A. Schulman Fiscal 2018 First Quarter Earnings Call Supplemental Slides

JOE GINGO – CHAIRMAN, PRESIDENT AND CEO
JOHN RICHARDSON – EVP AND CFO

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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, 2017. 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.

2018 Recovery Year –

BUILDING ON FOUNDATION OF 2017 RESET YEAR

Targeted Capacity Increases

- Capitalize on market growth with expanded capacity in strategic areas/markets
- In total, adding approx. 275MM lbs. of new capacity in fiscal 2018

Global Pricing Discipline

- Further enhancements to pricing processes to recover raw material increases
- Price/quote global database to support value pricing for products and services

Operational Improvements

- Work Flow Process
  - *enhanced product change-overs at plants*
  - *reduced waste*
  - *Improved cash management*
- Implement improved global S&OP process
- Final review of our intent to close 2-3 plants

REINVIGORATED BUSINESS MODEL - ACCELERATING GROWTH

Financial Highlights – FY18Q1 vs. FY17Q1

FIRST QUARTER FINANCIAL HIGHLIGHTS ($MM, $/SH)

	GAAP Comparison		Adjusted Comparison	
	FY18Q1	FY17Q1	FY18Q1	FY17Q1
REVENUE	674.6	600.0	674.6	600.0
OP INCOME	32.6	19.1	36.8*	35.0*
NET INCOME	12.8	1.1	16.2*	14.4*
EBITDA*			55.8	54.6
EPS - diluted	0.43	0.04	0.55*	0.49*

- Reported revenues up 12%, or 9% excluding FX; all regions and business units contributed to growth
- Revenue driven by both volume gains and price realization; first quarterly volume growth since 3QFY16
- Price/mix offset raw material cost inflation

STRONG FIRST QUARTER – FIRST STEP OF 2018 RECOVERY YEAR

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

Segment Financial Highlights – FY18Q1

EMEA ($MM)	FY18Q1	FY17Q1
Revenue	347.4	296.1
Change (ex FX)	11%	
Operating Income[1]	21.1	19.8
Operating Margin[1]	6.1%	6.7%

Revenue

- CC&S led segment growth; particular strength in specialty powders and masterbatch
- PM posted gain despite significantly lower distribution activity due to raw material price uncertainty

Operating Income

- Price/mix increases offset raw material cost inflation
- Lower SG&A as a percent of sales

USCAN ($MM)	FY18Q1	FY17Q1
Revenue	159.2	156.4
Change	2%	
Operating Income[1]	8.1	8.5
Operating Margin[1]	5.1%	5.4%

Revenue

- Pricing gains drove USCAN growth, despite hurricane impact
- CC&S performance strong, both volume and price/mix, on improved oil field services and masterbatch activity

Operating Income

- Price/mix gains exceeded raw material cost inflation
- Manufacturing costs lower sequentially:
  - Evansville, IN consolidation largely completed
  - LaPorte, TX operational improvements
- Hurricane Harvey impact estimated at $1.5M

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

Segment Financial Highlights – FY18Q1

LATAM ($MM)	FY18Q1	FY17Q1
Revenue	48.4	42.2
Change (ex FX)	15%	
Operating Income[1]	6.0	5.4
Operating Margin[1]	12.3%	12.9%

APAC ($MM)	FY18Q1	FY17Q1
Revenue	60.2	50.7
Change (ex FX)	17%	
Operating Income[1]	5.8	5.0
Operating Margin[1]	9.6%	9.9%

EC ($MM)	FY18Q1	FY17Q1
Revenue	59.4	54.6
Change (ex FX)	8%	
Operating Income[1]	5.3	5.1
Operating Margin[1]	8.9%	9.4%

Revenue

- Revenue and volumes both rose at CCS & PM; overall pricing positive
- Notable markets – packaging, building & construction

Operating Income

- Volume and price/mix offsetting raw material inflation
- SG&A and other plant costs rose to support growth

Revenue

- Revenue increased led by PM; also healthy growth in CCS
- Broad strength across most SE Asia markets

Operating Income

- Volume and price/mix exceeding raw material inflation
- SG&A flat

Revenue

- Quantum carbon fiber shipments strong; all product groups positive
- Oil field services and mobility led the increase

