Q4 and Full Year 2016 Financial Results

February 23, 2017

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Introductions & Disclosure Rules

Introductions

- **Chris Pappas, President & CEO**
- **Barry Niziolek, Executive Vice President & CFO**
- **David Stasse, Vice President, Treasury & Corporate Finance**

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,” “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 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 that report. 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 Adjusted EBITDA, Adjusted Net Income (loss), Adjusted EPS, and Free Cash Flow. We believe these measures provide relevant and meaningful information to investors and lenders about the ongoing operating results of the Company. Such measures when referenced herein should not be viewed as an alternative to GAAP measures of performance or liquidity. We have provided a reconciliation of these measures to the most comparable GAAP metric in the Appendix section of this presentation.

Key Points

Q4 and Full Year 2016 Results

- Q4 ahead of guidance
- Record financial performance in 2016 including Net Income, Adj EBITDA*, and cash generation

Current Business Conditions

- Strong current business conditions across our portfolio
- Maintaining or increasing margins
- Raw material prices increasing sharply
  - Favorable raw material timing impact
  - Unfavorable price lag impact

Additional Reporting Transparency

- Segmentation as of Q4 2016 includes new segments under Basic Plastics & Feedstocks
- Monthly styrene margin data posting starting in March
- Disclosure of net impact of raw material timing and price lag by division

2017 Guidance Update

- Q1 Net Income of $100MM to $108MM, Adj EBITDA* of $170MM to $180MM, and EPS of $2.19 to $2.37
- Affirming full year Net Income of $310MM, Adj EBITDA* of $580MM, and EPS of $6.82

* See Appendix for reconciliation of non-GAAP measures.

Q4 2016 Results

TRINSEO

Earnings

Net Income

$79MM

EPS / Adjusted EPS*

$1.72 / $1.68

Adjusted EBITDA*

$142MM

- Q4 performance higher than Net Income guidance of $54MM to $62MM and Adj EBITDA Guidance of $115MM to $125MM
- Higher performance driven by favorable raw material timing, net of unfavorable price lag, and higher styrene margins

Cash Generation

Cash from Operations

$79MM

Free Cash Flow*

$38MM

- CapEx of $41 million during the quarter

Shareholder Return

Dividends(1)

$13MM

Share Repurchases

$21MM

- $0.30 per share dividend payment during the quarter
- 350 thousand shares repurchased in Q4

* See Appendix for reconciliation of non-GAAP measures. (1) Trinseo may contribute cash to investors under Luxembourg law through repayments of equity or a distribution of statutory profits (i.e. a dividend). These may have different personal tax consequences to investors, who are encouraged to consult their tax advisors regarding these tax consequences.

2016 Results

Earnings

Net Income

$318MM

EPS / Adjusted EPS*

$6.70 / $7.28

Adjusted EBITDA*

$611MM

- Net income includes $28MM after-tax charges related primarily to divestiture of Latin America business and end of operations at Livorno
- Adjusted EBITDA better than guidance of $585MM to $595MM due to favorable raw material timing, net of unfavorable price lag, and higher styrene margins

Cash Generation

Cash from Operations

$404MM

Free Cash Flow*

$280MM

- Year-end cash of $465 million
- CapEx of $124 million

Shareholder Return

Dividends

$27MM

Share Repurchases

$215MM

- Two quarters of $0.30 per share dividend payment ($1.20 annualized)
- 4.5 million shares repurchased in 2016, representing 9% of beginning-of-year outstanding shares

* See Appendix for reconciliation of non-GAAP measures.

2016 Financial Results & Highlights

Performance Materials
Net Sales: **$2,069MM**
Adj EBITDA: **$341MM**

- **Latex Binders**
  Net Sales: **$925MM**
  Adj EBITDA: **$94MM**
- **Synthetic Rubber**
  Net Sales: **$451MM**
  Adj EBITDA: **$111MM**
- **Performance Plastics**
  Net Sales: **$693MM**
  Adj EBITDA: **$136MM**

Basic Plastics & Feedstocks
Net Sales: **$1,647MM**
Adj EBITDA: **$364MM**

- **Basic Plastics**
  Net Sales: **$1,353MM**
  Adj EBITDA: **$148MM**
- **Feedstocks**
  Net Sales: **$294MM**
  Adj EBITDA: **$80MM**
- **Americas Styrenics**
  Adj EBITDA: **$136MM**

- **Record profitability in Performance Materials division**
- **Latin America divestiture**
- **End of operations at Livorno SB Latex facility**
- **Approval of key Performance Materials growth initiatives to drive targeted $100 million EBITDA growth by 2019**
  - **SSBR expansion**
  - **SSBR pilot plant**
  - **Performance Plastics Long-Glass Fiber**
  - **New Asia ABS facility**

- **Record Adjusted EBITDA in Basic Plastics & Feedstocks division and in each segment**
- **Supply / demand dynamics remain tight across styrene, polycarbonate, and ABS**
- **Sale of 50% JV stake in SSPC (Q1 2017)**

Note: Division and Segment Adjusted EBITDA excludes Corporate Adjusted EBITDA of ($95) million. Totals may not sum due to rounding.

Raw Material Timing / Price Lag

RAW MATERIAL TIMING

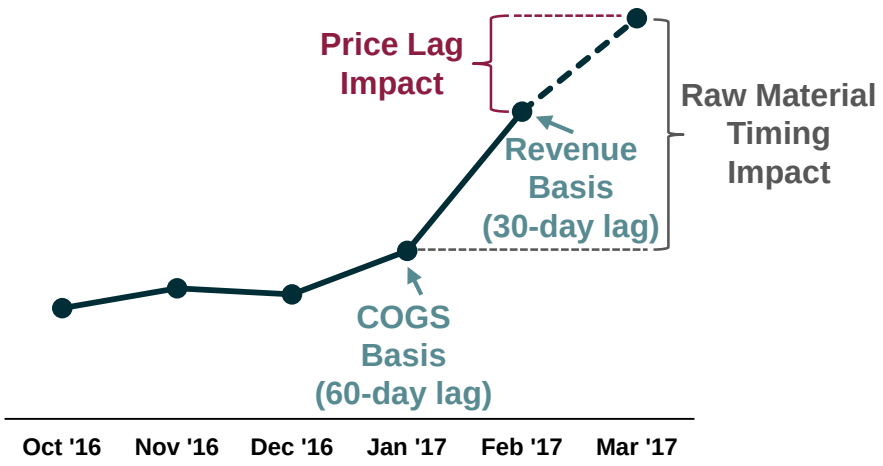
- Represents the timing of raw material cost changes flowing through COGS versus current pricing
- Primarily key materials such as benzene, butadiene, and bisphenol-A

