



AVIENT CORPORATION

FIRST QUARTER 2021 RESULTS

(NYSE: AVNT)

APRIL 30, 2021



DISCLAIMER

Forward-Looking Statements

In this presentation, statements that are not reported financial results or other historical information are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events and are not guarantees of future performance. They are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. They use words such as “will,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe” and other words and terms of similar meaning in connection with any discussion of future operating or financial condition, performance and/or sales. In particular, these include statements relating to future actions; prospective changes in raw material costs, product pricing or product demand; future performance; estimated capital expenditures; results of current and anticipated market conditions and market strategies; sales efforts; expenses; the outcome of contingencies such as legal proceedings and environmental liabilities; and financial results.

Factors that could cause actual results to differ materially from those implied by these forward-looking statements include, but are not limited to:

- Disruptions, uncertainty or volatility in the credit markets that could adversely impact the availability of credit already arranged and the availability and cost of credit in the future;
- The effect on foreign operations of currency fluctuations, tariffs and other political, economic and regulatory risks;
- The current and potential future impact of the COVID-19 pandemic on our business, results of operations, financial position or cash flows;
- Our ability to achieve the strategic and other objectives relating to the acquisition of Clariant’s Masterbatch business, including any expected synergies;
- Changes in polymer consumption growth rates and laws and regulations regarding plastics in jurisdictions where we conduct business;
- Fluctuations in raw material prices, quality and supply, and in energy prices and supply;
- Production outages or material costs associated with scheduled or unscheduled maintenance programs;
- Unanticipated developments that could occur with respect to contingencies such as litigation and environmental matters;
- An inability to achieve the anticipated financial benefit from initiatives related to acquisition and integration working capital reductions, cost reductions and employee productivity goals;
- Our ability to pay regular quarterly cash dividends and the amounts and timing of any future dividends;
- Information systems failures and cyberattacks;
- Our ability to consummate and successfully integrate acquisitions;
- Amounts for cash and non-cash charges related to restructuring plans that may differ from original estimates, including because of timing changes associated with the underlying actions; and
- Other factors described in our Annual Report on Form 10-K for the year ended December 31, 2020 under Item 1A, “Risk Factors.”

The above list of factors is not exhaustive. We undertake no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any further disclosures we make on related subjects in our reports on Form 10-Q, 8-K and 10-K that we provide to the Securities and Exchange Commission.

Use of Non-GAAP Measures

This presentation includes the use of both GAAP (generally accepted accounting principles) and non-GAAP financial measures. The non-GAAP financial measures include: adjusted EPS, adjusted operating income, free cash flow and adjusted EBITDA.

Avient’s chief operating decision maker uses these financial measures to monitor and evaluate the ongoing performance of the Company and each business segment and to allocate resources.

A reconciliation of each non-GAAP financial measure with the most directly comparable GAAP financial measure is attached to this presentation which is posted on our website at www.avient.com.

The Company does not provide reconciliations of forward-looking non-GAAP financial measures, such as outlook for adjusted EBITDA, adjusted earnings per share, adjusted operating income and free cash flow, to the most comparable GAAP financial measures on a forward-looking basis because the Company is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and amount of certain items, such as, but not limited to, restructuring costs, environmental remediation costs, acquisition-related costs, and other non-routine costs. Each of such adjustments has not yet occurred, are out of the Company’s control and/or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

Avient acquired the Clariant Masterbatch business (CMB) on July 1, 2020 (the “Acquisition Date”). To provide comparable financial results, the Company references “pro forma” financial metrics, which include the business results of CMB for periods prior to the Acquisition Date. Management believes this provides comparability of the performance of the combined businesses.

2 Unless otherwise stated, Adjusted Operating Income, Adjusted EBITDA and Adjusted EPS figures included in this presentation exclude the impact of special items as defined in our quarterly earnings releases.



Q1 2021 – ORGANIC PERFORMANCE

(TOTAL COMPANY)

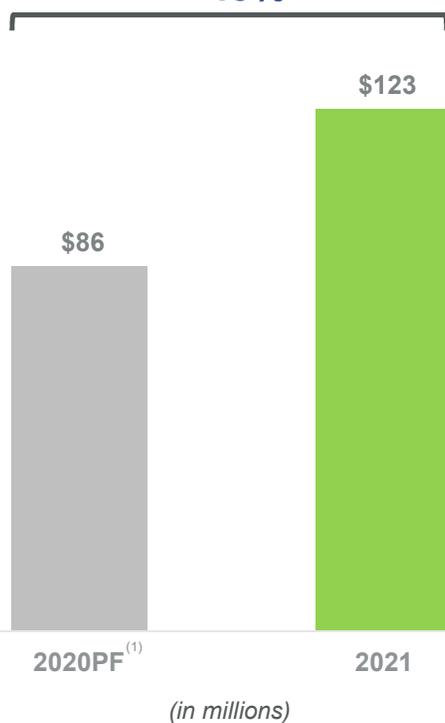
Sales

+ 17%



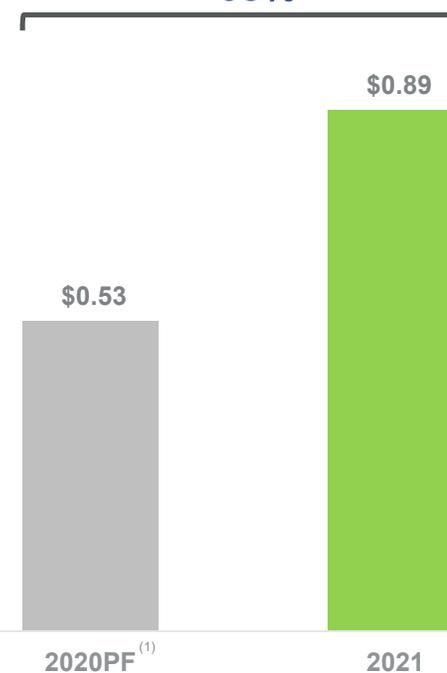
Adjusted Operating Income

+ 43%



Adjusted EPS

+ 68%



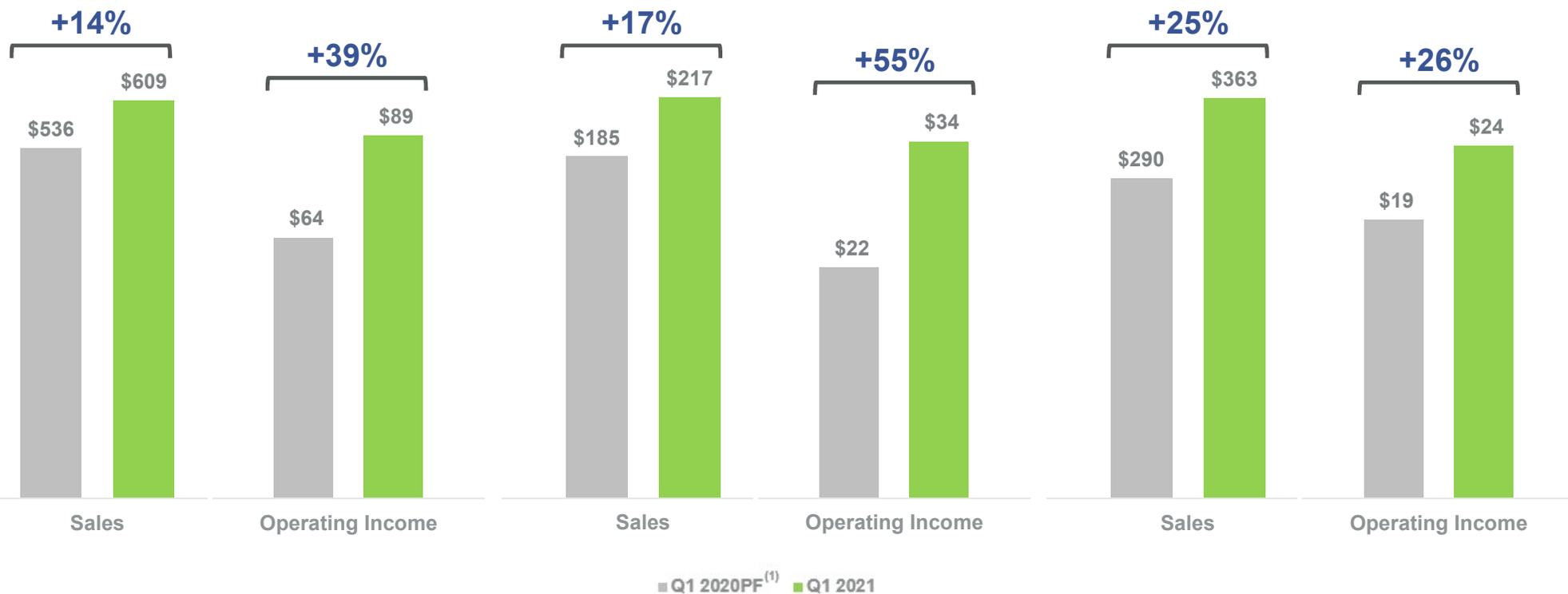
Q1 2021 SEGMENT PERFORMANCE

CAI

SEM

Distribution

(\$ in millions)