Operating Income

- Volume and price/mix offsetting raw material inflation
- Tight SG&A control – spending down slightly

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

Use of Cash

DELIVERING ON CAPITAL ALLOCATION PRIORITIES

- FY18Q1 total debt reduction - $25MM; compares with $28MM for entire FY2017
- Total debt of $892MM at end of period
- Net leverage ratio at 4.04x
- Company has reduced debt by approximately $225MM since mid-2015
- In FY18Q1, Company paid dividends of $6M on common stock and $1.9M on convertible special stock

  * *Common dividend uninterrupted since 1973 initiation*

FY18 ACCELERATING THE PACE OF DEBT REDUCTION

Key Raw Material Outlook

RAW MATERIAL	CURRENT OUTLOOK
Polyolefins	• PE expect gradual price moderation as new capacity coming onstream; PP increasing short term • High crude oil (> $60/bbl) keeps upward pressure on pricing
Engineered Resins	• Nylon upward pressure in 2018 on tight feedstocks and good demand • Styrenics and UPR (Unsaturated polyester) also forecast upward on rising feedstock prices
TiO2	• TiO2 pricing upward throughout 2018 – strong demand and tight global supply • Individual producers beginning to vary amount and pace of price increases
Other Materials	• Other compounding materials (additives, pigments and fillers) expected stable

FIRM PRICING DISCIPLINE IN PLACE TO RECOVER RAW MATERIAL INCREASES

SHLM 2018 Targets and Risk Factors

METRIC*	FY18 TARGET
EPS	$2.00 - $2.20/sh
EBITDA	$220 - $230MM

STRATEGIC USES OF CASH

- Debt service
- Maintain dividend
- Capital investment/restructuring
- Additional debt paydown

EPS GUIDANCE (MID-POINT) REPRESENTS A 20% INCREASE OVER FY17

**FY18 guidance assumes Euro rate of $1.15 compared with $1.10 on average in FY17. 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.*

Significant Event Updates

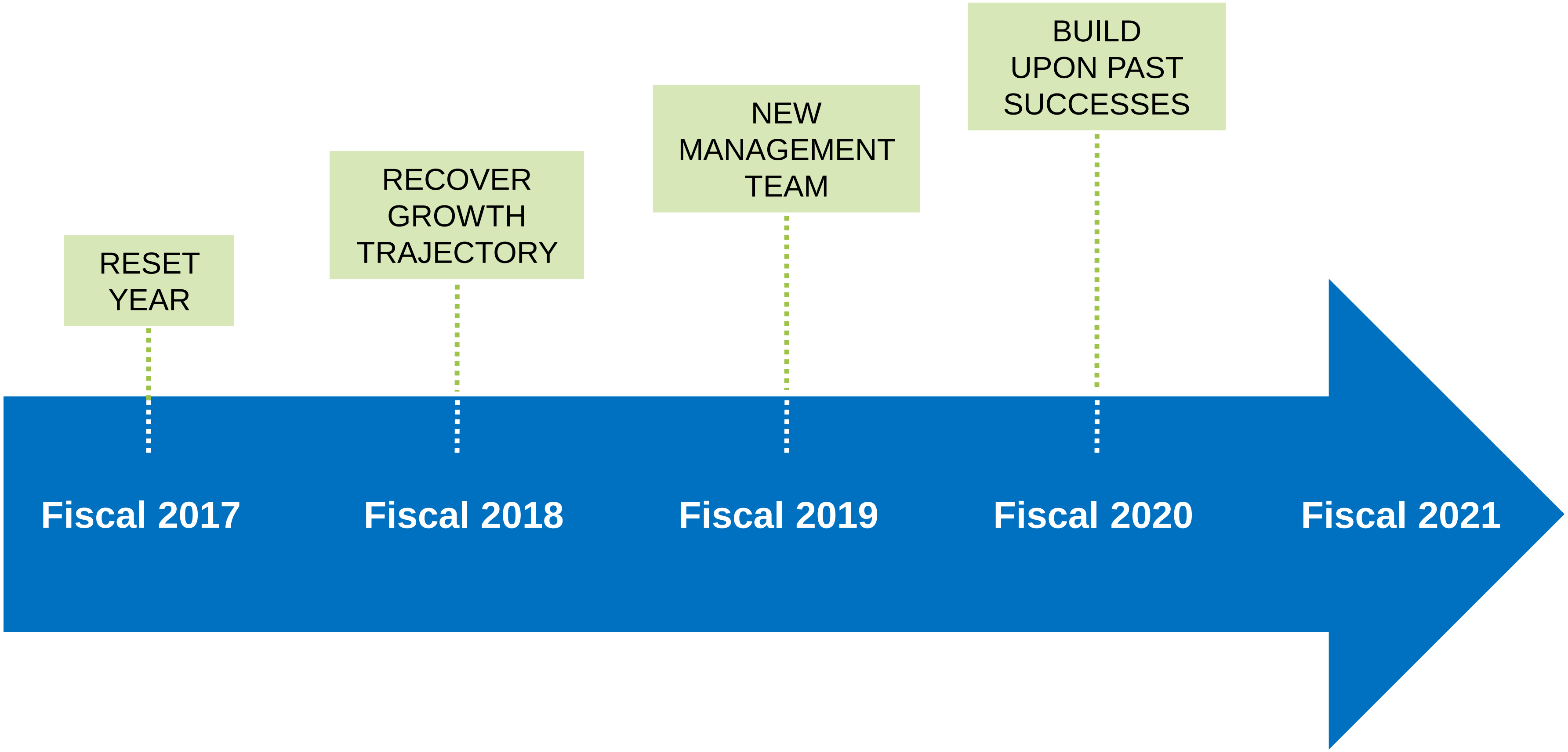
Lucent Litigation:

