A. Schulman Fiscal 2017 First Quarter Earnings Call Supplemental Slides

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JANUARY 10, 2017

Cautionary Note

A number of the matters discussed in this document that are not historical or current facts deal with potential future circumstances and developments may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historic or current facts and relate to future events and expectations. Forward-looking statements contain such words as "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 performance. Forward-looking statements are based on management's current expectations and include known and unknown risks, uncertainties and other factors, many of which management is unable to predict or control, that may cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking statements. Important factors that could cause actual results to differ materially from those suggested by these forward-looking statements, and that could adversely affect the Company's future financial performance, include, but are not limited to, the following:

- worldwide and regional economic, business and political conditions, including continuing economic uncertainties in some or all of the Company's major product markets or countries where the Company has operations;
- the effectiveness of the Company's efforts to improve operating margins through sales growth, price increases, productivity gains, and improved purchasing techniques;
- competitive factors, including intense price competition;
- fluctuations in the value of currencies in areas where the Company operates;
- volatility of prices and availability of the supply of energy and raw materials that are critical to the manufacture of the Company's products, particularly plastic resins derived from oil and natural gas;
- changes in customer demand and requirements;
- effectiveness of the Company to achieve the level of cost savings, productivity improvements, growth and other benefits anticipated from acquisitions, joint ventures and restructuring initiatives;
- escalation in the cost of providing employee health care;
- uncertainties and unanticipated developments regarding contingencies, such as pending and future litigation and other claims, including developments that would require increases in our costs and/or reserves for such contingencies;
- the performance of the global automotive market as well as other markets served;
- further adverse changes in economic or industry conditions, including global supply and demand conditions and prices for products;
- operating problems with our information systems as a result of system security failures such as viruses, cyber-attacks or other causes;
- our current debt position could adversely affect our financial health and prevent us from fulfilling our financial obligations; and
- failure of counterparties to perform under the terms and conditions of contractual arrangements, including suppliers, customers, buyers and sellers of a business and other third parties with which the Company contracts.

The risks and uncertainties identified above are not the only risks the Company faces. Additional risk factors that could affect the Company's performance are set forth in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 2016. In addition, risks and uncertainties not presently known to the Company or that it believes to be immaterial also may adversely affect the Company. Should any known or unknown risks or uncertainties develop into actual events, or underlying assumptions prove inaccurate, these developments could have material adverse effects on the Company's business, financial condition and results of operations.

Use of Non-GAAP Financial Measures

This presentation includes certain financial information determined by methods other than in accordance with accounting principles generally accepted in the United States (“GAAP”). The Company uses segment gross profit, SG&A expenses excluding certain items, segment operating income, operating income before certain items, net income excluding certain items, net income per diluted share excluding certain items and adjusted EBITDA to assess performance and allocate resources because the Company believes that these measures are useful to investors and management in understanding current profitability levels that may serve as a basis for evaluating future performance and facilitating comparability of results. In addition, segment operating income, operating income before certain items and net income excluding certain items are important to management as all are a component of the Company’s annual and long-term employee incentive plans. Non-GAAP measures are not in accordance with, nor are they a substitute for, GAAP measures, and tables included in this release reconcile each non-GAAP financial measure with the most directly comparable GAAP financial measure. The most directly comparable GAAP financial measures for these purposes are gross profit, SG&A expenses, operating income, net income and net income per diluted share. The Company's non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures, and should be read only in conjunction with the Company's consolidated financial statements prepared in accordance with GAAP.

While the Company believes that these non-GAAP financial measures provide useful supplemental information to investors, there are very significant limitations associated with their use. These non-GAAP financial measures are not prepared in accordance with GAAP, may not be reported by all of the Company’s competitors and may not be directly comparable to similarly titled measures of the Company’s competitors due to potential differences in the exact method of calculation. The Company compensates for these limitations by using these non-GAAP financial measures as supplements to GAAP financial measures and by reviewing the reconciliations of the non-GAAP financial measures to their most comparable GAAP financial measures.

