.0</b>	<b>\$ 13.0</b>	<b>30%</b>
<b>Adjusted* EPS</b>	<b>\$ 0.74</b>	<b>\$ 0.57</b>	<b>\$ 0.17</b>	<b>30%</b>
<b>Adjusted* EBITDA</b>	<b>\$ 209.0</b>	<b>\$ 184.6</b>	<b>\$ 24.4</b>	<b>13%</b>
<b>Adjusted* EBITDA % of sales</b>	<b>5.2%</b>	<b>5.1%</b>		
<b>Conversion Ratio**</b>	<b>45.4%</b>	<b>46.3%</b>	<b>39.5%</b>	
<b>Adjusted<sup>(1)</sup> Conversion Ratio**</b>	<b>47.9%</b>	<b>45.0%</b>	<b>67.1%</b>	

(1) FY-2018 excludes \$11.6 million of incremental variable incentives (actuals less forecast) and FY-2017 excludes \$5.4 million gain related to Franklin Park eminent domain reimbursement

\*Non-GAAP financial measure; See appendix slides for reconciliation to the most comparable GAAP financial measure

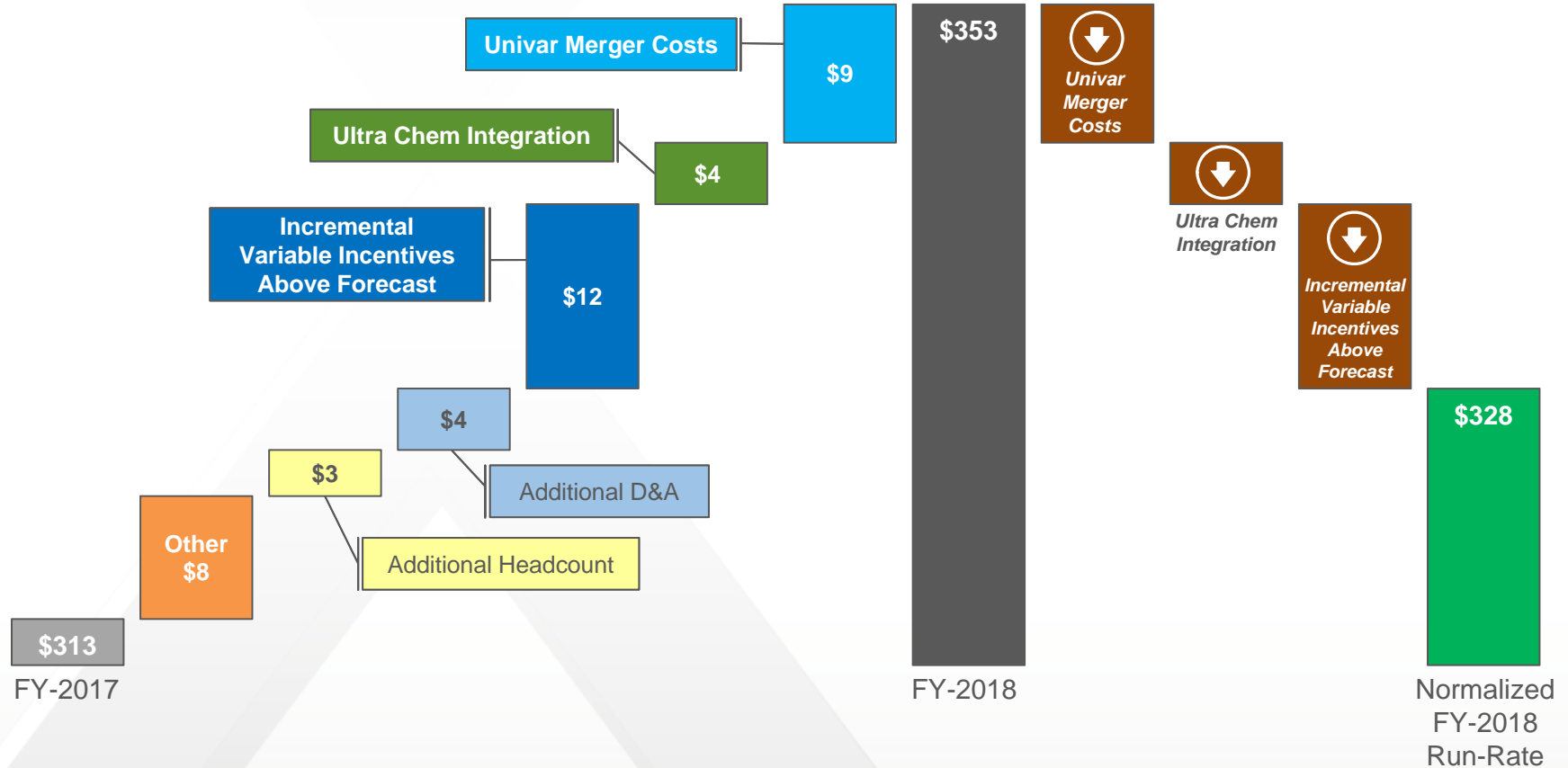
\*\*Non-GAAP financial measure; Calculated as adjusted\* EBITDA divided by gross profit