PRICE LAG

- Represents the difference in revenue between the current contractual price and the current period price
- Primarily key materials in pass-through pricing agreements such as styrene and butadiene

ILLUSTRATIVE EXAMPLE

Europe Butadiene ($/MT)



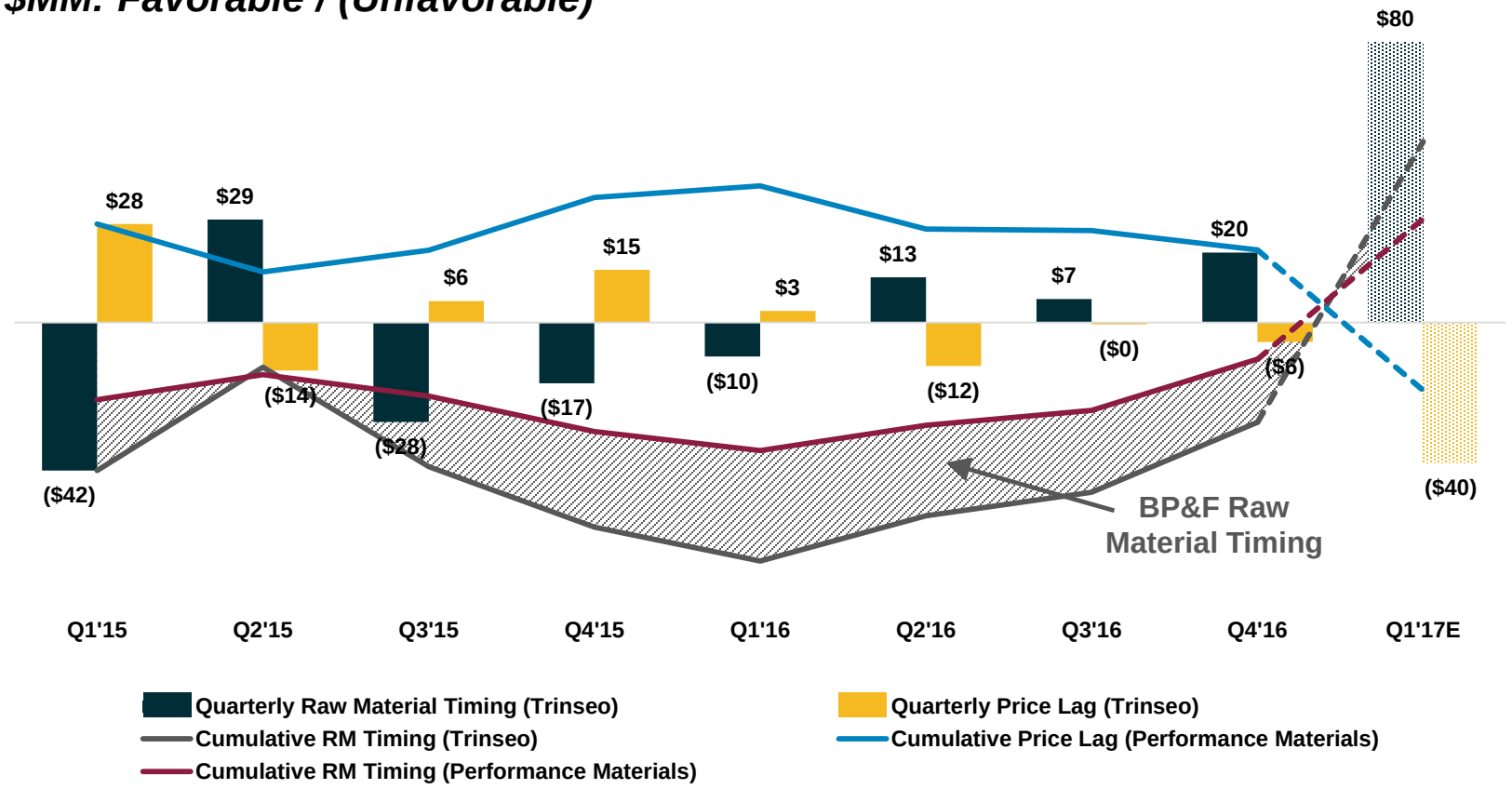
March Example: Business with 60 days inventory & 30 days price lag

- March COGS based on January raw material price
- March revenue based on February raw material price
- Favorable net timing impact as revenue basis > cost basis

Source: IHS (Historical) / Trinseo (Forecast). Butadiene: W. Europe Contract-Market (Del (-09EXW) W. Europe)

Cumulative Timing Impact

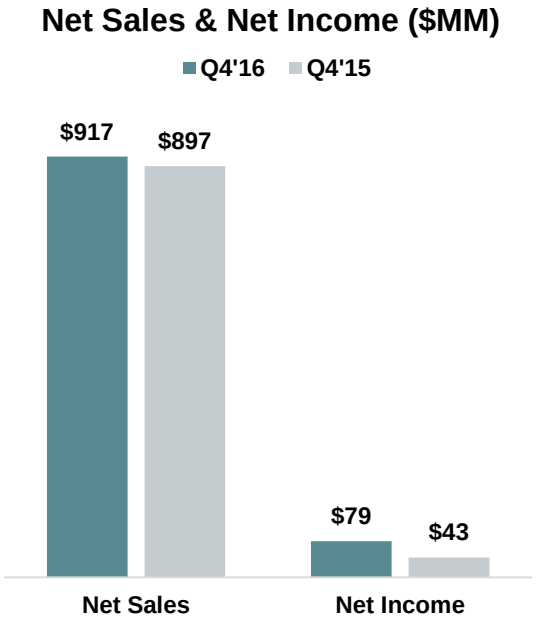
$MM: Favorable / (Unfavorable)

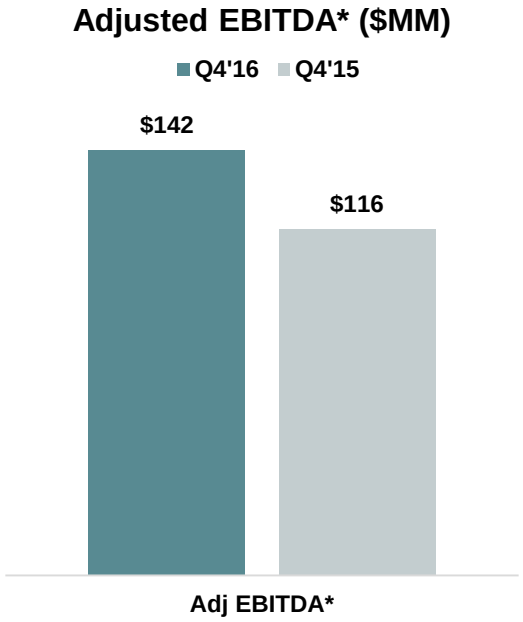


Raw material timing and price lag tend to offset each other in Performance Materials