Regaining Momentum – Laying the Groundwork

Realign

- Realigned product families from 6 to 3; reduced middle management layers
- Costs associated with realignment of $10mm
- Expect pre-tax savings ~$5 to $6mm annually
- Partial year savings in FY17; full annual savings in FY18

Restructure

- Optimize manufacturing footprint: 2 plant closures/transfers approved (EMEA & USCAN)
  - ✓ Shutdown costs of $6mm (cash costs $4mm) in FY17
  - ✓ Anticipated annual savings ~$1.5mm in FY18 and beyond
- Evaluating at least 1 additional facility closure in FY17
- Potential cash proceeds of $5-7mm from sale of shuttered plants

Refocus on Sales

- Hired Chief Commercial Officer – key priorities:
  - ✓ Upgrade and expand sales organization
  - ✓ Realign resources across product families
  - ✓ Enhance accountability to achieve budget commitments

RESET YEAR:
BENEFITS PROJECTED IN 2H17 AND INTO FISCAL 2018

Financial Highlights – 1Q17 vs. 1Q16

1Q17 FINANCIAL HIGHLIGHTS ($MM, $/SH)

	GAAP Comparison		Adjusted Comparison	
	1Q17	**1Q16**	**1Q17**	**1Q16**
REVENUE	600.0	649.2	600.0	649.2
OP INCOME	19.1	26.1	35.0*	37.8*
NET INCOME	1.1	5.2	14.4*	14.9*
EBITDA*			54.6	58.4
EPS - diluted	0.04	0.18	0.49*	0.50*

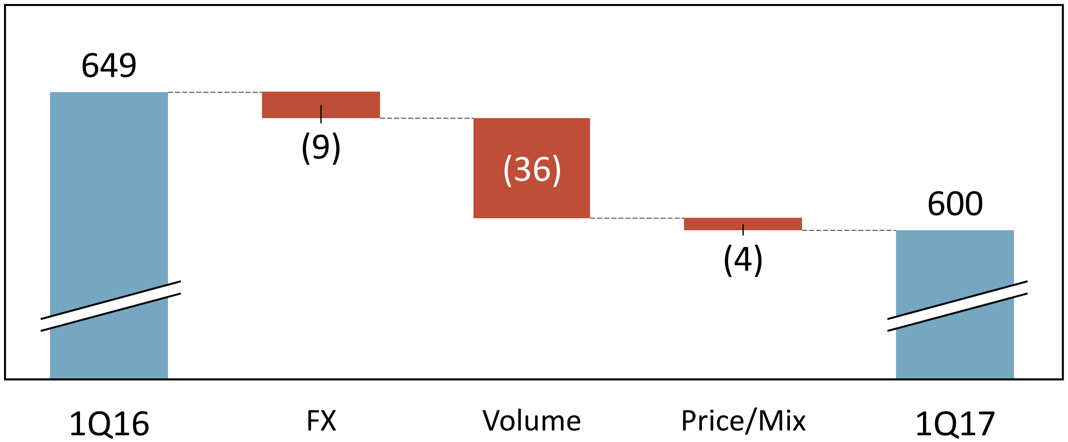
- Revenue decreased 7.6% – unfavorable volume impact in EMEA and USCAN
- Operating margin on par with prior year
- Cash flow priority is debt reduction – 3rd successive quarter of net debt pay down

AGGRESSIVELY IMPLEMENTING SALES REORGANIZATION/UPGRADING AND MANUFACTURING COST REDUCTIONS

* Reflects Non-GAAP results. Refer to the Appendix for a reconciliation between GAAP and Non-GAAP results.

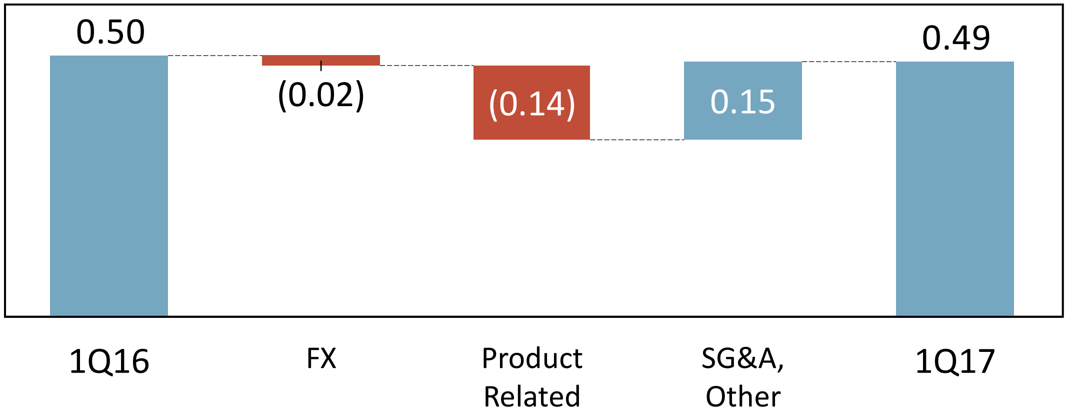
Financial Highlights – 1Q17 vs. 1Q16

1Q17 REVENUE BRIDGE ($MM)