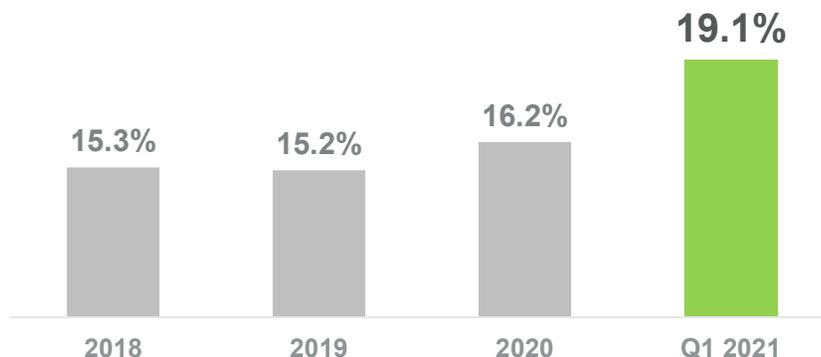


(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition



SPECIALTY EBITDA MARGIN EXPANSION

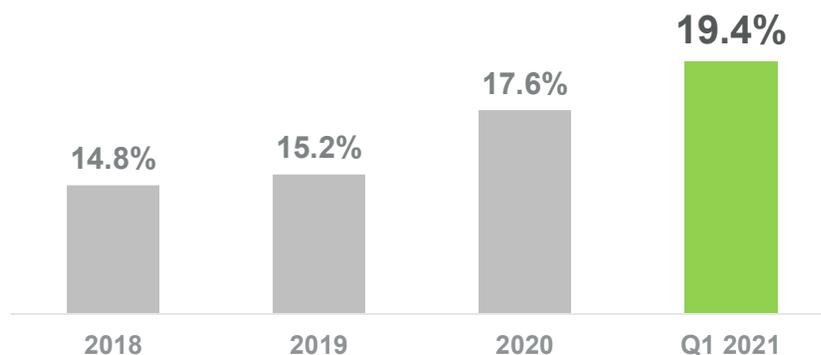
CAI⁽¹⁾



- Continued portfolio transformation to high-growth end markets and sustainable solutions

- Clariant Masterbatch synergy realization

SEM

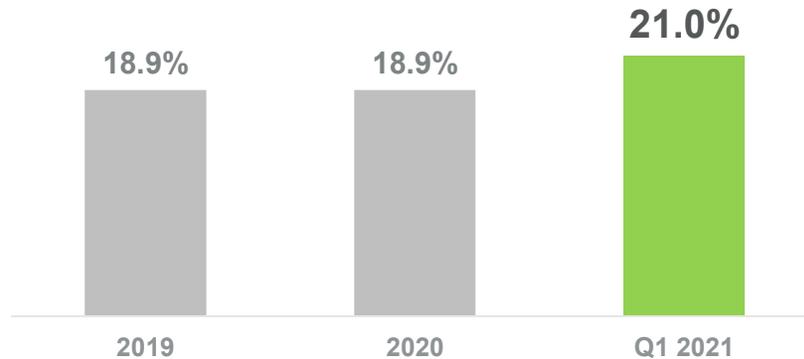


- Investments in composites and outdoor high performance applications drive growth and mix improvements

(1) 2018-2020 financial information is pro forma to include a full year of Clariant Masterbatch business acquisition

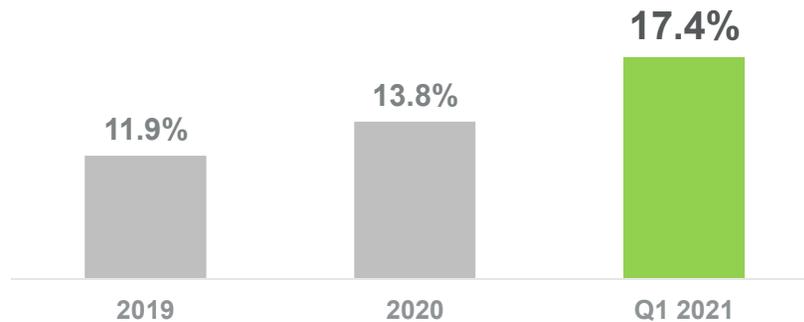
CAI EBITDA MARGIN EXPANSION

Legacy CAI



- Early synergy capture translating to the bottom line
- Positive mix with growth in healthcare, consumer and packaging end-markets
- World-class vitality index of **36%** represents sales from products introduced in the last five years. This innovation drives performance and is reflective of consistent, strategic investments in our portfolio...and people.

Legacy Clariant MB



Q1 2021 ORGANIC SALES AND OPERATING INCOME

(TOTAL COMPANY)

<i>\$ millions</i>	Sales	Growth Rate	Adjusted Operating Income
2020 Pro forma⁽¹⁾	\$991		\$86
Sustainable Solutions	15	11%	6
Healthcare	28	22%	6
Composites	6	10%	3
Growth in Emerging Regions	44	30%	10
Other	53	10%	7
Sub-total	\$1,137	15%	\$118
FX Impact	25	-	2
Synergies	-	-	11
Incentives, Travel, Other Employee Costs	-	-	(8)
2021 Actual	\$1,162	17%	\$123

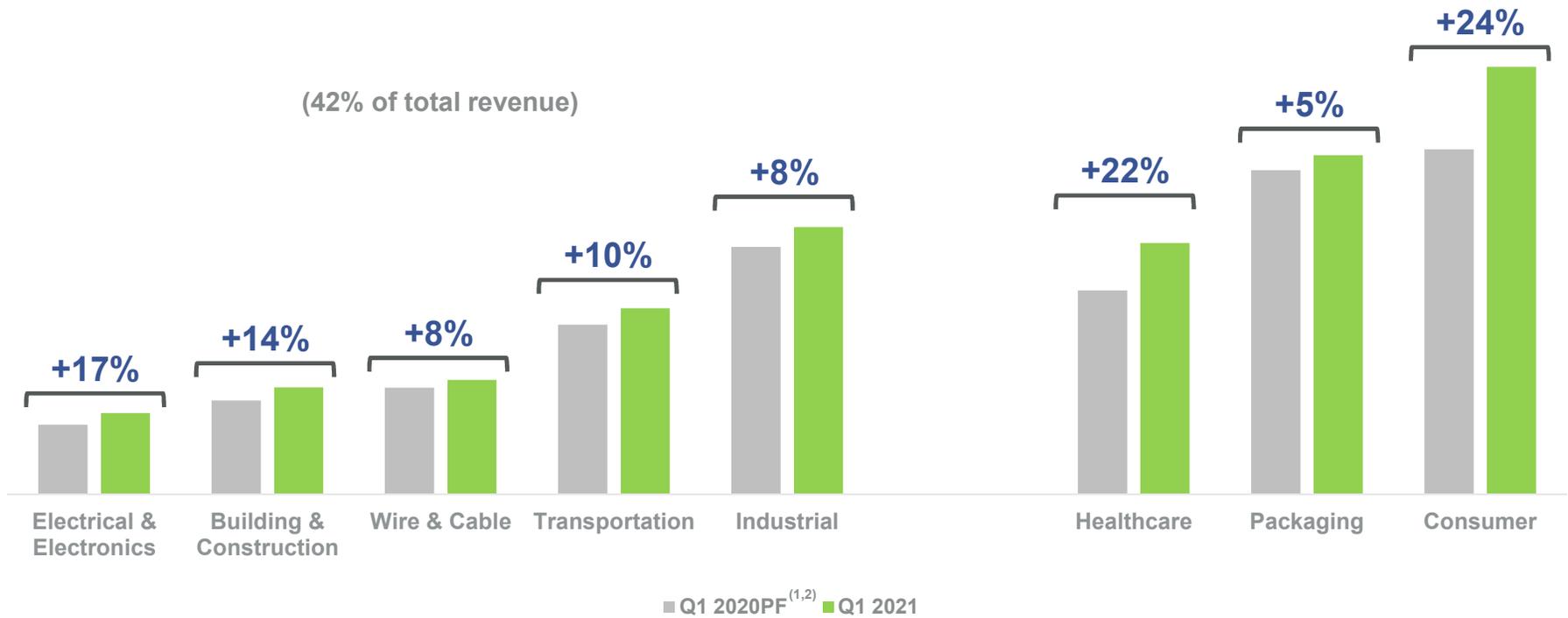
(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition



Q1 END MARKET SALES PERFORMANCE

(58% of total revenue)

(42% of total revenue)



(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition
 (2) Financial information is presented on a constant currency basis

The background features a large, white, stylized 'X' shape that divides the space into four quadrants. Each quadrant contains a different type of financial chart: the top-left shows a candlestick chart with a white line; the top-right shows a candlestick chart with a white line and a dotted trend line; the bottom-left shows a bar chart with white bars; and the bottom-right shows a bar chart with white bars. The overall color scheme is dark blue and black with white and light blue accents.

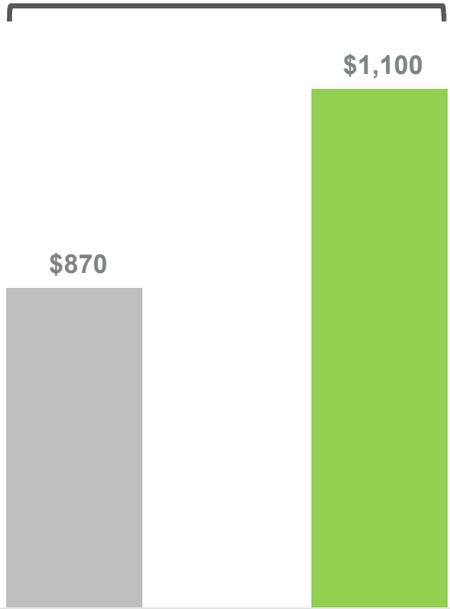
Q2 AND FULL YEAR 2021 OUTLOOK

ORGANIC GROWTH PROJECTIONS – Q2

(TOTAL COMPANY)

Sales

+ 26%



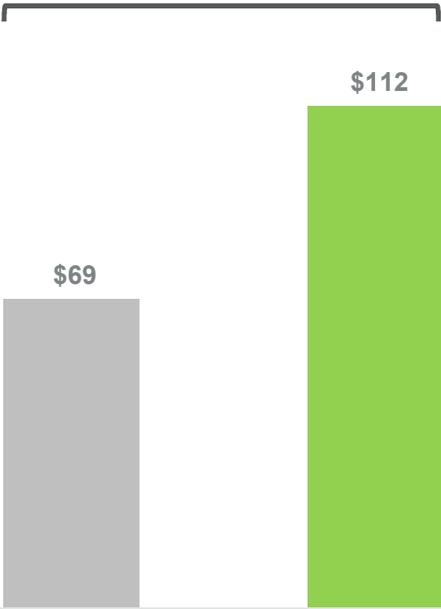
2020PF⁽¹⁾

2021E

(in millions)