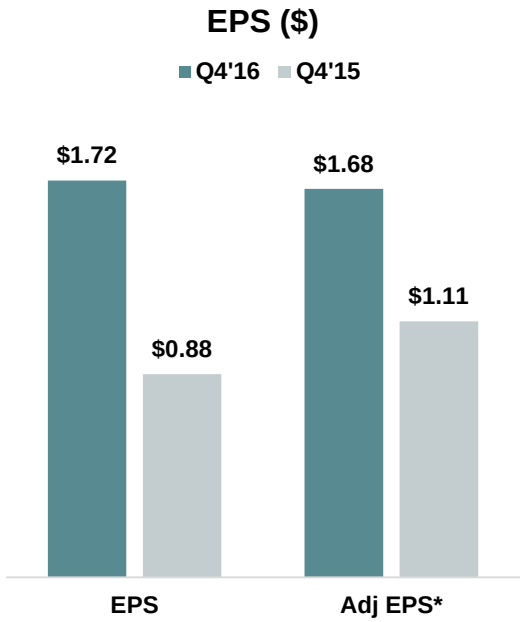
Basic Plastics & Feedstocks typically impacted only by raw material timing

Trinseo Q4 2016 Financial Results





Perf Mat'ls	$86	$69
BP&F	$78	$67
Corp	($22)	($20)



Net Sales Bridge

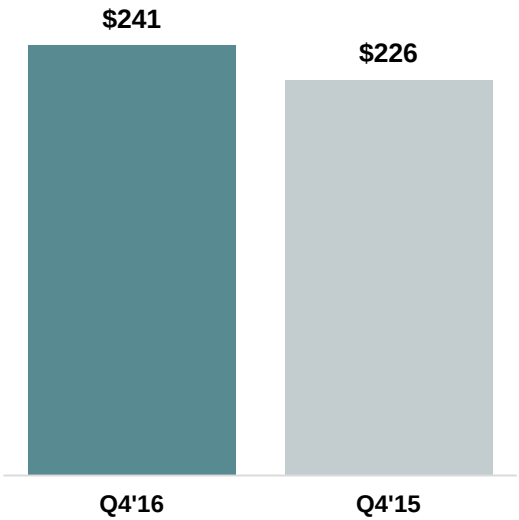
Vol	Price	FX	Total
(0%)	2%	(0%)	2%

Strong Q4 Performance Materials results and higher than expected Trinseo performance due to styrene monomer margin and $15 million of favorable raw material timing, net of price lag

* See Appendix for reconciliation of non-GAAP measures.

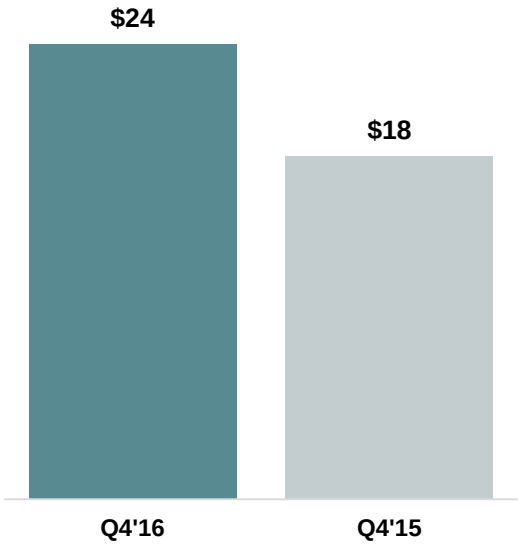
Latex Binders

Net Sales ($MM)

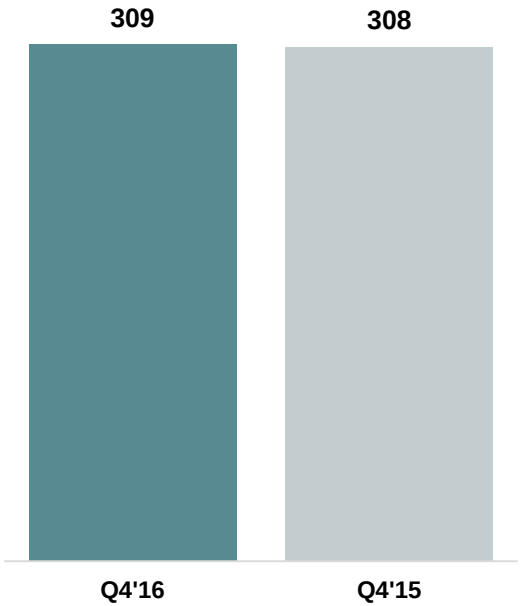


Vol	Price	FX	Total
0%	6%	(0%)	7%

Adjusted EBITDA ($MM)



Volume (MM Lbs)

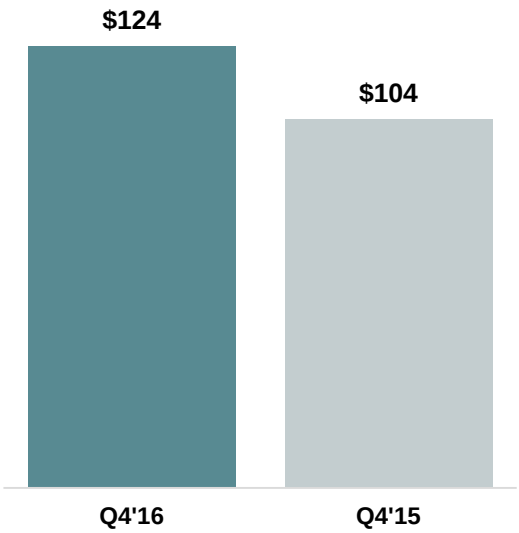




- **Net sales increase driven by the pass through of raw material costs**
- **Volume flat despite Latin America divestiture; record sales volume in Asia**
- **Higher Adj EBITDA driven by volume and lower fixed costs**