# SG&A Expense Summary

- Year-over-year increase predominantly driven by pending merger related items and accelerated incentives expense resulting from exceptional profit growth

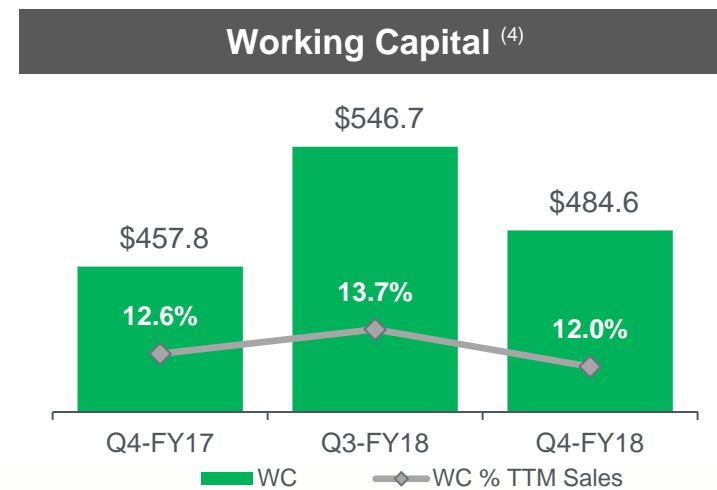
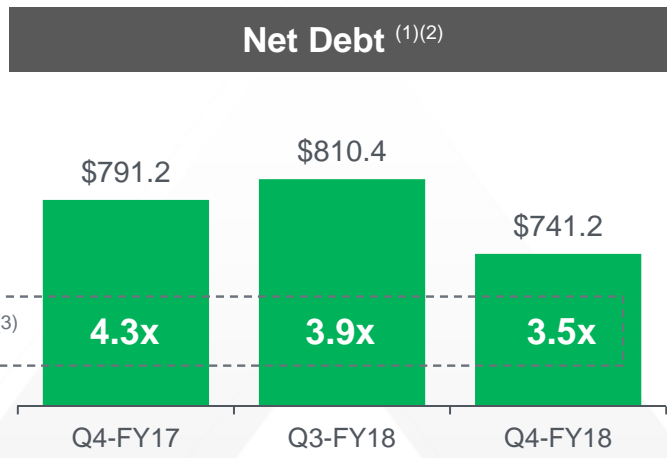
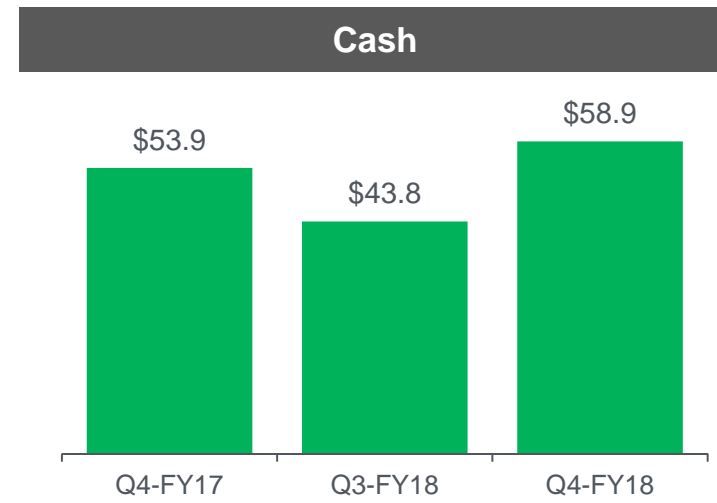
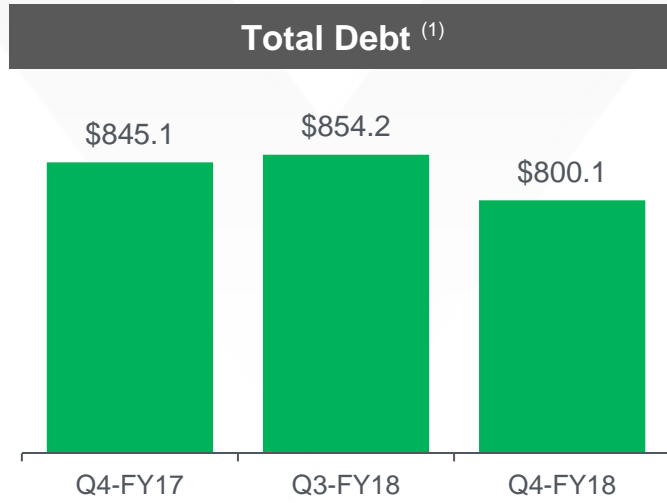
## SG&A Bridge