Adjusted Operating Income

+ 62%



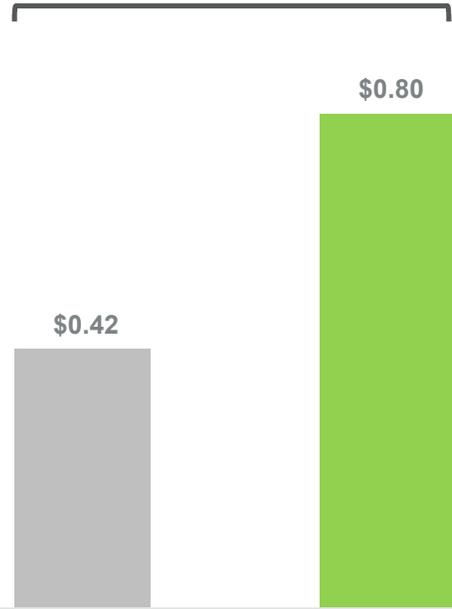
2020PF⁽¹⁾

2021E

(in millions)

Adjusted EPS

+ 90%



2020PF⁽¹⁾

2021E

(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition



FULL YEAR GUIDANCE INCREASED

Previous
Guidance

Current
Guidance

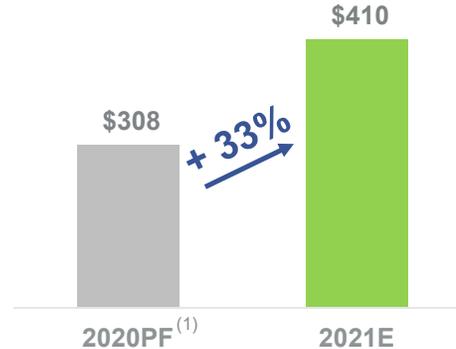
Sales

(in millions)



Adj. Operating Income

(in millions)



Adjusted EPS



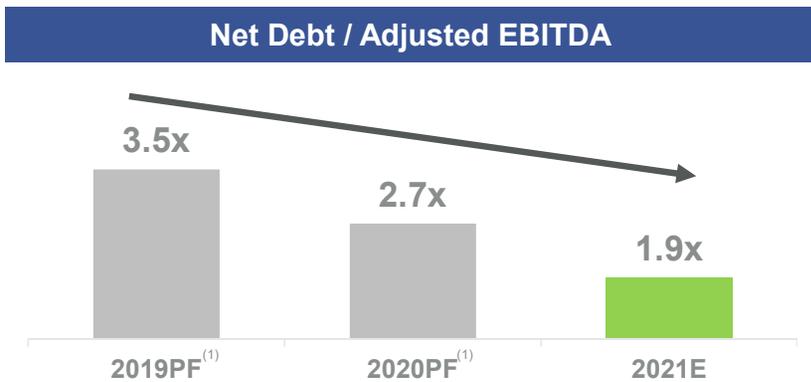
(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition

BALANCE SHEET

(\$ in millions)

2021E Adjusted EBITDA	\$ 560
Free Cash Flow	\$ 275
Total Debt	1,860
Less: Cash	(800)
Net Debt	\$ 1,060

2021E Net Debt / Adjusted EBITDA	1.9x
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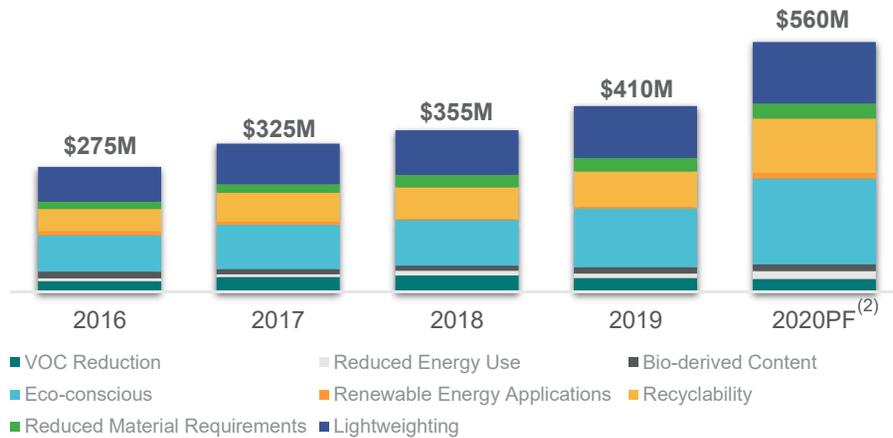


- Deleveraging to **1.9x** net debt to adjusted EBITDA by the end of 2021
- Driven by record adjusted EBITDA performance and strong free cash flow generation from asset light business
- Future cash deployment: M&A, opportunistic share repurchases and balance sheet / continued leverage reduction

(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition

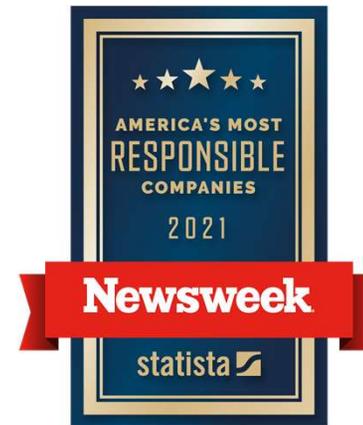
SUSTAINABILITY

Revenue from Sustainable Solutions⁽¹⁾ 2016 – 2020



- Most recent Sustainability report substantially expanded disclosure on key environmental and social topics.
- Aligned with leading reporting frameworks – GRI, SASB, TCFD. Full conformance will be built over subsequent reporting cycles.
- Published 2030 performance goals, further enhancing our position as a responsible business creating sustainable, long-term value for its stakeholders.
- Scope included legacy PolyOne operations. Clariant Masterbatch performance will be included in this year’s report.

Newsweek Most Responsible Companies



2021 Sustainalytics ESG Risk Ranking

	RANK <small>(1st = lowest risk)</small>	PERCENTILE <small>(1st = lowest risk)</small>
Chemicals INDUSTRY	75/449	17th
Specialty Chemicals SUBINDUSTRY	21/124	17th

(1) Avient Sustainable Solutions definitions aligned with FTC 2012 Guide for the Use of Environmental Marketing Claims (“Green Guides”)
 (2) 2020 is Pro forma to include full year of the Clariant Masterbatch business

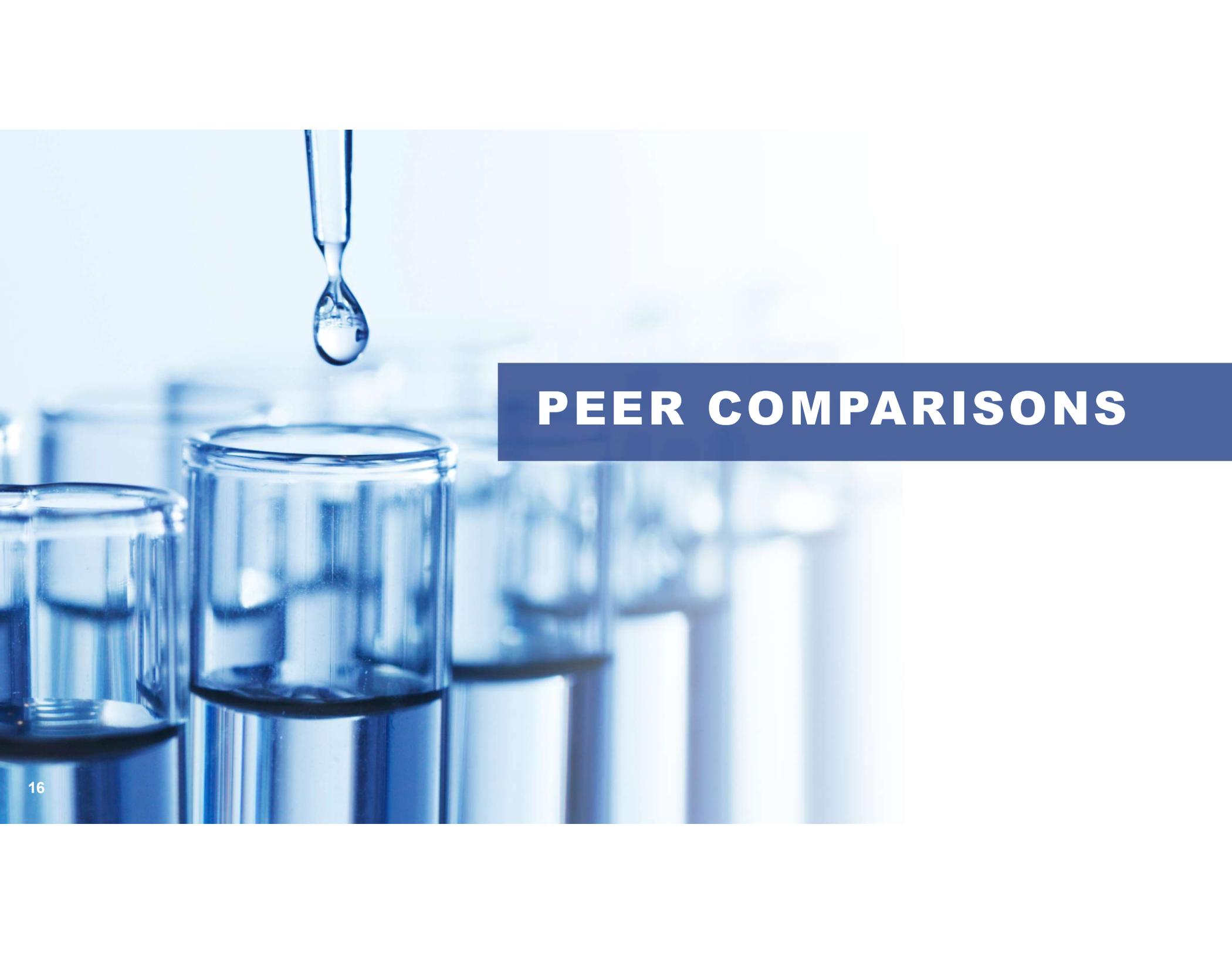
SUSTAINABILITY FOR A BETTER TOMORROW



- Revenue from sustainable solutions expected to grow **11%** in 2021 as our innovation efforts and collaboration with customers continues to accelerate
- Relentless focus on delivering our **2030 sustainability targets** to benefit the planet and people of the world while adding value to our customers, communities, associates and shareholders
- Investments centered around innovation and global sustainability megatrends
 - **Improving Recyclability** – Technologies that allow for increased use of post-consumer recycled (PCR) material
 - **Light-weighting** – Composites and CAI applications to reduce weight and material requirements, which minimize energy and carbon emissions
 - **Eco-Conscious** – Health and human safety applications as well as Avient’s alternative materials to replace lead, PVC, halogens, BPA and other less eco-friendly options
 - **Avient CycleWorks** – New innovation center dedicated to advancing recycling and the circular economy through collaboration with customers and brand owners