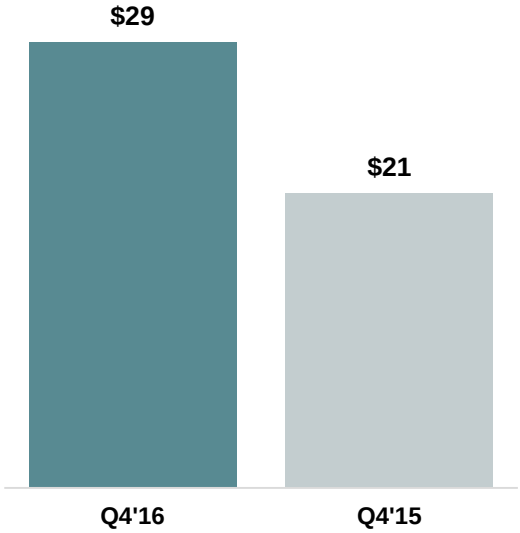
Synthetic Rubber

Net Sales ($MM)

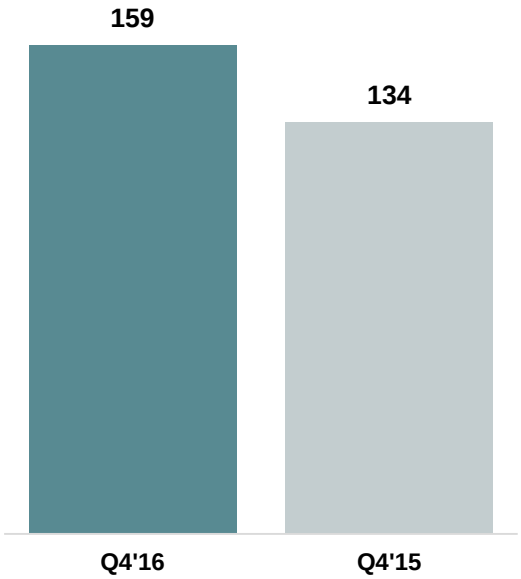


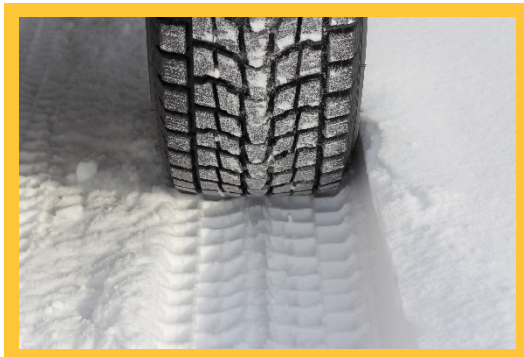
Vol	Price	FX	Total
18%	2%	(0%)	20%

Adjusted EBITDA ($MM)



Volume (MM Lbs)

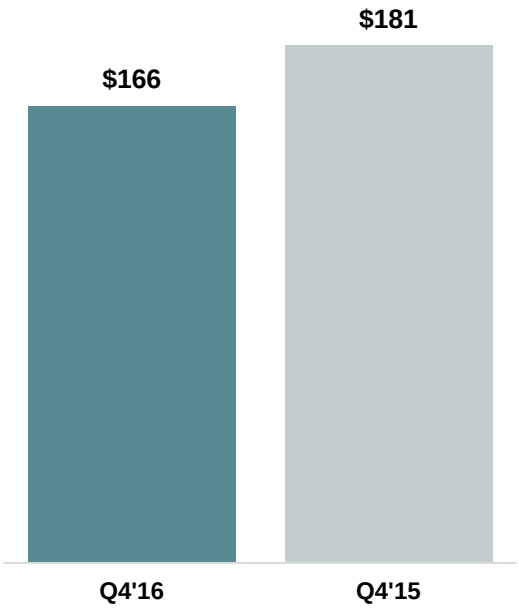




- **Continued strong performance tire market**
- **Net sales and Adj EBITDA increases driven by higher SSBR and ESBR sales volumes**
- **Record quarterly and annual sales volume in Q4 and 2016**

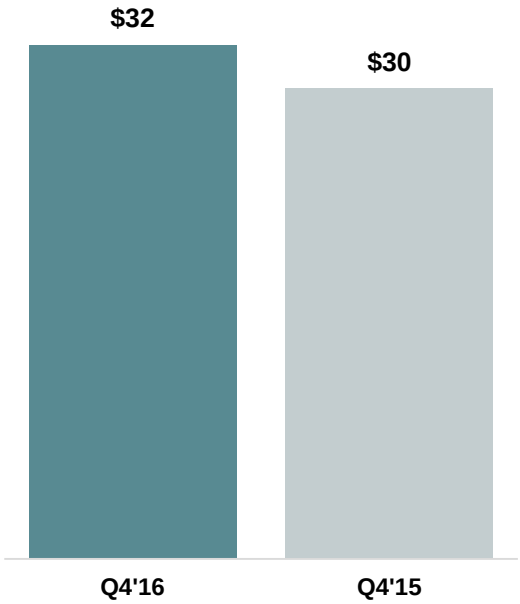
Performance Plastics

Net Sales ($MM)

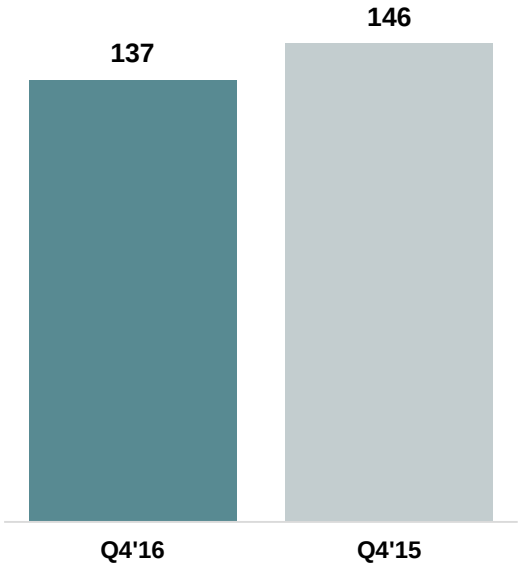


Vol	Price	FX	Total
(6%)	(3%)	(0%)	(8%)

Adjusted EBITDA ($MM)



Volume (MM Lbs)

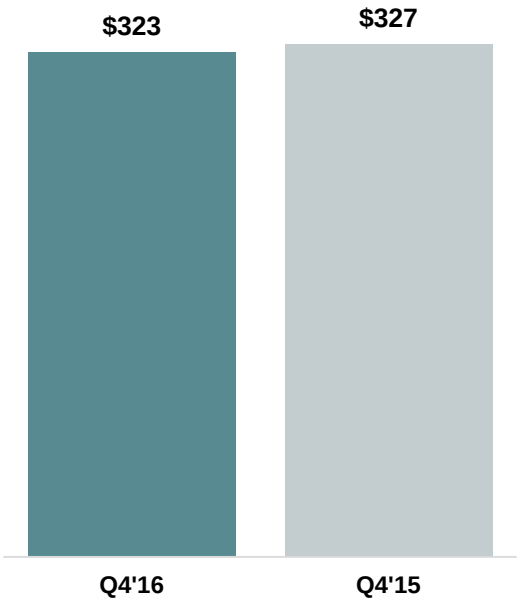




- **Net sales decline driven by lower sales volume to Asia consumer electronics market as well as Latin America divestiture**
- **Auto 2016 volume up 5% vs prior year excluding Latin America**