(\$ in millions, Unaudited)



# Key Balance Sheet Metrics

(\$ in millions)



(1) Total debt and Net Debt include unamortized debt issuance costs in accordance with the adoption of ASU No. 2015-03 and ASU No. 2015-15

(2) Net Debt is a non-GAAP financial measure and is defined as long-term debt and capital lease obligations, net of discount and deferred financing costs, plus short-term borrowings and current portion of long-term debt and capital lease obligations less cash and cash equivalents; See appendix slides for a reconciliation of Net Debt to the most comparable GAAP financial measure

(3) Leverage is calculated as Net Debt divided by trailing twelve month adjusted\* EBITDA from continuing operations; See appendix slides for a reconciliation of Net Debt and adjusted\* EBITDA to the most comparable GAAP financial measure

(4) Working capital is calculated as (Accounts receivable + Inventory) less (Accounts payable + Accrued expenses and other liabilities + Current due to related party pursuant to contingent consideration obligations)

# CLOSING REMARKS

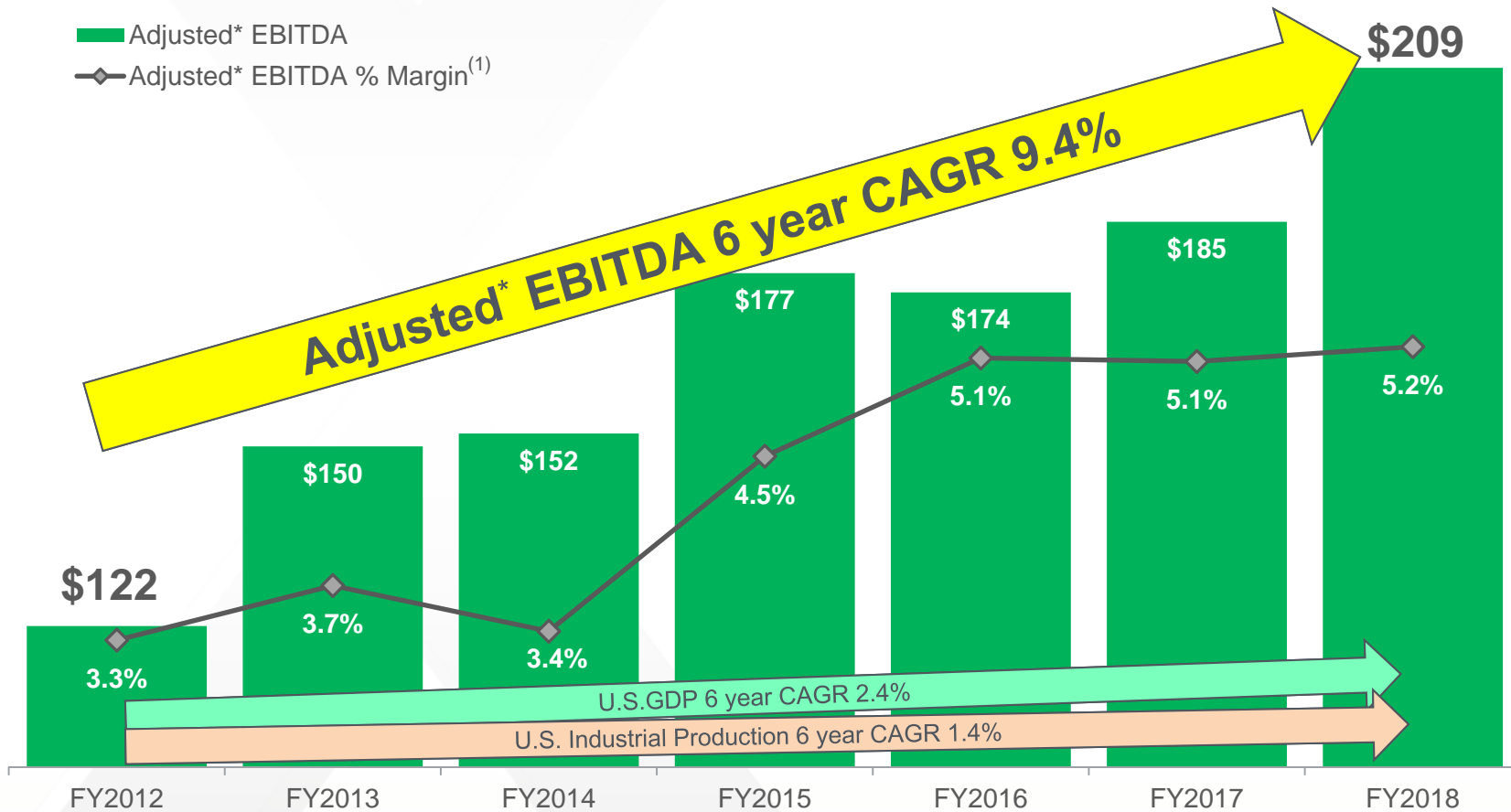
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David Bradley