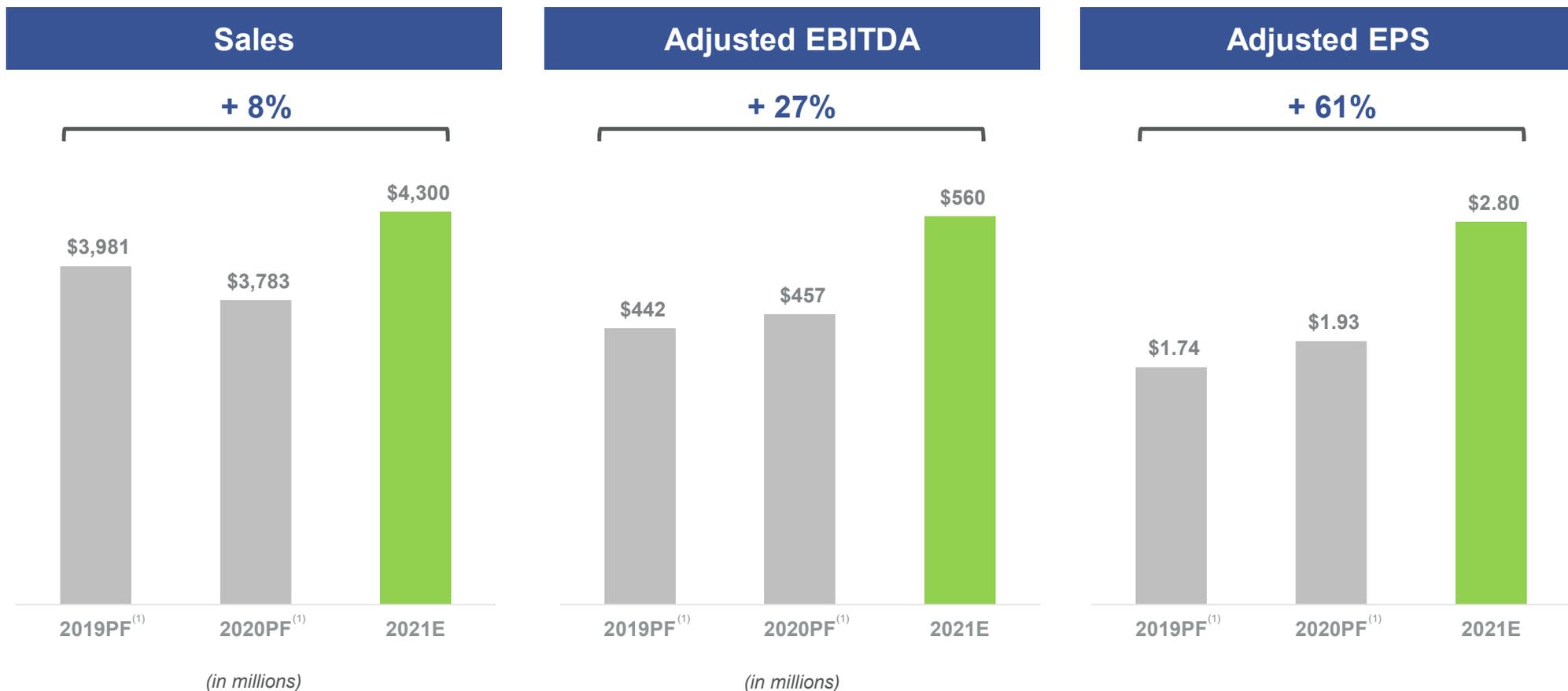
2030 SUSTAINABILITY TARGETS

-  Enable 100% of products manufactured for packaging applications to be recyclable or reusable.
-  100% of technology platform projects will deliver sustainable solutions.
-  Reduce Scope 1 & 2 greenhouse gas emissions by 35%.
-  Reduce waste to landfill by 35%.
-  Obtain 40% of electricity demand from renewable sources.
-  Assess top 90% of supplier spend for alignment with Avient Sustainability objectives.
-  Develop and implement solutions to end plastic waste while supporting AEPW \$1.5B investment in key initiatives.



PEER COMPARISONS

FULL YEAR 2019 – 2021 ORGANIC GROWTH (TOTAL COMPANY)



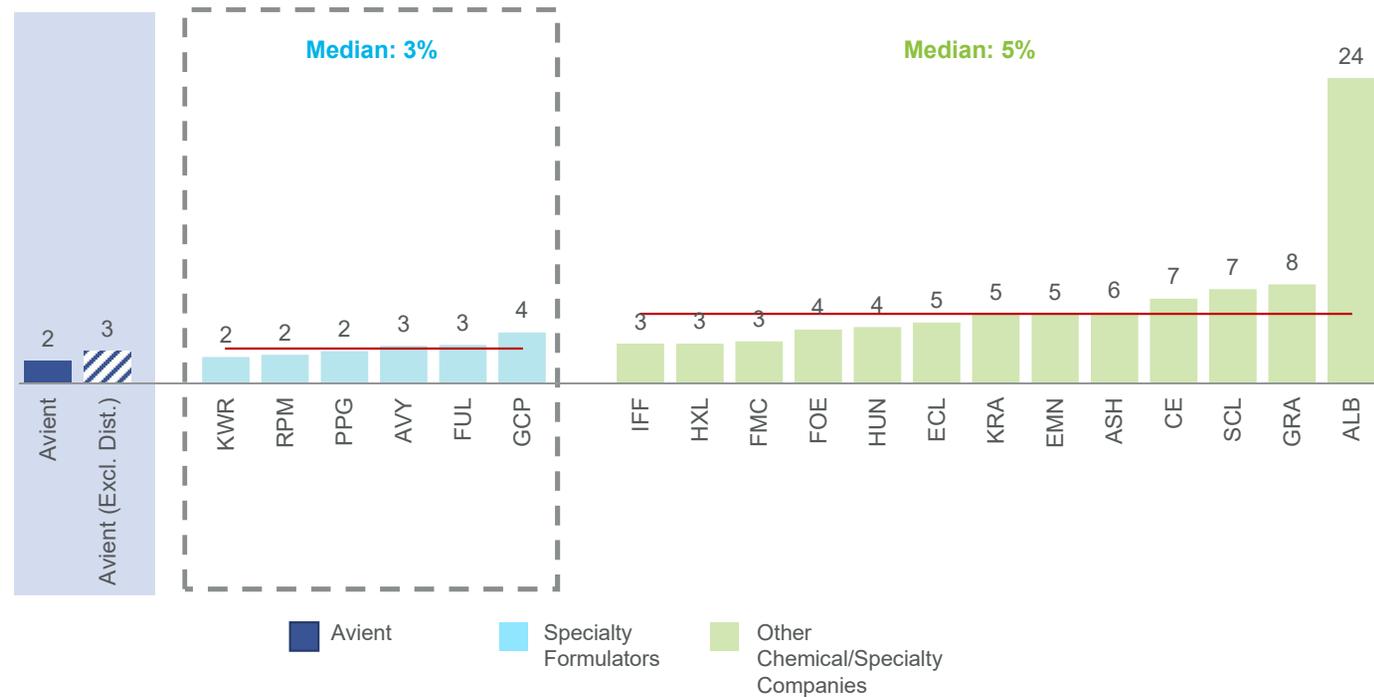
(1) Financial information is pro forma to include a full year of Clariant Masterbatch business acquisition

AVIENT IS ASSET LIGHT

As a specialty formulator, we don't require significant capital investment, as compared to the base resin raw material suppliers we purchase from. Even more, our manufacturing capabilities are flexible and easily adaptable to changing customer needs.

As we grow, we can add capacity with minimal investment. Whether an additional line at an existing manufacturing plant, or a new facility in a growing region, we ramp-up quickly and cost-efficiently.