- Revenue impacted by strengthening USD
- EMEA & USCAN had greatest demand decline; positive momentum in APAC and EC
- Despite volume shortfall, held price/mix to near flat

1Q17 EPS BRIDGE ($/SH) [1]



- FX reduced results by ($.02/sh); USD near 14-year high
- Volume shortfalls partially offset by favorable plant costs and price/cost management
- SG&A lower on 6% headcount reduction

1 Reflects Non-GAAP results. Refer to the Appendix for a reconciliation between GAAP and non-GAAP results.

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Segment Financial Highlights – 1Q17

EMEA ($MM)	1Q17	1Q16
Revenue	296.1	328.1
Change (ex FX)		(7%)
Operating Profit[1]	19.8	20.2
Operating Margin[1]	6.7%	6.1%

Revenue

- FX (3%) unfavorable impact
- Decline similar across CCS & PM
- Issues include low demand, competitive pricing pressures and customer in-sourcing

Operating Profit

- Price/cost spread widened, helped by strong raw materials management.
- Despite revenue decline, SG&A again steady on % sales basis

USCAN ($MM)	1Q17	1Q16
Revenue	156.4	178.3
Change		(12%)
Operating Profit[1]	8.5	12.2
Operating Margin[1]	5.4%	6.8%

Revenue

- Lower due to:
  - complexity in plant consolidations
  - customer requalifications
  - competitive pricing
  - Lucent revenue comparables

Operating Profit

- Lower volume, higher costs due to upgrading to A. Schulman standards
- Partial offset – cost savings from previous consolidation actions
- SG&A lowered 12%

1 Reflects Non-GAAP results. Refer to the Appendix for a reconciliation between GAAP and Non-GAAP results.

Segment Financial Highlights – 1Q17

LATAM ($MM)	1Q17	1Q16
Revenue	42.2	45.2
Change		(7%)
Operating Profit[1]	5.4	5.6
Operating Margin[1]	12.9%	12.4%

APAC ($MM)	1Q17	1Q16
Revenue	50.7	45.7
Change		11%
Operating Profit[1]	5.0	4.3
Operating Margin[1]	9.9%	9.4%

EC ($MM)	1Q17	1Q16
Revenue	54.6	51.9
Change		5%
Operating Profit[1]	5.1	4.1
Operating Margin[1]	9.4%	7.9%

LATAM

Revenue

- PM positive, offset by flexible packaging market softness

Operating Profit

- Improved price/cost spread and lower plant cost drove margin

APAC

Revenue

- Both families gained, led by PM

Operating Profit

- Volume leverage and price/cost spread drove margin
- SG&A increased to pursue new regional opportunities