President & Chief Executive Officer

# Proven Track Record

## Adjusted\* EBITDA and % Margin (1)



Source: Company Management; Company Filings; Bloomberg

\*Non-GAAP financial measures; See appendix slides for reconciliation to the most comparable GAAP financial measure

(1) Margin defined as adjusted\* EBITDA divided by sales and operating revenues

## QUESTION AND ANSWER

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To ask a question live over the phone, please press \* then the number 1 on your telephone keypad to queue our operator

If your question has been answered or you wish to remove yourself from the queue, please press #



**THANK YOU FOR ATTENDING**

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# Appendix

# Capital Structure Summary

Shares Used For Basic and Fully Diluted EPS Calculation	Share Count
Basic - Average Common Shares Outstanding	76.8 million
Diluted - Average Common Shares Outstanding	76.9 million
Shares Excluded From Basic and Fully Diluted EPS Calculation	Share Count
Founder Shares <sup>(1)</sup>	12.5 million
Warrants <sup>(2)</sup>	5.8 million*
Excess Shares <sup>(3)</sup> (Deferred Cash Consideration)	5.2 million

Note: For a complete description of the Founder Shares, Warrants and Deferred Cash Consideration, see the Company's (i) Final prospectus related to the Registration Statement on Form S-3/A filed on 08/30/16, (ii) Current Report on Form 8-K filed with the SEC on 06/15/16, and (iii) Current Report on Form 8-K filed with the SEC on 03/22/16

(1) Founder Shares Vesting and Forfeiture: The Founder Shares vest as follows: (i) 50% of the Founder Shares vest on the first day that the last sale price of the Company's Common Stock equals or exceeds \$12.50 per share for any 20 trading days within any 30 trading day period; and (ii) the remaining 50% of the Founder Shares vest on the first day that the last sale price of the Company's common stock equals or exceeds \$15.00 per share for any 20 trading days within any 30 trading day period; If none of the above vesting requirements are met, the Founder Shares will be forfeited on 06/09/26

(2) Warrants: 50,025,000 warrants are outstanding and have an exercise price of \$5.75 per half share of common stock (25,012,500 shares of common stock issuable); Warrants expire 06/09/21