Capex / Revenue
2021E (%)

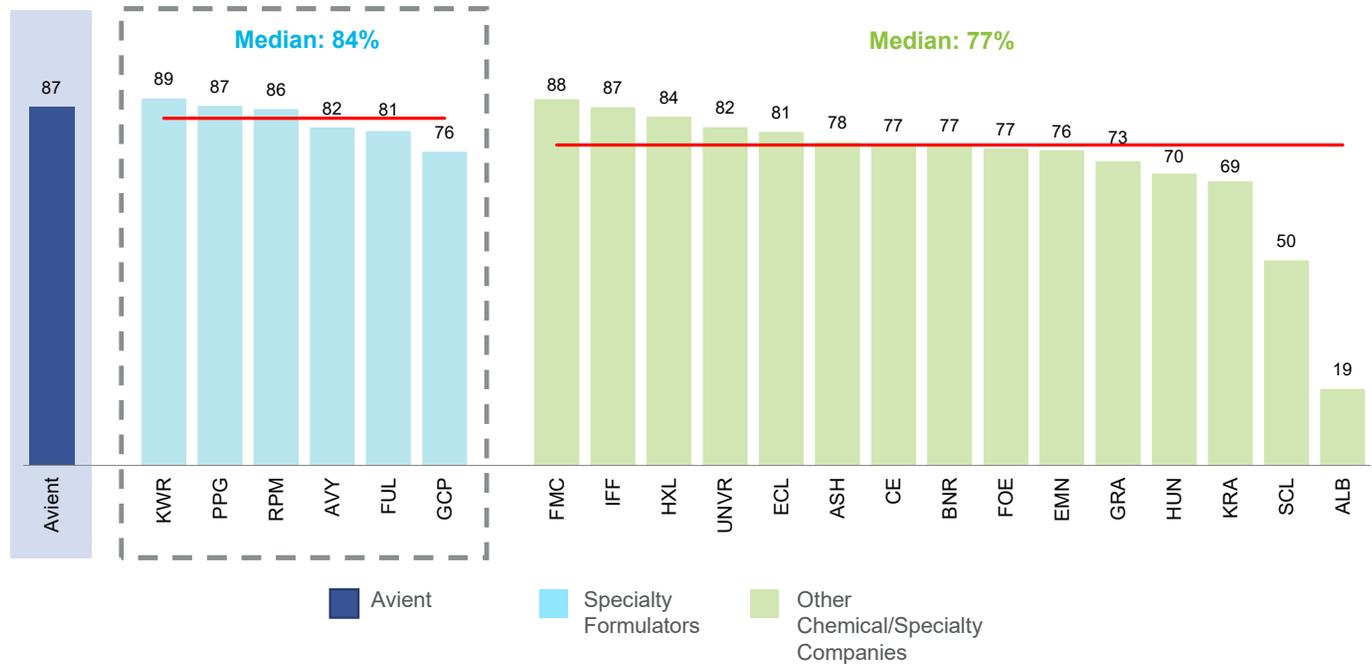


Source: Peer data per Bloomberg market data as of April 27, 2021
Avient reflects 2021 estimated revenue of \$4,300M and excludes one-time synergy capture CAPEX (\$20M)



HIGH FREE CASH FLOW CONVERSION

Free Cash Flow Conversion (1)
2021E (%)



Source: Peer data per Bloomberg market data as of April 27, 2021
 Avient reflects 2021 estimated EBITDA of \$560M and excludes one-time synergy capture CAPEX (\$20M)

1. Free cash flow conversion calculated as (EBITDA – Capex) / EBITDA



Being asset light helps us to generate strong free cash flow that is in line with specialty formulators.

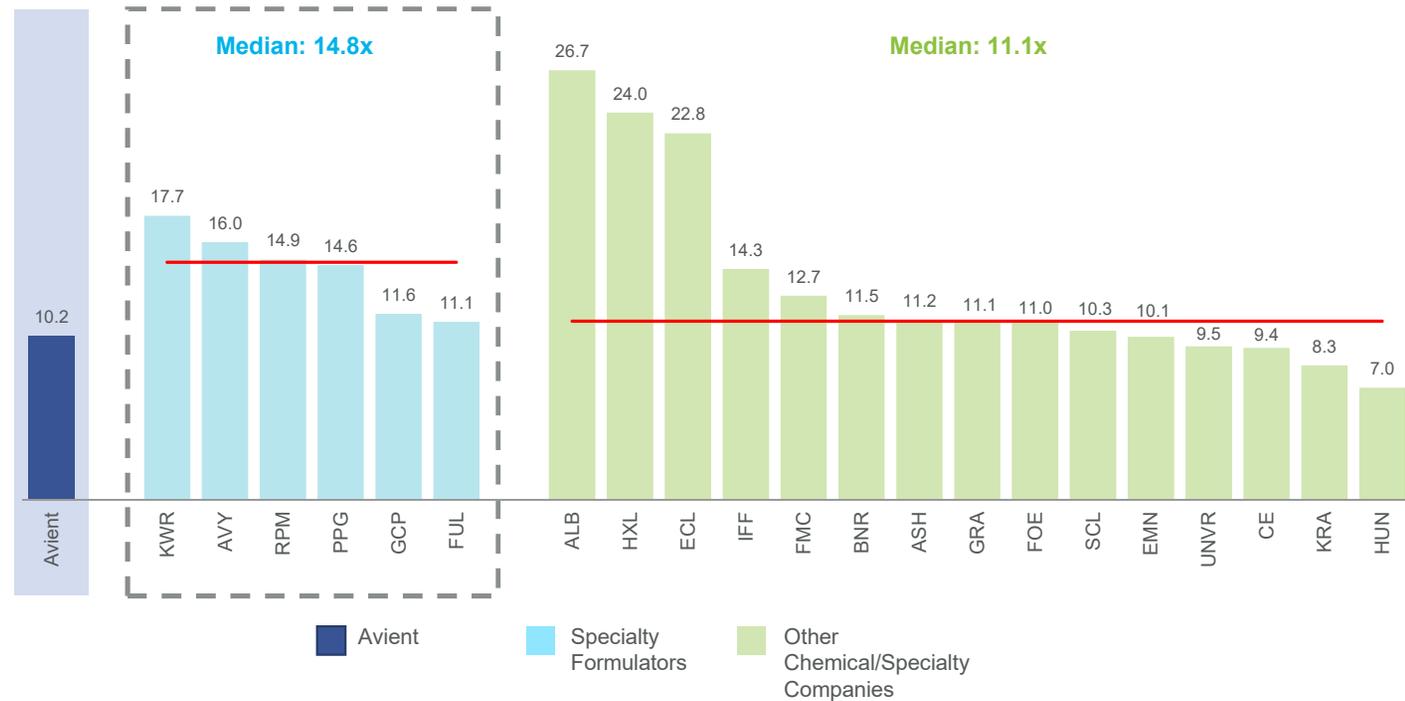
Our free cash flow supports shareholder value creation through investing in R&D for organic growth, completing bolt-on acquisitions, and returning cash to shareholders via our dividend program and opportunistic share repurchases.

OUR VALUATION VERSUS PEERS

Our current valuation with updated guidance implies an EBITDA multiple that is below specialty formulator peers and the majority of our chemical peers.

With the Clariant Masterbatch acquisition and divestment of the PP&S business, our exposure is now concentrated in less-cyclical and high-growth markets, with increased geographic diversification and a more specialized portfolio that can significantly expand EBITDA margins.

Total Enterprise Value / 2021E EBITDA



Source: Peer data per Bloomberg market data as of April 27, 2021
Avient reflects 2021 estimated EBITDA of \$560M





SUMMARY: WHY INVEST IN AVIENT?

We are a specialty formulator that enables many of the world's products through innovation and custom solutions. We take great pride in our essential role and responsibility—to our people, our customers, our planet and our shareholders.

In 2021, we expect substantial earnings growth and strong cash flow generation as we emerge from the COVID-19 pandemic. We will deliver for our stakeholders through multiple value creation levers—many of which are unique to Avient:

- Demand for sustainable solutions, healthcare, and composites, together with Clariant Masterbatch revenue synergies, that will drive 2021 revenue growth of 14% and long-term growth in excess of GDP
- Clariant Masterbatch cost synergy capture will result in significant near-term benefit

In addition, we remain committed to increasing annual dividends in line with earnings growth and opportunistically buying back shares, all while remaining modestly levered.

Simply put...

We solve customers' most pressing material science challenges.

We create value for our stakeholders and we love to win.

We are Avient.



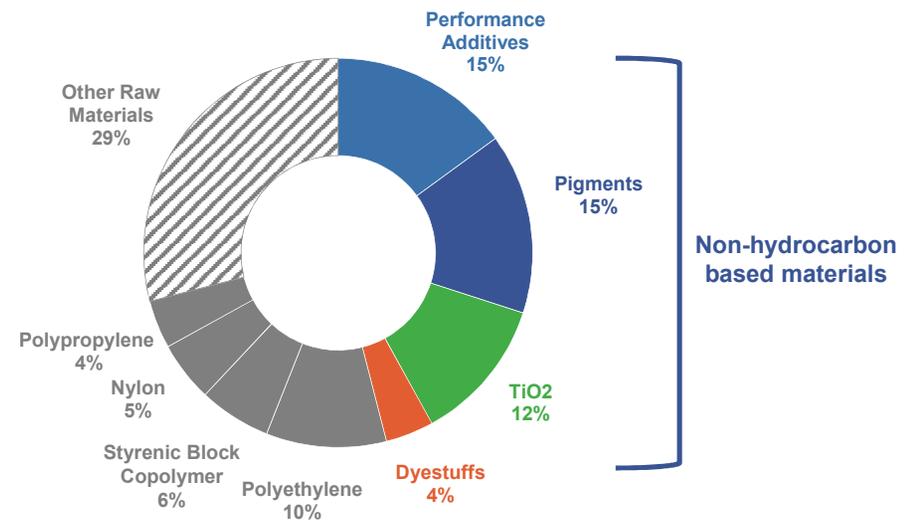


APPENDIX

RAW MATERIAL UPDATE

- Exiting 2020, the majority of hydrocarbon based raw material markets were experiencing price inflation and tight inventory
- Winter Storm Uri in the Gulf Coast caused further stress on the situation for 2021
- Raw materials most impacted include polyethylene, polypropylene and nylon
- We purchase over 8,000 different raw materials to formulate our customized solutions and unique specifications

Annual Purchases



~1/3 hydrocarbon based

(Grey shaded materials are hydrocarbon based, includes portion of "Other Raw Materials")

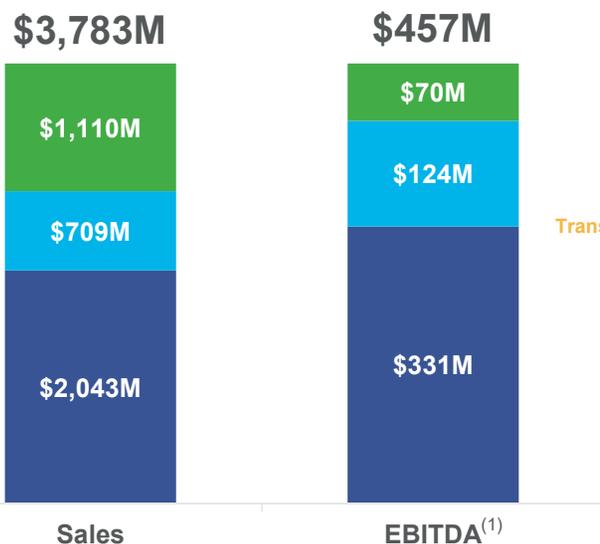
Based on 2020 pro forma purchases, excludes Distribution