EC

Revenue

- Growth led by US compounding business; molding still soft

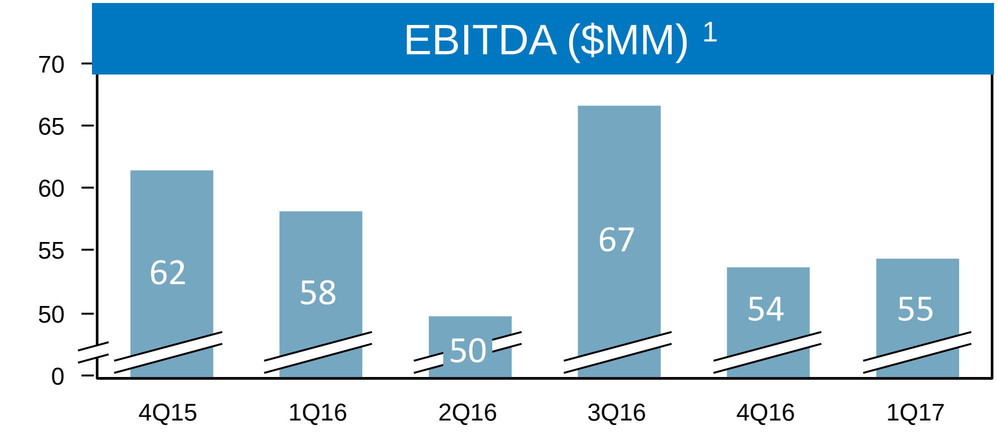
Operating Profit

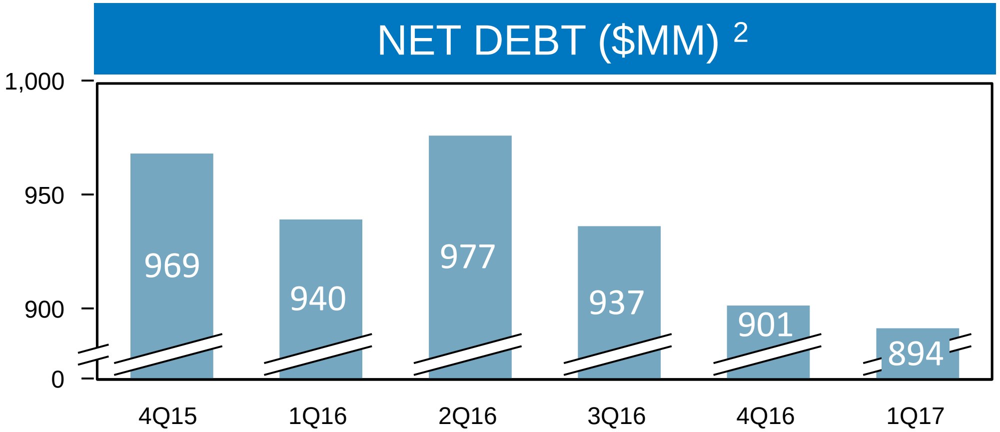
- Price/mix favorable
- SG&A cuts further improved margin performance

1 Reflects Non-GAAP results. Refer to the Appendix for a reconciliation between GAAP and Non-GAAP results.

Cash Flow/Cash Deployment

- EBITDA of $55mm was consistent with prior quarter
- Working capital rose seasonally; down on a 12-month rolling basis
- Capital spending ahead of year ago due to planned IT investments
- Cash flow priority is debt reduction; approximately $180mm debt reduction since 2015 Citadel purchase





POSITIONED FOR FURTHER DEBT REDUCTION IN FISCAL 2017

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1 Reflects Non-GAAP results. Refer to the Appendix for a reconciliation between GAAP and non-GAAP results.

2. Net debt represents total debt less cash and cash equivalents and restricted cash.

SHLM 2017 Targets and Risk Factors

METRIC[1]	FISCAL 2017 ESTIMATES
REVENUE	\$2.5 – \$2.6 billion
EBITDA	\$225 – \$230 million
EPS	\$2.08 – \$2.18/sh
ROIC[2]	11% – 12.5%
NET LEVERAGE	3.5x – 3.8x

Currency translation – risk factor

- FX translation (primarily Euro) reduced 1Q17 earnings by \$.02/sh
- A one-cent change to the Euro/\$ rate impacts full year EPS by about \$.02/sh
- Euro rate \$1.13 at time of plan development; FX rate \$1.06 on 1/9/17

Increase price of oil – wild card

- On positive front, sales in profitable oil field services could improve
- On negative side, sales price increase lags raw material price increases

1 Metrics are on a non-GAAP basis. Refer to the reconciliation of GAAP and Non-GAAP financial measures for types of items excluded from our business outlook.
2 Trailing Twelve Month (TTM) Non-GAAP Operating Income After Tax (30% Tax Rate Assumed) Divided by 12 Month Average Invested Capital Defined as Total Shareholders' Equity minus Cash and Goodwill, plus Total Debt.

A. Schulman Outlook

- Reset year
- Deliver on expectations

- Continue business plan implementation
- Capture benefits of 2017 initiatives
- Regain growth momentum