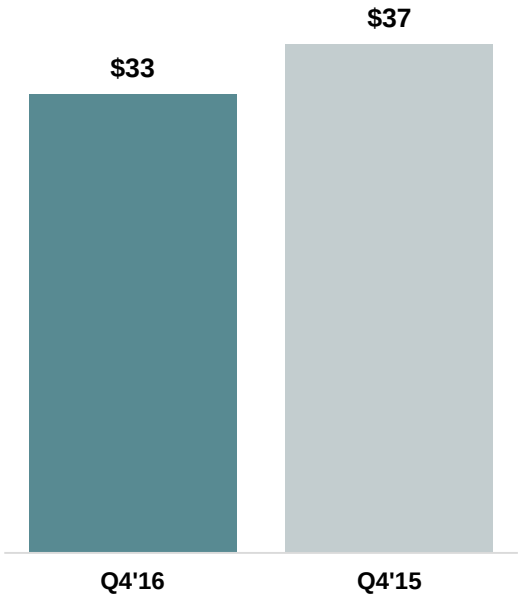
Basic Plastics

Net Sales ($MM)

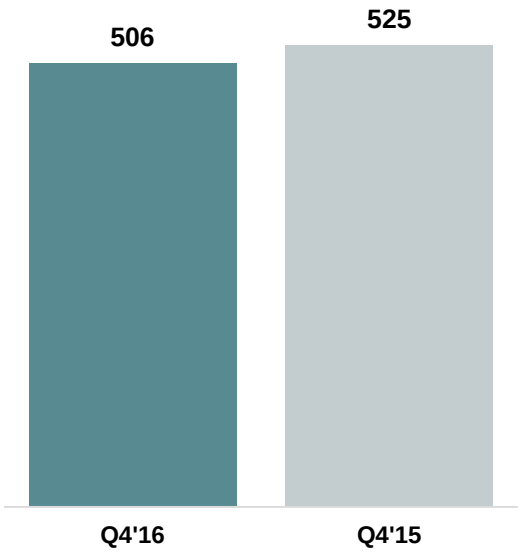


Vol	Price	FX	Total
(3%)	2%	(0%)	(1%)

Adjusted EBITDA ($MM)



Volume (MM Lbs)



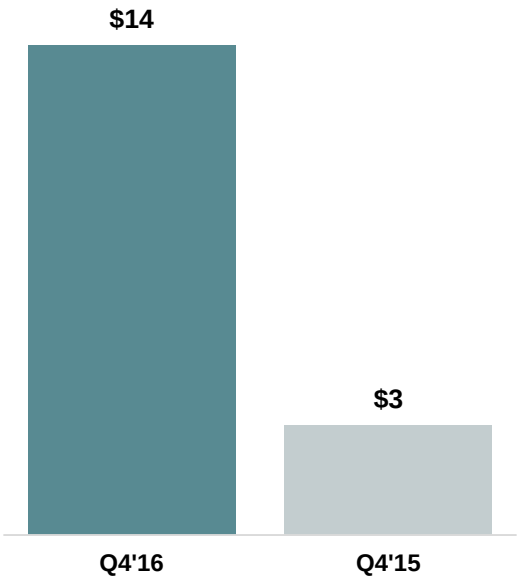


- **Net sales decline from lower Europe polystyrene sales volume, partially offset by raw material pass through**
- **Adj EBITDA decrease driven by lower margins due to prior year industry outages**

Feedstocks & Americas Styrenics

FEEDSTOCKS

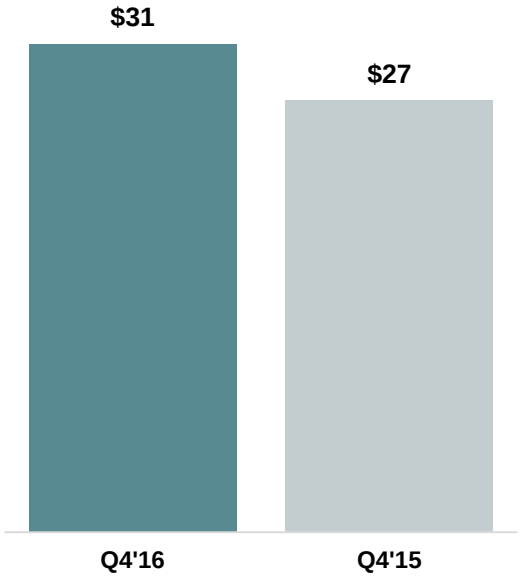
Adjusted EBITDA ($MM)



- Adjusted EBITDA increase driven by higher styrene margins as well as favorable raw material timing
- Results exceeded guidance due to unplanned outages in December

AMERICAS STYRENICS

Adjusted EBITDA ($MM)

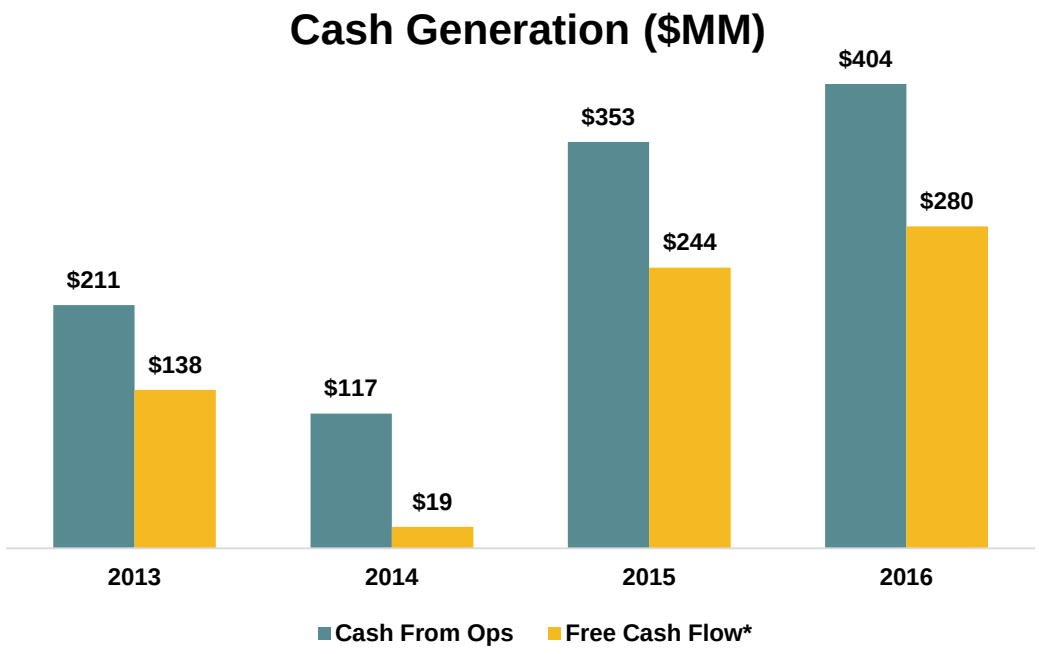


- Improvement versus prior year driven by higher styrene margins
- $30 million Q4 dividend