SEGMENT DATA

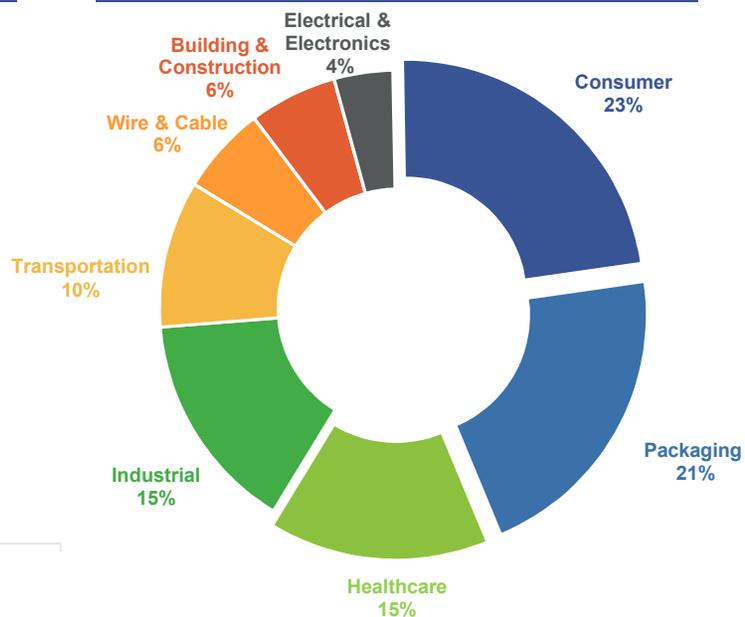
2020 SEGMENT, END MARKET AND GEOGRAPHY

SEGMENT FINANCIALS

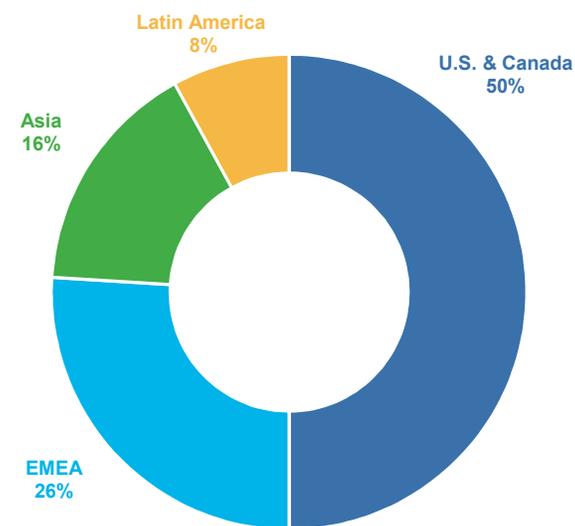


- Distribution
- Specialty Engineered Materials
- Color Additives and Inks

END MARKET REVENUE



GEOGRAPHY REVENUE

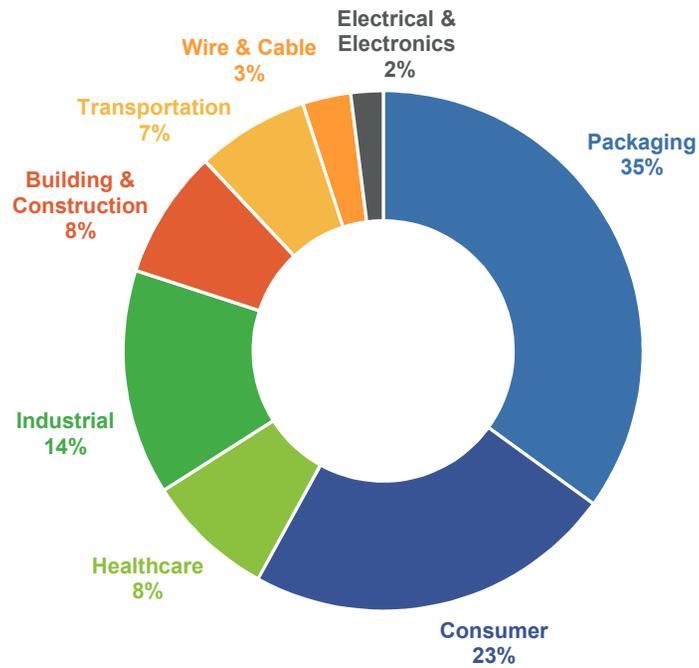


All data reflects 2020 Pro forma for acquisition of the Clariant Masterbatch business.
 (1) The total company sales and EBITDA of \$3,783M and \$457M, respectively, include intercompany sales eliminations and corporate costs

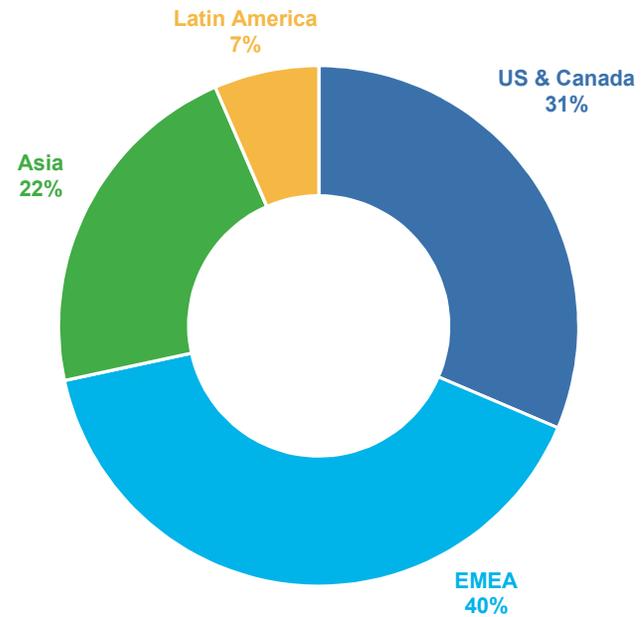
COLOR, ADDITIVES & INKS

2020 PF REVENUE | \$2.0 BILLION

END MARKET



REGION

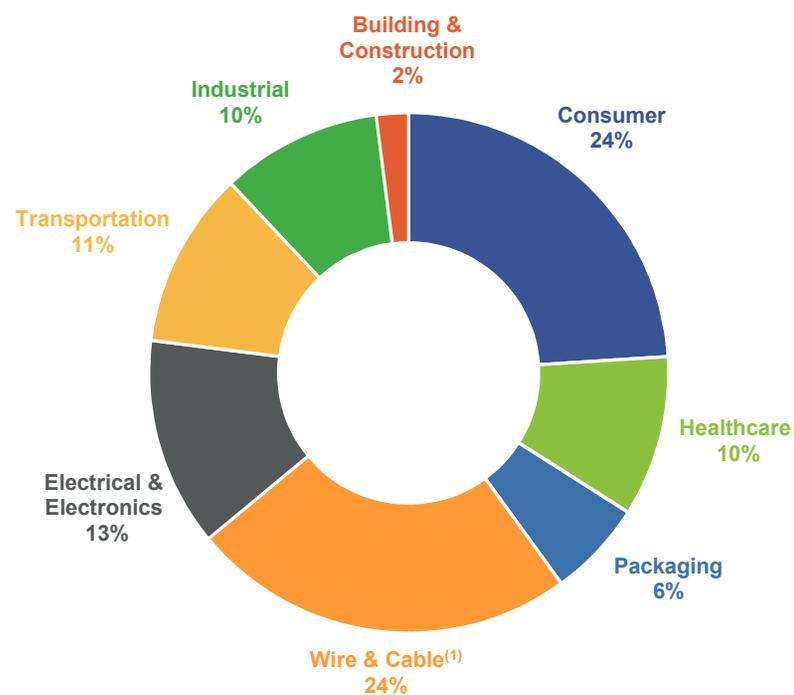


2020 figures Pro forma for acquisition of the Clariant Masterbatch business

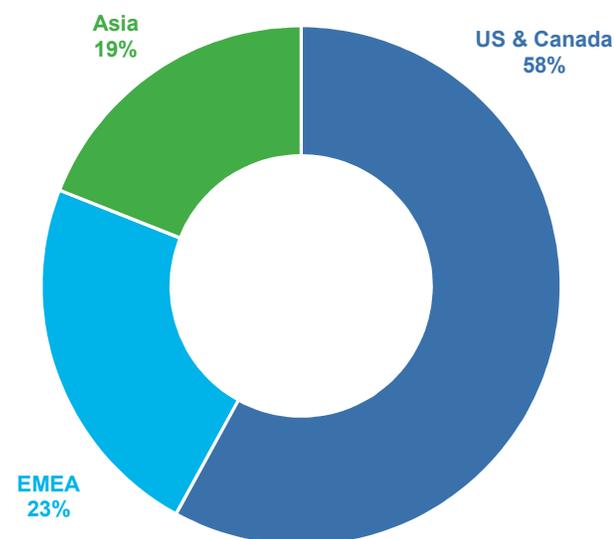
SPECIALTY ENGINEERED MATERIALS

2020 REVENUE | \$709 MILLION

END MARKET



REGION

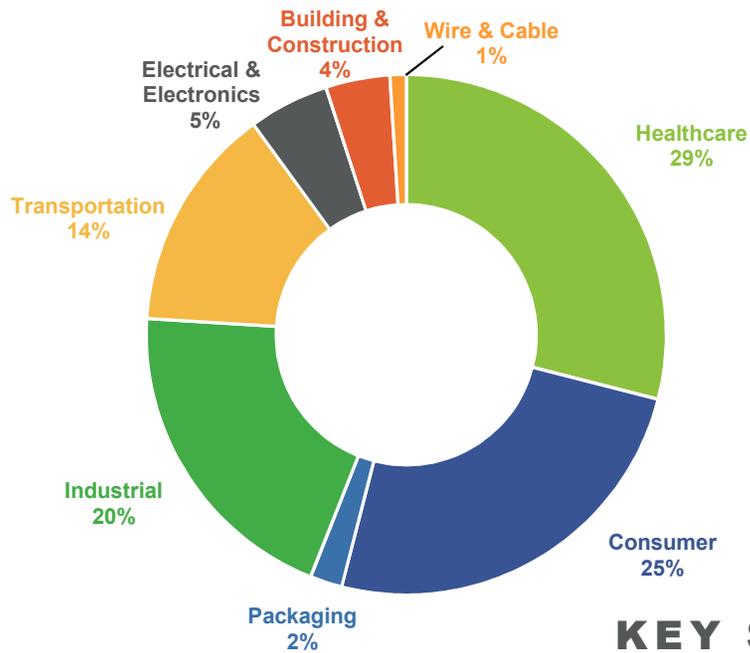


(1) Approximately 50% of Wire and Cable sales are associated with Fiber Optic Cabling