- Continued growth under a new management team

Fiscal 2017 | Fiscal 2018 | Fiscal 2019 | Fiscal 2020 | Fiscal 2021

FIRST QUARTER ACTIONS BEGAN THE RESET

Appendix

A. SCHULMAN, INC.
Reconciliation of GAAP and Non-GAAP Financial Measures
Unaudited
(In thousands, except per share data)

Three months ended November 30, 2016	Cost of Sales	Gross Margin	SG&A	Restructuring Expense	Operating Income	Non Operating Income / Expense	Income Tax Expense (benefit)	Net Income available to A. Schulman Inc	Diluted EPS
As Reported	$ 498,985	16.8%	72,374	9,544	19,097	$ 12,594	3,319	1,068	$ 0.04
Certain Items:									
Asset impairments (1)	-		(678)	-	678	-	183	495	0.02
Accelerated depreciation (2)	(355)		(1)	-	356	-	96	260	0.01
Costs related to acquisitions & integrations (3)	(57)		(548)	-	605	-	163	442	0.01
Restructuring & related costs (4)	(173)		(3,556)	(9,544)	13,273	-	3,584	9,689	0.33
Lucent costs (5)	(85)		(724)	-	809	-	218	591	0.02
Deferred financing fees (6)	-		-	-	-	(205)	55	150	0.01
CEO transition costs (7)	-		(189)	-	189	-	51	138	0.00
Tax (benefits) charges (8)	-		-	-	-	-	(1,563)	1,563	0.05
Total Certain Items	$ (670)	0.1%	$ (5,696)	$ (9,544)	$ 15,910	$ (205)	$ 2,788	$ 13,327	$ 0.45
As Adjusted	$ 498,315	16.9%	$ 66,678	$ -	$ 35,007	$ 12,389	$ 6,107	$ 14,395	$ 0.49
Percentage of Revenue			11.1%		5.8%		27%	2.4%	

Three months ended November 30, 2015	Cost of Sales	Gross Margin	SG&A	Restructuring Expense	Operating Income	Non Operating Income / Expense	Income Tax Expense (benefit)	Net Income available to A. Schulman Inc	Diluted EPS
As Reported	$ 544,290	16.2%	77,237	1,546	26,146	$ 14,398	4,251	5,218	$ 0.18
Certain Items:									
Asset impairments (1)	-		-	-	-	-	-	-	-
Accelerated depreciation (2)	(1,447)		(6)	-	1,453	-	406	1,047	0.03
Costs related to acquisitions & integrations (3)	(129)		(1,737)	-	1,866	-	522	1,344	0.05
Restructuring & related costs (4)	(430)		(2,694)	(1,546)	4,670	(277)	1,391	3,556	0.12
Lucent costs (5)	(1,830)		(1,876)	-	3,706	-	1,037	2,669	0.09
Deferred financing fees (6)	-		-	-	-	(110)	31	79	0.00
Tax (benefits) charges (8)	-		-	-	-	-	(965)	965	0.03
Total Certain Items	$ (3,836)	0.6%	$ (6,313)	$ (1,546)	$ 11,695	$ (387)	$ 2,422	$ 9,660	0.32
As Adjusted	$ 540,454	16.8%	$ 70,924	$ -	$ 37,841	$ 14,011	$ 6,673	14,878	$ 0.50
Percentage of Revenue			10.9%		5.8%			2.3%	

Explanation of Adjustments

1. Asset impairment relates to the discontinuation of information technology assets in the USCAN segment.
2. Accelerated depreciation is related to restructuring plans in the Company's USCAN and EMEA segments.
3. Costs related to acquisitions and integrations primarily include third party professional, legal, IT and other expenses associated with successful and unsuccessful full or partial acquisition and divestiture/dissolution transactions, as well as certain employee-related expenses such as travel, one-time bonuses and post-acquisition severance separate from a formal restructuring plan.
4. Restructuring and related costs include items such as employee severance charges, lease termination charges, curtailment gains/losses, other employee termination costs and charges related to the reorganization of the legal entity structure. Refer to Note 12 in the Company's Quarterly Report on Form 10-Q for the three months ended November 30, 2016 for further discussion.
5. Lucent costs primarily represent legal and investigation costs related to resolving the Lucent matter, product manufacturing costs for reworking existing Lucent inventory, obsolete Lucent inventory reserve costs, and dedicated internal personnel costs that would have otherwise been focused on normal operations.
6. CEO transition costs represent charges for deferred compensation granted to Bernard Rzepka.
7. Write off of debt issuance costs are related to prepayments of $56.0 million of Term Loan B. Refer to Note 3 in the Company's Quarterly Report on Form 10-Q for further discussion.
8. Tax (benefits) charges represent the Company's quarterly non-GAAP tax based on the overall estimated annual non-GAAP effective tax rates.

