

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

Below is a reconciliation of non-GAAP financial measures to the most directly comparable measures calculated and presented in accordance with GAAP. Senior management uses pre-special gross margin, adjusted operating income, adjusted EPS and working capital to assess performance and allocate resources because senior management believes that these measures are useful in understanding current profitability levels and that current levels may serve as a base for future performance.

<b>Platform operating income mix percentage</b>	<b>2005Y</b>	<b>2008Y</b>	<b>2011Y</b>
Global Specialty Engineered Materials	\$ 0.4	\$ 17.6	\$ 45.9
Global Color, Additives and Inks	4.3	28.1	43.4
Specialty Platform	\$ 4.7	\$ 45.7	\$ 89.3
Performance Products and Solutions	75.7	31.3	62.4
Distribution	19.5	28.1	56.0
SunBelt Joint Venture	91.9	28.6	5.0
Corporate	(51.5)	(425.1)	20.3
Operating income (loss) GAAP	\$ 140.3	\$ (291.4)	\$ 233.0
Less: Corporate operating expense (income)	51.5	425.1	(20.3)
Operating income excluding Corporate	\$ 191.8	\$ 133.7	\$ 212.7

Specialty platform operating mix percentage	2%	34%	42%
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<b>Pro forma platform operating income mix percentage</b>	<b>2007</b>	<b>Pro forma 2011Y</b>
Specialty Platform	\$ 30.6	\$ 89.3
Pro forma ColorMatrix	-	27.7
Specialty Platform pro forma ColorMatrix	\$ 30.6	\$ 117.0
Performance Products and Solutions	65.8	62.4
Distribution	22.1	56.0
SunBelt Joint Venture	34.8	5.0
Corporate	(73.3)	20.3
Operating income pro forma ColorMatrix	\$ 80.0	\$ 260.7
Less: Corporate and SunBelt operating income	73.3	(25.3)
Operating income excluding Corporate operating income	\$ 153.3	\$ 235.4

Specialty platform operating mix percentage	20%	50%
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<b>Adjusted EPS</b>	<b>2006Y</b>	<b>2007Y</b>	<b>2008Y</b>	<b>2009Y</b>	<b>2010Y</b>	<b>2011Y</b>
Net Income	\$ 130.9	\$ 40.9	\$ (417.0)	\$ 106.7	\$ 162.6	\$ 172.6
SunBelt and OxyVinyls equity earnings, after tax	(68.5)	(26.1)	(20.8)	(19.0)	(14.7)	(3.7)
Special items, after tax	(21.2)	41.4	310.0	(31.0)	15.8	(30.5)
Tax adjustments	(30.0)	(30.7)	147.2	(44.9)	(88.3)	(42.3)
Adjusted net income	\$ 11.2	\$ 25.5	\$ 19.4	\$ 11.8	\$ 75.4	\$ 96.1
Diluted shares	92.8	93.1	92.7	93.4	96.0	94.3
Adjusted EPS	\$ 0.12	\$ 0.27	\$ 0.21	\$ 0.13	\$ 0.79	\$ 1.02

<b>Adjusted EPS</b>	<b>Q1 2011</b>	<b>Q1 2012</b>
Net Income	\$ 110.2	\$ 20.2
SunBelt equity earnings, after tax	(3.7)	-
Special items, after tax	(79.8)	6.1
Tax adjustments	(1.5)	0.1
Adjusted net income	\$ 25.2	\$ 26.4
Diluted shares	96.4	90.7
Adjusted EPS	\$ 0.26	\$ 0.29

<b>Platform sales and operating income (OI)</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
Global Specialty Engineered Materials Sales	\$ 282.5	\$ 345.3	\$ 384.4	\$ 514.0	\$ 402.9	\$ 517.4	\$ 575.1
Global Color, Additives and Inks Sales	503.7	531.8	560.5	554.3	459.8	527.4	544.6
Specialty Platform Sales	\$ 786.2	\$ 877.1	\$ 944.9	\$ 1,068.3	\$ 862.7	\$ 1,044.8	\$ 1,119.7
Performance Products and Solutions Sales	1,136.3	1,166.2	1,086.8	1,001.4	667.7	776.3	865.4
PolyOne Distribution Sales	679.2	732.8	744.3	796.7	625.1	911.9	996.5
Corporate and Eliminations	(151.1)	(153.7)	(133.3)	(127.7)	(94.8)	(111.1)	(118.1)
<b>Total Sales</b>	<b>\$ 2,450.6</b>	<b>\$ 2,622.4</b>	<b>\$ 2,642.7</b>	<b>\$ 2,738.7</b>	<b>\$ 2,060.7</b>	<b>\$ 2,621.9</b>	<b>\$ 2,863.5</b>
Pro forma ColorMatrix Sales							196.0
<b>Total sales pro forma ColorMatrix</b>							<b>\$ 3,059.5</b>