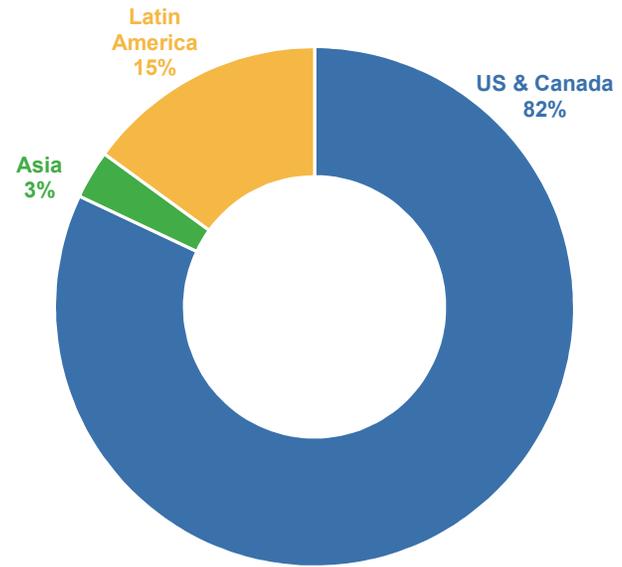
DISTRIBUTION

2020 REVENUE | \$1.1 BILLION

END MARKET



REGION

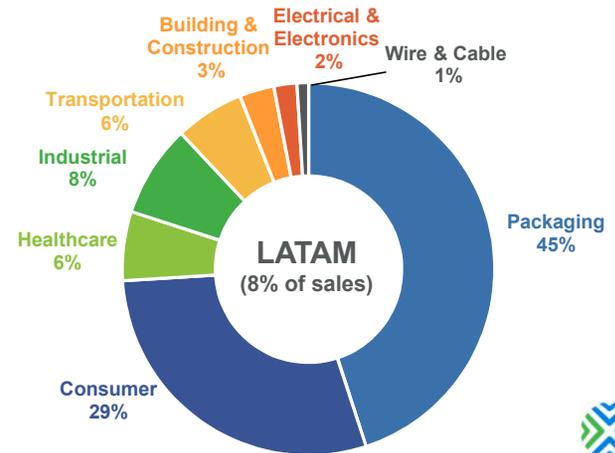
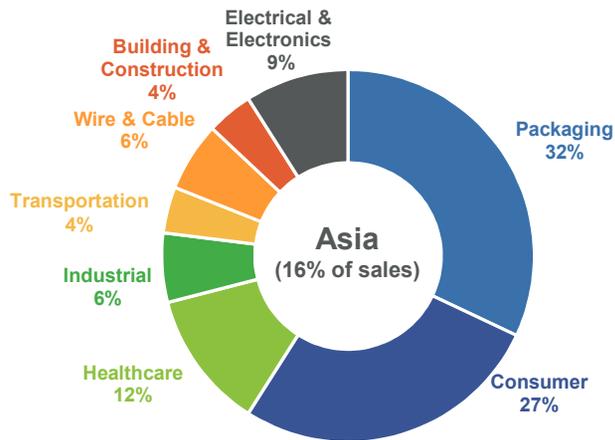
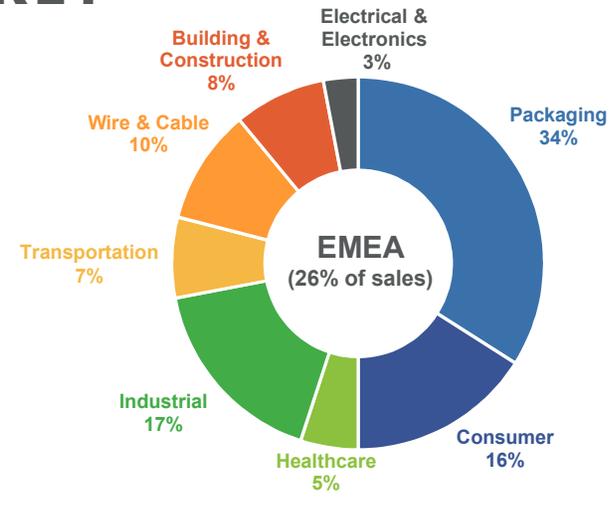
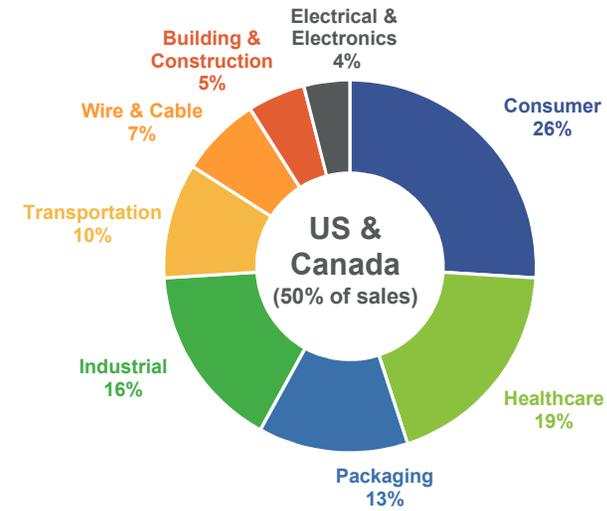


KEY SUPPLIERS



TOTAL COMPANY REGIONAL SALES

BY END MARKET



2020 figures Pro forma for acquisition of the Clariant Masterbatch business



**Reconciliation of Non-GAAP Financial Measures
(Unaudited)**
(Dollars in millions, except for per share data)

	Three Months Ended March 31, 2021		
	GAAP Results	Special Items	Adjusted Results
Reconciliation to Condensed Consolidated Statements of Income			
Income from continuing operations before income taxes	\$ 102.6	\$ 2.4	\$ 105.0
Income tax expense - GAAP	(22.9)	—	(22.9)
Income tax impact of special items	—	(0.9)	(0.9)
Tax adjustments	—	1.1	1.1
Net income attributable to noncontrolling interests	(0.4)	—	(0.4)
Net income from continuing operations attributable to Avient shareholders	<u>\$ 79.3</u>	<u>\$ 2.6</u>	<u>\$ 81.9</u>
Net income / EPS	\$ 0.86	0.03	\$ 0.89
Weighted-average diluted shares	92.2	92.2	92.2

	Three Months Ended March 31, 2021
Reconciliation to Consolidated Statements of Income	
Operating income - GAAP	\$ 120.4
Special items in operating income	2.4
Adjusted Operating income	<u>\$ 122.8</u>

Business Segment Operations	Three Months Ended March 31,		Year Ended December 31,		
	2021	2020	2020	2019	2018
Sales:					
Color, Additives and Inks	\$ 609.3	\$ 256.5	\$ 1,502.9	\$ 1,003.8	\$ 1,046.5
Specialty Engineered Materials	216.5	185.3	708.8	745.7	645.8
Distribution	362.7	289.5	1,110.3	1,192.2	1,265.4
Corporate and eliminations	(26.2)	(19.8)	(79.9)	(79.0)	(76.7)
Sales	<u>\$ 1,162.3</u>	<u>\$ 711.5</u>	<u>\$ 3,242.1</u>	<u>\$ 2,862.7</u>	<u>\$ 2,881.0</u>
Gross margin:					
Color, Additives and Inks	\$ 197.5	\$ 89.4	\$ 484.4	\$ 338.4	\$ 353.4
Specialty Engineered Materials	64.7	52.6	207.6	200.2	171.7
Distribution	39.3	33.6	124.0	132.1	125.8
Corporate and eliminations	0.9	(4.1)	(31.7)	(13.5)	(26.1)
Gross margin	<u>\$ 302.4</u>	<u>\$ 171.5</u>	<u>\$ 784.3</u>	<u>\$ 657.2</u>	<u>\$ 624.8</u>
Selling and administrative expense:					
Color, Additives and Inks	\$ 108.7	\$ 48.9	\$ 303.6	\$ 191.0	\$ 194.9
Specialty Engineered Materials	30.5	30.3	113.2	116.5	99.4
Distribution	15.3	14.2	54.5	56.7	54.3
Corporate and eliminations	27.5	25.3	123.7	136.2	97.6
Selling and administrative expense	<u>\$ 182.0</u>	<u>\$ 118.7</u>	<u>\$ 595.0</u>	<u>\$ 500.4</u>	<u>\$ 446.2</u>
Operating income:					
Color, Additives and Inks	\$ 88.8	\$ 40.5	\$ 180.8	\$ 147.4	\$ 158.5
Specialty Engineered Materials	34.2	22.3	94.4	83.7	72.3
Distribution	24.0	19.4	69.5	75.4	71.5
Corporate and eliminations	(26.6)	(29.4)	(155.4)	(149.7)	(123.7)
Operating income	<u>\$ 120.4</u>	<u>\$ 52.8</u>	<u>\$ 189.3</u>	<u>\$ 156.8</u>	<u>\$ 178.6</u>
Earnings before interest, taxes, depreciation and amortization (EBITDA):					
Color, Additives and Inks	\$ 116.2	\$ 51.4	\$ 255.9	\$ 190.1	\$ 202.8
Specialty Engineered Materials	42.0	29.8	124.4	113.2	95.5
Distribution	24.2	19.5	70.2	75.9	72.2
Corporate and eliminations	(24.9)	(28.0)	(146.2)	(144.3)	(119.3)
Other income, net	1.5	1.6	24.3	12.1	(12.9)
EBITDA	<u>\$ 159.0</u>	<u>\$ 74.3</u>	<u>\$ 328.6</u>	<u>\$ 247.0</u>	<u>\$ 238.3</u>
EBITDA as a % of Sales:					
Color, Additives and Inks	19.1 %	20.0 %	17.0 %	18.9 %	19.4 %
Specialty Engineered Materials	19.4 %	16.1 %	17.6 %	15.2 %	14.8 %
Distribution	6.7 %	6.7 %	6.3 %	6.4 %	5.7 %