A. SCHULMAN, INC. Reconciliation of GAAP and Non-GAAP Financial Measures Unaudited						
	Three months ended					
(In millions)	November 30, 2016	August 31, 2016	May 31, 2016	February 29, 2016	November 30, 2015	August 31, 2015
Net income available to A. Schulman, Inc. common stockholders	**$ 1.1**	**$ (385.1)**	**$ 15.5**	**$ (0.3)**	**$ 5.2**	**$ 21.8**
Interest expense and bridge financing fees	13.2	13.6	13.6	13.8	13.6	15.3
Provision for U.S. and foreign income taxes	3.3	(12.7)	0.3	(0.5)	4.3	(18.3)
Depreciation and Amortization	20.0	21.8	22.4	23.0	22.1	20.9
Noncontrolling interests	0.2	0.1	0.2	0.4	0.4	0.3
Convertible special stock dividends	1.9	1.9	1.9	1.8	1.9	1.9
Other (1)	(0.6)	0.9	0.2	0.9	0.7	(0.3)
EBITDA, as calculated	**39.1**	**(359.6)**	**54.1**	**39.1**	**48.2**	**41.6**
Non-GAAP adjustments (2)	15.5	413.5	12.8	10.6	10.2	20.1
EBITDA, as adjusted	**$ 54.6**	**$ 53.9**	**$ 66.9**	**$ 49.7**	**$ 58.4**	**$ 61.7**

Explanation of Adjustments

- (1) - Other includes Foreign currency transaction (gains) losses and Other (income) expense, net.
- (2) - For details on Non-GAAP adjustments as of November 30, 2015 and November 30, 2016, refer to "Reconciliation of GAAP and Non-GAAP Financial Measures", items (1), (3) - (8). Amounts are included in Operating Income (Loss) and Loss (income) from discontinued operations. Accelerated depreciation on the "Reconciliation of GAAP and Non-GAAP Financial Measures" has been excluded as it is already included in Depreciation and amortization above.

A. SCHULMAN, INC.
SUPPLEMENTAL SEGMENT INFORMATION

	Three months ended November 30	
	2016	2015
	Unaudited (In thousands, except for %)	
Net sales to unaffiliated customers		
EMEA	$ 296,072	$ 328,096
USCAN	156,418	178,282
LATAM	42,216	45,203
APAC	50,737	45,692
EC	54,557	51,946
Total net sales to unaffiliated customers	**$ 600,000**	**$ 649,219**
Segment gross profit		
EMEA	$ 44,658	$ 47,684
USCAN	24,516	30,294
LATAM	9,417	9,705
APAC	9,126	7,874
EC	13,968	13,208
Total segment gross profit	**101,685**	**108,765**
Lucent Costs (1)	(85)	(1,830)
Accelerated depreciation and restructuring related	(528)	(1,877)
Cost Related to Acquisitions	(57)	(129)
Total gross profit	**$ 101,015**	**$ 104,929**

A. SCHULMAN, INC. SUPPLEMENTAL SEGMENT INFORMATION	Three months ended November 30 2016	2015
	Unaudited (In thousands, except for %)	
Segment operating income		
EMEA	$ 19,768	$ 20,153
USCAN	8,496	12,163
LATAM	5,435	5,604
APAC	5,013	4,307
EC	5,111	4,102
Total segment operating income	**43,823**	**46,329**
Corporate and other	(8,816)	(8,488)
Costs related to acquisitions	(605)	(1,866)
Restructuring related (2)	(13,273)	(4,670)
CEO Transition Costs	(189)	-
Accelerated depreciation	(356)	(1,453)
Impairments	(678)	-
Lucent Costs (1)	(809)	(3,706)
Total operating income	**19,097**	**26,146**
Interest expense	(13,164)	(13,618)
Foreign currency transaction gains (losses)	(562)	(729)
Other income (expense), net	1,132	(51)
Income from continuing operations before taxes	**$ 6,503**	**$ 11,748**

Explanation of Adjustments

- (1) Refer to Note 13, Commitments and Contingencies, for additional discussion on this matter. Lucent costs in costs of sales include additional product and manufacturing operational costs for reworking inventory. In the three months ended November 30, 2016 and 2015, additional Lucent costs in selling, general and administrative expenses include legal and investigative costs. In the three months ended November 30, 2015, Lucent costs in SG&A also include dedicated internal personnel costs that would have otherwise been focused on normal operations.
- (2) Restructuring related costs for the three months ended November 30, 2016 and November 30, 2015 of $3.7 million and $3.1 million, respectively, primarily included in selling, general and administrative expenses in the Company's statements of operations, are costs associated with professional fees for outside strategic consultants regarding actions to improve the profitability of the organization and efficiency of its operations, and costs associated with reorganizations of the legal entity structure of the Company. Restructuring expenses included in restructuring expense in the Company's statements of operations include costs permitted under ASC 420, Exit or Disposal Obligations, such as severance costs, outplacement services and contract termination costs.