(3) Excess Shares: Deferred Cash Consideration due to TPG and its affiliates in connection with the Business Combination. Triggering events for payment are earlier of (i) date when volume weighted average trading price of the Company's common stock exceeds \$15.00 per share for any 20 trading days in any 30 trading day period or (ii) June 30, 2021. The Company may satisfy payment of the Deferred Cash Consideration with existing cash funds or the issuance of common shares. The amount is calculated at the time of payment as the prevailing price of the Company's common stock multiplied by the number of Excess Shares

\*Assumes cashless exercise and stock price of \$15.00 per share; Full cash exercise would require \$288 million from warrant holders

# Fiscal Fourth Quarter 2018 Financial Results

In millions (except per share data)	Three Months Ended		Variance		Twelve Months Ended		Variance	
	Three Months Ended	Three Months Ended			Twelve Months Ended	Twelve Months Ended		
	Sep-30-2018	Sep-30-2017	\$	%	Sep-30-2018	Sep-30-2017	\$	%
<b>Sales and operating revenues</b>								
Chemicals	\$ 489.9	\$ 455.9	\$ 34.0	7.5 %	\$ 1,904.5	\$ 1,667.2	\$ 237.3	14.2 %
Plastics	488.3	491.3	(3.0)	(0.6)%	1,980.0	1,841.7	138.3	7.5 %
Other	39.0	34.5	4.5	13.0 %	149.7	128.0	21.7	17.0 %
<b>Total sales and operating revenues</b>	<b>1,017.2</b>	<b>981.7</b>	<b>35.5</b>	<b>3.6 %</b>	<b>4,034.2</b>	<b>3,636.9</b>	<b>397.3</b>	<b>10.9 %</b>
<b>Gross profit</b>								
Chemicals	62.7	58.0	4.7	8.1 %	248.0	205.6	42.4	20.6 %
Margin	12.8%	12.7%	10 bps		13.0%	12.3%	70 bps	
Plastics	47.9	42.3	5.6	13.2 %	186.4	167.2	19.2	11.5 %
Margin	9.8%	8.6%	120 bps		9.4%	9.1%	30 bps	
Other	6.7	8.8	(2.1)	(23.9)%	25.7	25.6	0.1	0.4 %
Margin	17.2%	25.5%	(830) bps		17.2%	20.0%	(280) bps	
<b>Total gross profit</b>	<b>117.3</b>	<b>109.1</b>	<b>8.2</b>	<b>7.5 %</b>	<b>460.1</b>	<b>398.4</b>	<b>61.7</b>	<b>15.5 %</b>
Total gross profit margin	11.5%	11.1%	40 bps		11.4%	11.0%	40 bps	
SG&A	93.1	79.0	14.1	17.8 %	352.6	312.9	39.7	12.7 %
Transaction related costs	2.7	0.6	2.1	350.0 %	2.8	1.9	0.9	47.4 %
Change in fair value related to contingent consideration obligations	22.2	(3.6)	25.8	716.7 %	7.5	16.2	(8.7)	(53.7)%
<b>Operating income (loss)</b>	<b>(0.7)</b>	<b>33.1</b>	<b>(33.8)</b>	<b>(102.1)%</b>	<b>97.2</b>	<b>67.4</b>	<b>29.8</b>	<b>44.2 %</b>
Other income, net	0.1	-	0.1	NA	1.0	8.3	(7.3)	(88.0)%
Interest expense, net	(13.3)	(13.0)	(0.3)	(2.3)%	(52.1)	(50.8)	(1.3)	(2.6)%
<b>Net income (loss) before income taxes</b>	<b>(13.9)</b>	<b>20.1</b>	<b>(34.0)</b>	<b>(169.2)%</b>	<b>46.1</b>	<b>24.9</b>	<b>21.2</b>	<b>85.1 %</b>
Income tax expense	1.1	6.5	(5.4)	(83.1)%	16.7	10.5	6.2	59.0 %
<b>Net income (loss)</b>	<b>\$ (15.0)</b>	<b>\$ 13.6</b>	<b>\$ (28.6)</b>	<b>(210.3)%</b>	<b>\$ 29.4</b>	<b>\$ 14.4</b>	<b>\$ 15.0</b>	<b>104.2 %</b>
<b>Fully diluted earnings per share</b>					<b>\$ 0.38</b>	<b>\$ 0.19</b>	<b>\$ 0.19</b>	<b>100.0 %</b>
<b>Adjusted* net income</b>					<b>\$ 57.0</b>	<b>\$ 44.0</b>	<b>\$ 13.0</b>	<b>29.5 %</b>
<b>Adjusted* fully diluted earnings per share</b>					<b>\$ 0.74</b>	<b>\$ 0.57</b>	<b>\$ 0.17</b>	<b>29.8 %</b>
<b>Adjusted* EBITDA</b>	<b>\$ 53.5</b>	<b>\$ 52.7</b>	<b>\$ 0.8</b>	<b>1.5 %</b>	<b>\$ 209.0</b>	<b>\$ 184.6</b>	<b>\$ 24.4</b>	<b>13.2 %</b>
Adjusted* EBITDA % of sales	5.3%	5.4%			5.2%	5.1%		
<b>Conversion Ratio**</b>	<b>45.6%</b>	<b>48.3%</b>	<b>9.8 %</b>		<b>45.4%</b>	<b>46.3%</b>	<b>39.5 %</b>	