Cash Generation

Summary

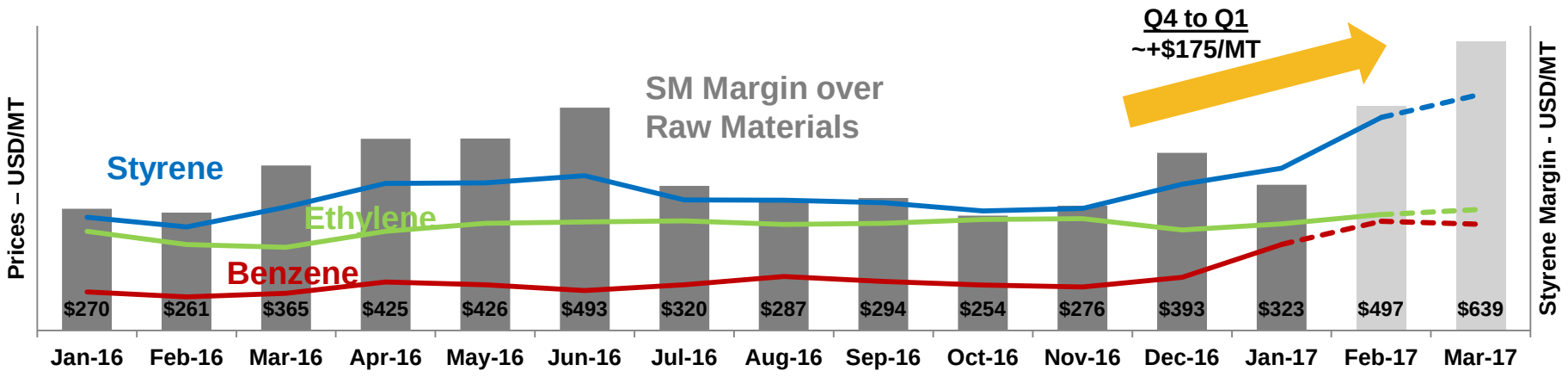
- *Record cash generation in 2016*
- *Q4 cash from operating activities of $79 million and free cash flow of $38 million*
- *$34 million returned to shareholders in Q4 via dividends / repurchases*
- *Year-end cash of $465 million*



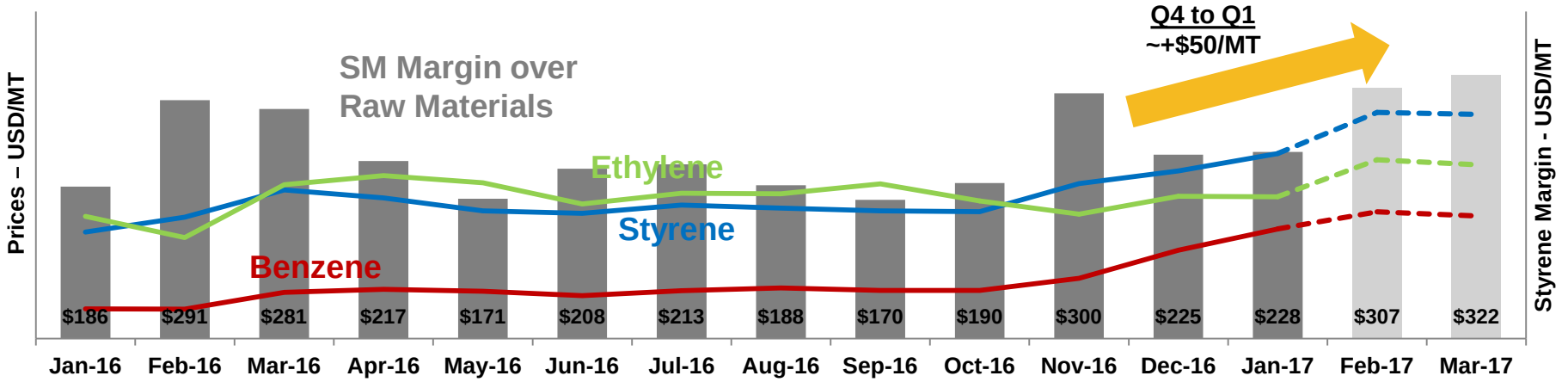
*Free Cash Flow = cash from operating activities less capital expenditures (prior periods have been revised to reflect this definition of Free Cash Flow). 2015 value of $244MM includes a call premium cash use of approximately $69MM. 2014 value of $19MM includes an approximately $56MM cash use related to termination fees for Latex JV Option and Bain Advisory Agreement. See Appendix for reconciliation of non-GAAP measures.
NOTE: Totals may not sum due to rounding

Western Europe and Asia Styrene Margin Trends

Western Europe Margin (1)



Asia Margin (2)



Trinseo's Feedstocks reporting segment captures styrene monomer margin through both internally produced and cost-based purchases of styrene. Annually, we produce nearly 700 kilotons of styrene in Western Europe and purchase approximately 300 kilotons of styrene in Asia with cost-based economics. With all other inputs remaining equal, a $50 per metric ton change in styrene margins would be expected to impact the Feedstocks reporting segment's annual Adjusted EBITDA by approximately $35 million in Europe and approximately $15 million in Asia. Other factors that could impact the Feedstocks segment Adjusted EBITDA include, but are not limited to, utilities, freight, manufacturing costs, overhead costs, discounts of styrene, benzene, and ethylene, as well as raw material timing.