Global Specialty Engineered Materials OI	\$ 0.4	\$ 3.9	\$ 4.9	\$ 17.6	\$ 20.6	\$ 49.7	\$ 45.9
Global Color, Additives and Inks OI	4.3	8.9	25.7	28.1	25.2	37.7	43.4
Specialty Platform OI	\$ 4.7	\$ 12.8	\$ 30.6	\$ 45.7	\$ 45.8	\$ 87.4	\$ 89.3
Performance Products and Solutions OI	75.7	64.2	65.8	31.3	33.1	54.0	62.4
PolyOne Distribution OI	19.5	19.2	22.1	28.1	24.8	42.0	56.0
Sunbelt Joint Venture OI	91.9	102.9	34.8	28.6	25.5	18.9	5.0
Corporate and eliminations	(21.8)	(4.6)	(25.5)	(28.9)	(40.8)	(32.5)	(26.4)
Special items	(29.7)	39.1	(47.8)	(396.2)	48.7	4.8	46.7
Operating income (loss) GAAP	\$ 140.3	\$ 233.6	\$ 80.0	\$ (291.4)	\$ 137.1	\$ 174.6	\$ 233.0
Sunbelt equity income	(72.5)	(107.0)	(40.8)	(32.5)	(29.7)	(23.1)	(5.7)
Special items	29.7	(39.1)	47.8	396.2	(48.7)	(4.8)	(46.7)
<b>Operating income adjusted</b>	<b>\$ 97.5</b>	<b>\$ 87.5</b>	<b>\$ 87.0</b>	<b>\$ 72.3</b>	<b>\$ 58.7</b>	<b>\$ 146.7</b>	<b>\$ 180.6</b>
Operating income pro forma ColorMatrix							27.7
<b>Operating income adjusted pro forma ColorMatrix</b>							<b>\$ 208.3</b>

Global Specialty Engineered Materials - OI as a percentage of sales	0.1%	1.1%	1.3%	3.4%	5.1%	9.6%	8.0%
Global Color, Additives and Inks - OI as a percentage of sales	0.9%	1.7%	4.6%	5.1%	5.5%	7.1%	8.0%
Specialty platform OI as a percentage of sales	0.6%	1.5%	3.2%	4.3%	5.3%	8.4%	8.0%
Specialty platform OI as a percentage of sales - pro forma ColorMatrix							8.9%
Global Color, Additives and Inks OI as a percentage of sales - pro forma ColorMatrix							9.6%
PP&S operating OI as a percentage of sales	6.7%	5.5%	6.1%	3.1%	5.0%	7.0%	7.2%
Distribution OI as a percentage of sales	2.9%	2.6%	3.0%	3.5%	4.0%	4.6%	5.6%
PolyOne OI adjusted, as a percentage of sales	4.0%	3.3%	3.3%	2.6%	2.8%	5.6%	6.3%
PolyOne OI adjusted, pro forma for ColorMatrix, as a percent of sales							6.8%

<b>Operating income (OI)</b>	<b>Q1 2011</b>	<b>Q1 2012</b>
Global Specialty Engineered Materials OI	\$ 14.0	\$ 11.8
Global Color, Additives and Inks OI	11.2	17.3
Specialty Platform OI	\$ 25.2	\$ 29.1
Performance Products and Solutions OI	14.3	17.8
PolyOne Distribution OI	14.7	16.7
Corporate and eliminations	(1.6)	(10.2)
Special items	127.2	(8.5)
<b>Operating income (loss) GAAP</b>	<b>\$ 179.8</b>	<b>\$ 44.9</b>

<b>Research and Development (R&amp;D) – Pro forma ColorMatrix</b>	<b>2011</b>
PolyOne R&D	\$ 36.9
ColorMatrix R&D	3.6
<b>Pro forma R&amp;D</b>	<b>\$ 40.5</b>

<b>Gross Margin as a percentage of Sales</b>	<b>2006</b>	<b>2011</b>	<b>2011 Pro forma ColorMatrix</b>
Specialty platform sales	\$ 877.1	\$ 1,119.7	\$ 1,315.7
Specialty platform gross margin	125.2	263.4	345.9
Specialty platform gross margin percentage	14.3 %	23.5 %	26.3 %

<b>Average Debt</b>	<b>Q4 2010</b>	<b>Q1 2011</b>	<b>Q2 2011</b>	<b>Q3 2011</b>	<b>Q4 2011</b>	<b>Average</b>
PolyOne Debt	\$ 452.9	\$ 432.9	\$ 432.9	\$ 432.9	\$ 707.0	n/a
Pro forma ColorMatrix	274.1	274.1	274.1	274.1	-	n/a
<b>Total Debt</b>	<b>\$ 727.0</b>	<b>\$ 707.0</b>	<b>\$ 707.0</b>	<b>\$ 707.0</b>	<b>\$ 707.0</b>	<b>\$ 711.0</b>

  

<b>Average Equity</b>	<b>Q4 2010</b>	<b>Q1 2011</b>	<b>Q2 2011</b>	<b>Q3 2011</b>	<b>Q4 2011</b>	<b>Average</b>
PolyOne	\$ 516.0	\$ 615.2	\$ 629.6	\$ 608.5	\$ 588.3	\$ 591.5