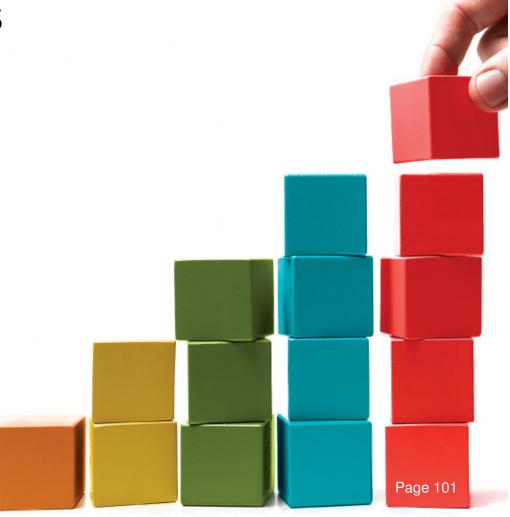


## **Critical Imperatives**

Robert M. Patterson



Collaboration. Innovation. Excellence.

## Critical Imperatives – Near Term



- Successfully integrate ColorMatrix with "Invest to Grow" strategy
- Accelerate cross-selling and leverage Lean Six Sigma to drive sales-force effectiveness and improve execution
- Overcome current demand weakness in Europe and beat our 2012 goals!

## Critical Imperatives – Medium to Long Term Poly



- Continue cultural and paradigm shift from commodity compounder to collaborative formulator as <u>One PolyOne</u>
- Accelerate innovation and leverage megatrends to improve our mix of business with higher-margin specialty products
- Increase specialty contribution and advance globalization via acquisitions
- Drive relentless execution and creative innovation as key competitive differentiators

## Elevating our Expectations and Yours



	<b>2011</b> Proforma ColorMatrix	2015 Target
	"Where we are"	"Where we expect to be"
1) Operating Income %		
Specialty	8.9%	12 – 16%
PP&S	7.2%	9 – 12%
Distribution	5.6%	6 – 7.5%
2) Specialty Platform % of Operating Income	50%	65 – 75%
3) ROIC* (after-tax)	10%	15%
4) Adjusted Annual EPS Growth	3 yr CAGR = 71%	Double Digit Expansion

<sup>\*</sup>ROIC is defined as TTM adjusted OI divided by the sum of average debt and equity over a 5 quarter period