SOURCE: Western Europe Styrene, Benzene, Ethylene Prices: ICIS. Asia Styrene, Benzene, Ethylene prices: IHS. Styrene margin over raw materials: Trinseo. (1) Styrene: W. Europe Contract Monthly Market (Delivered W. Europe); Benzene: 50% W. Europe Spot Avg (CIF NW Europe / Basis ARA) and 50% W. Europe Contract – Market (FOB/CIF W. Europe); Ethylene: W. Europe Contract – Market Pipeline (Delivered W. Europe). (2) Styrene: NE Asia Avg Spot Posting (CFR China); Benzene: NE Asia Spot Avg (FOB S. Korea); Ethylene: NE Asia Spot Avg (CFR NE Asia). Styrene margin over raw materials: Styrene less (80% * Benzene) less (30% * Ethylene).

Q1 2017 Guidance

		Adj EBITDA* ($MM)	
Performance Materials	Latex Binders	~$30	• Sequential margin increase • Neutral timing impact • Cost initiatives continuing
	Synthetic Rubber	$40 - $45	• Very strong performance tire market • Net $10 - $15 million favorable timing impact
	Performance Plastics	~$25	• Includes ~$5 million unfavorable timing impact • Continued steady performance

Basic Plastics & Feedstocks		~$105	• Sequential improvement in styrene margin partially offset by:
			  • ~$15 million impact from extended AmSty styrene turnaround
			  • $10- $15 million impact from Terneuzen styrene turnaround
			• Includes ~$35 million favorable raw material timing

Corporate		~$(25)	

Net Income $100MM - $108MM / EPS $2.19 - $2.37

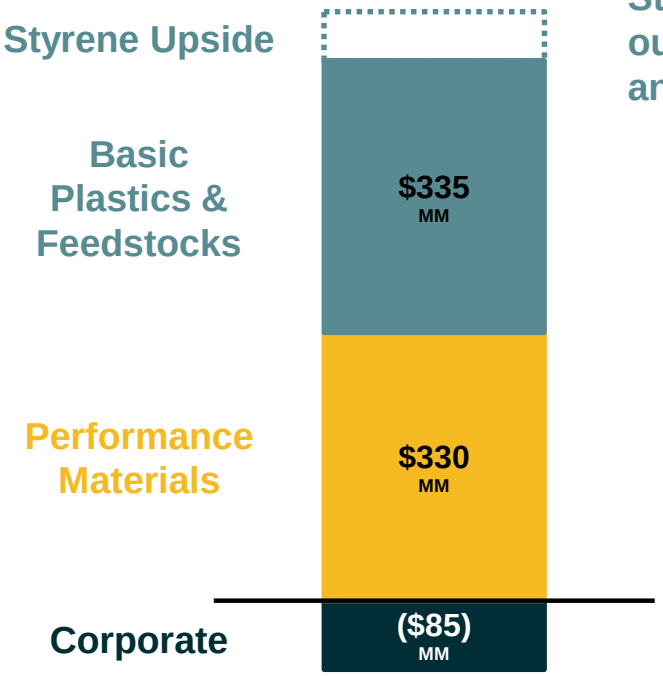
Adj EBITDA* $170MM - $180MM inclusive of ~$80MM of favorable raw material timing and ~$40MM unfavorable price lag as well as styrene turnaround impacts

Adj EPS* $2.19 - $2.37

* See Appendix for reconciliation of non-GAAP measures

Full Year 2017 Guidance

	2017E
Net Income	$310MM
Adj EBITDA*	$580MM



Styrene Upside

Styrene upside from unplanned supply outages, higher planned outage impacts and tightening supply/demand

* See Appendix for reconciliation of non-GAAP measures

Appendix

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US GAAP to Non-GAAP Reconciliation

Profitability Guidance

(In millions, except per share data)	Three Months Ended March 31, 2017	Year Ended December 31, 2017
Adjusted EBITDA	$ 170 - 180	$ 580
Interest expense, net	(19)	(76)
Provision for income taxes	(26) – (28)	(90)
Depreciation and amortization	(25)	(104)
Reconciling items to Adjusted EBITDA	—	—
Net Income	**100 - 108**	**310**
Reconciling items to Adjusted Net Income	—	—
Adjusted Net Income	100 - 108	310
Weighted average shares- diluted	45.5	45.5
Adjusted EPS	$ 2.19 - 2.37	$ 6.82

Free Cash Flow

	Three Months Ended		Year Ended	
(in millions)	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Cash provided by operating activities	$ 79.0	$ 147.5	$ 403.7	$ 353.2
Capital expenditures	(41.2)	(30.2)	(123.9)	(109.3)
Free Cash Flow	$ 37.8	$ 117.3	$ 279.8	$ 243.9

NOTE: For definitions of non-GAAP measures as well as descriptions of reconciling items from Net Income to Adjusted EBITDA and to Adjusted Net Income, refer to the accompanying Exhibit 99.1 – Press Release, February 22, 2017. Totals may not sum due to rounding.