\*Non-GAAP financial measure; See appendix slides for reconciliation to the most comparable GAAP financial measure

\*\*Non-GAAP financial measure; Calculated as adjusted\* EBITDA divided by gross profit

# Non-GAAP Reconciliation

## Nexeo Solutions, Inc. and Subsidiaries Adjusted Net Income Reconciliation

(\$ in millions, Unaudited)

	FY-2017		FY-2018	
	Amount	Per Share	Amount	Per Share
<b>Net income</b>	<b>\$ 14.4</b>	<b>\$ 0.19</b>	<b>\$ 29.4</b>	<b>\$ 0.38</b>
Change in fair value related to contingent consideration obligations	16.2	0.21	7.5	0.10
Management add-backs <sup>(1)</sup>	10.6	0.14	17.4	0.23
Transaction related costs <sup>(2)</sup>	1.9	0.02	2.8	0.04
Non-recurring tax adjustment	-	-	1.4	0.02
Estimated net tax impact	0.9	0.01	(1.5)	(0.02)
<b>Adjusted net income</b>	<b>\$ 44.0</b>	<b>\$ 0.57</b>	<b>\$ 57.0</b>	<b>\$ 0.74*</b>

Note: Per share amounts based on diluted shares

\*Per share amounts do not equal the total due to rounding

(1) Management adjustments associated with integration, restructuring, transformational activities and asset impairments

(2) Includes professional and transaction costs related to acquisitions and other business combination related items

# Non-GAAP Reconciliation (continued)



## Nexeo Solutions, Inc. and Subsidiaries Quarterly Adjusted EBITDA Reconciliation

(\$ in millions, Unaudited)

	Q4-FY17	Q1-FY18	Q2-FY18	Q3-FY18	Q4-FY18
<b>Net income (loss)</b>	<b>\$ 13.6</b>	<b>\$ 26.5</b>	<b>\$ 0.4</b>	<b>\$ 17.5</b>	<b>\$ (15.0)</b>
Interest expense, net	13.0	12.9	12.6	13.3	13.3
Income tax expense	6.5	1.3	4.6	9.7	1.1
Depreciation and amortization	19.6	19.5	19.6	18.5	17.3
Other operating expenses, net <sup>(1)</sup>	-	(16.0)	16.5	(1.4)	36.8
<b>Adjusted EBITDA</b>	<b>\$ 52.7</b>	<b>\$ 44.2</b>	<b>\$ 53.7</b>	<b>\$ 57.6</b>	<b>\$ 53.5</b>

(1) See Non-GAAP Reconciliation: Quarterly – Other Operating Expenses, Net

# Non-GAAP Reconciliation (continued)

## Nexeo Solutions, Inc. and Subsidiaries TTM Adjusted EBITDA Reconciliation

(\$ in millions, Unaudited)

	Trailing Twelve Months Ending				
	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
<b>Net income</b>	\$ 14.4	\$ 49.2	\$ 50.7	\$ 58.0	\$ 29.4
Interest expense, net	50.8	51.8	52.0	51.8	52.1
Income tax expense	10.5	14.5	18.3	22.1	16.7
Depreciation and amortization	73.1	75.8	77.6	77.2	74.9
Other operating expenses, net <sup>(1)</sup>	35.8	3.7	4.4	(0.9)	35.9
<b>Adjusted EBITDA</b>	<b>\$ 184.6</b>	<b>\$ 195.0</b>	<b>\$ 203.0</b>	<b>\$ 208.2</b>	<b>\$ 209.0</b>