Reconciliation of Pro Forma EBITDA - Color, Additives and Inks	Three Months Ended March 31,		Year Ended December 31,		
	2021	2020	2020	2019	2018
Sales:					
Color, Additives and Inks	\$ 609.3	\$ 256.5	\$ 1,502.9	\$ 1,003.8	\$ 1,046.5
Clariant MB pro forma adjustments ⁽¹⁾	—	279.4	540.4	1,118.6	1,209.8
Pro forma sales	<u>\$ 609.3</u>	<u>\$ 535.9</u>	<u>\$ 2,043.3</u>	<u>\$ 2,122.4</u>	<u>\$ 2,256.3</u>
Operating income:					
Color, Additives and Inks	\$ 88.8	\$ 40.5	\$ 180.8	\$ 147.4	\$ 158.5
Clariant MB pro forma adjustments ⁽¹⁾	—	23.0	45.0	72.9	80.3
Pro forma operating income	<u>\$ 88.8</u>	<u>\$ 63.5</u>	<u>\$ 225.8</u>	<u>\$ 220.3</u>	<u>\$ 238.8</u>
Depreciation & amortization:					
Color, Additives and Inks	\$ 27.4	\$ 10.9	\$ 75.1	\$ 42.7	\$ 44.3
Clariant MB pro forma adjustments ⁽¹⁾	—	15.1	30.1	60.3	61.2
Pro forma depreciation & amortization	<u>\$ 27.4</u>	<u>\$ 26.0</u>	<u>\$ 105.2</u>	<u>\$ 103.0</u>	<u>\$ 105.5</u>
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA):					
Color, Additives and Inks	\$ 116.2	\$ 51.4	\$ 255.9	\$ 190.1	\$ 202.8
Clariant MB pro forma adjustments ⁽¹⁾	—	38.1	75.1	133.2	141.5
Pro forma EBITDA	<u>\$ 116.2</u>	<u>\$ 89.5</u>	<u>\$ 331.0</u>	<u>\$ 323.3</u>	<u>\$ 344.3</u>
Pro forma EBITDA as a % of Sales	19.1 %	16.7 %	16.2 %	15.2 %	15.3 %

Reconciliation of Pro Forma Adjusted Earnings per Share	Three Months Ended March 31, 2020				
	Avient	Special Items	Adjusted Avient	Clariant MB Pro Forma Adjustments ⁽¹⁾	Pro Forma Adjusted Avient
Sales	\$ 711.5	\$ —	\$ 711.5	\$ 279.4	\$ 990.9
Operating income	52.8	9.7	62.5	23.0	85.5
Interest expense, net	(9.4)	—	(9.4)	(12.8)	(22.2)
Other income, net	1.6	(0.1)	1.5	—	1.5
Income taxes	(11.9)	(1.0)	(12.9)	(2.4)	(15.3)
Net income from continuing operations attributable to Avient shareholders	<u>\$ 33.1</u>	<u>\$ 8.6</u>	<u>\$ 41.7</u>	<u>\$ 7.8</u>	<u>\$ 49.5</u>
Weighted average diluted shares					86.7
Impact to diluted shares from January 2020 equity offering					6.1
Weighted average diluted shares					<u>92.8</u>
EPS					<u>\$ 0.53</u>

(1) - Pro forma adjustments for the periods prior to the acquisition date (July 1, 2020) and to give effects of the financing for the acquisition

**Three Months Ended
June 30, 2020**

Reconciliation of Pro Forma Adjusted Earnings per Share	Avient	Special Items	Adjusted Avient	Clariant MB Pro Forma Adjustments⁽²⁾	Pro Forma Adjusted Avient
Sales	\$ 609.1	\$ —	\$ 609.1	\$ 261.1	\$ 870.2
Operating income	\$ 38.0	\$ 9.0	\$ 47.0	\$ 22.0	\$ 69.0
Interest expense, net	(16.2)	—	(16.2)	(5.3)	(21.5)
Other income, net	9.5	(0.3)	9.2	—	9.2
Income taxes	(7.9)	0.7	(7.2)	(3.8)	(11.0)
Net income attributable to non controlling interests	(0.4)	—	(0.4)	—	(0.4)
Net income from continuing operations attributable to Avient shareholders	<u>\$ 23.0</u>	<u>\$ 9.4</u>	<u>\$ 32.4</u>	<u>\$ 12.9</u>	<u>\$ 45.3</u>
Weighted average diluted shares					91.8
Impact to diluted shares from January 2020 equity offering					15.3
Pro forma weighted average diluted shares					<u>107.1</u>
Pro forma adjusted EPS					<u>\$ 0.42</u>

(2) - Pro forma adjustments for the periods prior to the acquisition date (July 1, 2020) and to give effects of the financing for the acquisition

Reconciliation to Adjusted EBITDA	Year Ended December 31,		
	2020	2019	2018
Net income from continuing operations – GAAP	\$ 133.8	\$ 75.7	\$ 87.4
Income tax expense	5.2	33.7	14.4
Interest expense	74.6	59.5	62.8
Debt extinguishment cost	—	—	1.1
Depreciation and amortization from continuing operations	115.0	78.1	72.6
EBITDA	<u>\$ 328.6</u>	<u>\$ 247.0</u>	<u>\$ 238.3</u>
Special items, before tax	66.2	61.7	59.5
Interest expense included in special items	(10.1)	—	—
Accelerated depreciation included in special items	(3.2)	—	(3.0)
Adjusted EBITDA	<u>\$ 381.6</u>	<u>\$ 308.7</u>	<u>\$ 294.8</u>

**Year Ended
December 31, 2020**

Reconciliation of Pro Forma Adjusted Earnings per Share	Avient	Special Items	Adjusted Avient	Clariant MB Pro Forma Adjustments⁽³⁾	Pro Forma Adjusted Avient
Sales	\$ 3,242.1	\$ —	\$ 3,242.1	\$ 540.4	\$ 3,782.5
Operating income	\$ 189.3	\$ 73.7	\$ 263.0	\$ 45.0	\$ 308.0
Interest expense, net	(74.6)	10.1	(64.5)	(18.1)	(82.6)
Other income, net	24.3	(17.6)	6.7	—	6.7
Income taxes	(5.2)	(41.4)	(46.6)	(6.2)	(52.8)
Net income attributable to noncontrolling interests	(1.8)	—	(1.8)	—	(1.8)
Net income from continuing operations attributable to Avient shareholders	<u>\$ 132.0</u>	<u>\$ 24.8</u>	<u>\$ 156.8</u>	<u>\$ 20.7</u>	<u>\$ 177.5</u>
Weighted average diluted shares					90.6
Impact to diluted shares from January 2020 equity offering					1.5
Pro forma weighted average diluted shares					<u>92.1</u>
Pro forma adjusted EPS					<u>\$ 1.93</u>

Reconciliation of Pro Forma Adjusted EBITDA from continuing operations

Operating income and other income, net	\$ 213.6	\$ 56.1	\$ 269.7	\$ 45.0	\$ 314.7
Depreciation and amortization	115.0	(3.2)	111.8	30.1	141.9
EBITDA from continuing operations	<u>\$ 328.6</u>	<u>\$ 52.9</u>	<u>\$ 381.5</u>	<u>\$ 75.1</u>	<u>\$ 456.6</u>

**Year Ended
December 31, 2019**

Reconciliation of Pro Forma Adjusted Earnings per Share	Avient	Special Items	Adjusted Avient	Clariant MB Pro Forma Adjustments⁽¹⁾	Pro Forma Adjusted Avient
Sales	\$ 2,862.7	\$ —	\$ 2,862.7	\$ 1,118.6	\$ 3,981.3
Operating income	\$ 156.8	\$ 71.7	\$ 228.5	\$ 72.9	\$ 301.4
Interest expense, net	(59.5)	—	(59.5)	(33.4)	(92.9)
Other income, net	12.1	(10.0)	2.1	—	2.1
Income taxes	(33.7)	(5.9)	(39.6)	(9.1)	(48.7)
Net income attributable to noncontrolling interests	(0.2)	—	(0.2)	—	(0.2)
Net income from continuing operations attributable to Avient shareholders	<u>\$ 75.5</u>	<u>\$ 55.8</u>	<u>\$ 131.3</u>	<u>\$ 30.4</u>	<u>\$ 161.7</u>
Weighted average diluted shares					77.7
Impact to diluted shares from January 2020 equity offering					15.3
Pro forma weighted average diluted shares					<u>93.0</u>
Pro forma adjusted EPS					<u>\$ 1.74</u>

Reconciliation of Pro Forma Adjusted EBITDA from continuing operations

Operating income and other income, net	\$ 168.9	\$ 61.7	\$ 230.6	\$ 72.9	\$ 303.5
Depreciation and amortization	78.1	—	78.1	60.3	138.4
EBITDA from continuing operations	<u>\$ 247.0</u>	<u>\$ 61.7</u>	<u>\$ 308.7</u>	<u>\$ 133.2</u>	<u>\$ 441.9</u>

(3) - Pro forma adjustments for the periods prior to the acquisition date (July 1, 2020) and to give effects of the financing for the acquisition