US GAAP to Non-GAAP Reconciliation

(in $millions, unless noted)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	2014	2015	2016
Net Income (Loss)	**17.1**	**(44.6)**	**(10.1)**	**(29.7)**	**37.7**	**0.8**	**52.1**	**43.1**	**76.7**	**95.8**	**67.3**	**78.5**	**(67.3)**	**133.6**	**318.3**
Interest expense, net	32.8	32.6	30.1	29.4	28.9	25.6	19.5	19.3	18.9	18.8	18.8	18.4	124.9	93.2	75.0
Provision for (benefit from) income taxes	12.8	5.5	3.7	(2.1)	17.9	7.5	21.2	23.6	21.9	28.6	16.0	20.5	19.7	70.2	87.0
Depreciation and amortization	23.7	27.1	27.8	24.9	22.5	21.7	23.0	29.5	23.2	24.9	23.8	24.7	103.7	96.8	96.4
EBITDA	86.4	20.6	51.5	22.5	107.0	55.6	115.8	115.5	140.7	168.1	125.9	142.1	181.0	393.8	576.7
Loss on extinguishment of long-term debt	-	-	7.4	-	-	95.2	-	-	-	-	-	-	7.4	95.2	-
Other items	-	32.5	1.9	3.9	1.3	0.6	0.3	-	1.8	0.3	0.3	(6.8)	38.4	2.2	(4.4)
Restructuring and other charges	0.5	2.1	0.8	6.6	0.5	(0.1)	0.1	0.2	0.7	1.1	16.8	4.9	10.0	0.8	23.5
Net (gains) / losses on dispositions of businesses and assets	-	-	-	(0.6)	-	-	-	-	-	12.9	0.3	1.8	(0.6)	-	15.1
Fees paid pursuant to advisory agreement	1.2	24.2	-	-	-	-	-	-	-	-	-	-	25.4	-	-
Adjusted EBITDA	88.1	79.4	61.6	32.4	108.8	151.3	116.2	115.7	143.2	182.4	143.3	142.0	261.6	492.0	610.9
Adjusted EBITDA to Adjusted Net Income															
Adjusted EBITDA	88.1	79.4	61.6	32.4	108.8	151.3	116.2	115.7	143.2	182.4	143.3	142.0	261.6	492.0	610.9
Interest expense, net	32.8	32.6	30.1	29.4	28.9	25.6	19.5	19.3	18.9	18.8	18.8	18.4	124.9	93.2	75.0
Provision for (benefit from) income taxes - Adjusted	12.0	10.1	5.4	1.8	18.3	25.5	22.3	18.7	22.4	28.8	21.4	22.0	29.4	84.9	94.6
Depreciation and amortization - Adjusted	23.7	25.8	25.6	24.5	22.3	21.6	22.1	23.4	22.6	24.9	23.3	24.7	99.6	89.3	95.4
Adjusted Net Income	19.6	10.9	0.5	(23.3)	39.3	78.6	52.3	54.3	79.3	109.9	79.8	76.9	7.7	224.6	345.9
Wtd Avg Shares - Diluted (000)	*37,270*	*38,912*	*50,063*	*48,770*	*48,851*	*48,907*	*48,989*	*49,067*	*49,086*	*47,857*	*46,961*	*45,754*	*43,476*	*48,970*	*47,478*
Adjusted EPS - Diluted ($)	*0.53*	*0.28*	*0.01*	*(0.48)*	*0.80*	*1.61*	*1.07*	*1.11*	*1.62*	*2.30*	*1.70*	*1.68*	*0.18*	*4.59*	*7.28*
Adjustments by Statement of Operations Caption															
Loss on extinguishment of long-term debt	*-*	*-*	*7.4*	*-*	*-*	*95.2*	*-*	*-*	*-*	*-*	*-*	*-*	*7.4*	*95.2*	*-*
Selling, general and administrative expenses	*1.7*	*26.3*	*2.7*	*10.5*	*1.8*	*0.5*	*0.4*	*0.2*	*2.5*	*1.4*	*17.1*	*4.9*	*41.3*	*3.0*	*25.9*
Other expense (income), net	*-*	*32.5*	*-*	*(0.6)*	*-*	*-*	*-*	*-*	*-*	*12.9*	*0.3*	*(5.0)*	*31.9*	*-*	*8.3*
Total EBITDA Adjustments	*1.7*	*58.8*	*10.1*	*9.9*	*1.8*	*95.7*	*0.4*	*0.2*	*2.5*	*14.3*	*17.4*	*(0.1)*	*80.6*	*98.2*	*34.2*
Free Cash Flow Reconciliation															
Cash provided by operating activities									84.9	94.8	145.0	79.0	117.2	353.2	403.7
Capital expenditures									(26.4)	(26.7)	(29.5)	(41.2)	(98.6)	(109.3)	(123.9)
Free Cash Flow									58.4	68.1	115.5	37.8	18.6	243.9	279.8

NOTE: Totals may not sum due to rounding.

Selected Segment Information

(in $millions, unless noted)	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	2014	2015	2016
Latex Binders	299	295	309	289	305	312	307	308	299	310	318	309	1,193	1,233	1,236
Synthetic Rubber	155	142	136	135	162	153	152	134	146	148	150	159	568	601	604
Performance Plastics	144	147	145	145	150	150	144	146	143	154	145	137	581	590	579
Performance Materials	598	584	591	569	617	616	603	588	588	613	613	604	2,342	2,423	2,419
Basic Plastics	562	584	539	490	585	557	493	525	570	539	504	506	2,174	2,160	2,118
Feedstocks	185	159	186	164	209	151	231	165	194	195	207	163	693	755	759
Basic Plastics & Feedstocks	746	743	725	654	793	708	724	690	764	734	711	669	2,867	2,915	2,877
Trade Volume (MMLbs)	**1,344**	**1,327**	**1,315**	**1,223**	**1,411**	**1,323**	**1,327**	**1,277**	**1,352**	**1,347**	**1,324**	**1,273**	**5,210**	**5,339**	**5,296**
Latex Binders	326	321	328	286	238	248	255	226	209	232	243	241	1,261	966	925
Synthetic Rubber	177	165	155	137	129	115	126	104	102	111	113	124	634	475	451
Performance Plastics	202	210	208	202	197	185	180	181	169	184	175	166	821	743	693
Performance Materials	705	695	691	624	565	548	561	510	480	528	531	531	2,716	2,184	2,069
Basic Plastics	530	543	494	412	375	411	364	327	343	363	324	323	1,978	1,478	1,353
Feedstocks	124	103	120	86	78	69	103	60	71	79	81	64	434	310	294
Basic Plastics & Feedstocks	654	645	614	498	454	480	467	387	414	442	405	387	2,412	1,788	1,647
Net Sales	**1,359**	**1,341**	**1,305**	**1,122**	**1,018**	**1,029**	**1,028**	**897**	**894**	**970**	**935**	**917**	**5,128**	**3,972**	**3,717**
Latex Binders	26	27	26	18	21	15	24	18	19	21	30	24	97	79	94
Synthetic Rubber	43	37	27	30	26	18	27	21	23	30	28	29	137	93	111
Performance Plastics	23	21	23	18	30	28	20	30	35	38	30	32	85	108	136
Performance Materials	93	84	76	67	77	61	72	69	77	90	88	86	320	280	341
Basic Plastics	2	8	(5)	(19)	14	39	25	37	38	43	34	33	(15)	116	148
Feedstocks	(1)	(3)	(5)	(12)	5	35	7	3	21	33	13	14	(21)	51	80
Americas Styrenics	16	7	11	17	35	41	32	27	33	38	34	31	50	135	136
Basic Plastics & Feedstocks	17	12	0	(14)	55	115	65	67	92	113	81	78	15	302	364
Corporate	(21)	(17)	(15)	(20)	(23)	(25)	(21)	(20)	(25)	(21)	(26)	(22)	(73)	(90)	(95)
Adjusted EBITDA	**88**	**79**	**62**	**32**	**109**	**151**	**116**	**116**	**143**	**182**	**143**	**142**	**262**	**492**	**611**
Adj EBITDA Variance Analysis															
Net Timing* Impacts - Fav/(Unfav)															
Performance Materials	(3)	4	1	(2)	6	(6)	0	5	(2)	(5)	4	9	(0)	5	6
Basic Plastics & Feedstocks	1	2	(0)	(50)	(20)	22	(22)	(7)	(4)	6	3	5	(47)	(27)	9
Trinseo	(2)	6	1	(53)	(14)	16	(22)	(2)	(6)	1	6	14	(48)	(23)	15

*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.

NOTE: Totals may not sum due to rounding.