(1) See Non-GAAP Reconciliation: Trailing Twelve Months Ending - Other Operating Expenses, Net

# Non-GAAP Reconciliation (continued)

## Nexeo Solutions, Inc. and Subsidiaries Quarterly Other Operating Expenses, Net

(\$ in millions, Unaudited)

	Q4-FY17	Q1-FY18	Q2-FY18	Q3-FY18	Q4-FY18
Management add-backs <sup>(1)</sup>	\$ 2.5	\$ 1.3	\$ 2.6	\$ 4.5	\$ 9.0
Change in fair value related to contingent consideration obligations	(3.6)	(18.6)	12.6	(8.7)	22.2
Foreign exchange (gains) losses, net <sup>(2)</sup>	(0.6)	(0.5)	(0.5)	1.0	1.1
Compensation expense related to management equity plan (non-cash)	1.3	1.7	1.8	1.8	1.8
Inventory step up	(0.2)	-	-	-	-
Transaction related costs <sup>(3)</sup>	0.6	0.1	-	-	2.7
<b>Other operating expenses, net</b>	<b>\$ -</b>	<b>\$ (16.0)</b>	<b>\$ 16.5</b>	<b>\$ (1.4)</b>	<b>\$ 36.8</b>

(1) Management adjustments associated with integration, restructuring, transformational activities and asset impairments

(2) Includes the impact of net realized and unrealized foreign exchange gains and losses related to transactions in currencies other than the functional currency of the respective legal entity for the purpose of evaluating the Company's performance and facilitating more meaningful comparisons of performance to other fiscal periods

(3) Includes professional and transaction costs related to acquisitions and other business combination related items



# Non-GAAP Reconciliation (continued)

## Nexeo Solutions, Inc. and Subsidiaries TTM Other Operating Expenses, Net

(\$ in millions, Unaudited)

	Trailing Twelve Months Ending				
	09/30/2017	12/31/2017	03/31/2018	06/30/2018	09/30/2018
Management add-backs <sup>(1)</sup>	\$ 10.6	\$ 9.4	\$ 8.6	\$ 10.9	\$ 17.4
Change in fair value related to contingent consideration obligations	16.2	(13.0)	(10.4)	(18.3)	7.5
Foreign exchange (gains) losses, net <sup>(2)</sup>	0.6	(0.7)	(2.0)	(0.6)	1.1
Compensation expense related to management equity plan (non-cash)	5.5	5.8	6.3	6.6	7.1
Inventory step up	1.0	1.0	1.0	(0.2)	-
Transaction related costs <sup>(3)</sup>	1.9	1.2	0.9	0.7	2.8
<b>Other operating expenses, net</b>	<b>\$ 35.8</b>	<b>\$ 3.7</b>	<b>\$ 4.4</b>	<b>\$ (0.9)</b>	<b>\$ 35.9</b>

(1) Management adjustments associated with integration, restructuring, transformational activities and asset impairments

(2) Includes the impact of net realized and unrealized foreign exchange gains and losses related to transactions in currencies other than the functional currency of the respective legal entity for the purpose of evaluating the Company's performance and facilitating more meaningful comparisons of performance to other fiscal periods

(3) Includes professional and transaction costs related to acquisitions and other business combination related items

# Non-GAAP Reconciliation (continued)

## Nexeo Solutions, Inc. and Subsidiaries Net Debt Reconciliation

(\$ in millions, Unaudited)

	Q4-FY17	Q3-FY18	Q4-FY18
Long-term debt and capital lease obligations, less current portion, net	\$ 794.0	\$ 806.7	\$ 752.4
Short-term borrowings and current portion of long-term debt and capital lease obligations	51.1	47.5	47.7
<b>Total Debt</b>	<b>845.1</b>	<b>854.2</b>	<b>800.1</b>
Cash and cash equivalents	(53.9)	(43.8)	(58.9)
<b>Net Debt</b>	<b>\$ 791.2</b>	<b>\$ 810.4</b>	<b>\$ 741.2</b>



NEXEO SOLUTIONS, INC.