- Cooperating with federal government in its investigations:
  - Company understands investigation relates to its allegations of fraud against Citadel
  - Company identified as a possible victim of a crime by the Federal Bureau of Investigation
- Civil litigation scheduled for trial in April 2018

CEO Search:

- In September two new directors, and an advisor, joined the Board and with their help, the Company cultivated a strong group of CEO candidates
- The Nominating & Corporate Governance Committee has identified a select group of candidates to move forward in the process
- Candidates will be interviewed in next several months and participate in an assessment process

2018 Recovery Year: Momentum in FY18Q1



REINVIGORATED BUSINESS MODEL ACCELERATING GROWTH

Appendix

A. SCHULMAN, INC.
Reconciliation of GAAP and Non-GAAP Financial Measures
Unaudited

(In thousands, except for %'s, per pound and per share data)

Three months ended November 30, 2017	Cost of Sales	Gross Margin	SG&A	Restructuring Expense	Operating Income (Loss)	Non Operating (Income) Expense	Income tax expense (benefit)	Net Income Available to ASI Common Stockholders	Diluted EPS
As reported	$ 569,539	15.6%	$ 75,127	$ 467	$ 32,567	$ 13,330	$ 4,157	$ 12,840	$ 0.43
Certain items:									
Accelerated depreciation (1)	-		(178)	-	178	-	53	125	-
Restructuring & related costs (3)	(83)		(3,821)	(467)	4,371	(337)	1,744	2,964	0.10
Lucent costs (4)	-		(2,776)	-	2,776	-	1,048	1,728	0.06
(Gain) loss on asset sale (9)	-		-	-	(3,077)		(1,163)	(1,914)	(0.06)
Tax (benefits) charges (7)	-		-	-	-	-	(468)	468	0.02
Total certain items	(83)	0.0%	(6,775)	(467)	4,248	(337)	1,214	3,371	0.12
As Adjusted	$ 569,456	15.6%	$ 68,352	$ -	$ 36,815	$ 12,993	$ 5,371	$ 16,211	$ 0.55
Percentage of Revenue			10.1%		5.5%			2.4%	
Effective Tax Rate							22.5%		

(In thousands, except for %'s, per pound and per share data)

Three months ended November 30, 2016	Cost of Sales	Gross Margin	SG&A	Restructuring Expense	Operating Income (Loss)	Non Operating (Income) Expense	Income tax expense (benefit)	Net Income Available to ASI Common Stockholders	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 (8)	-		(678)	-	678	-	183	495	0.02
Accelerated depreciation (1)	(355)		(1)	-	356	-	96	260	0.01
Costs related to acquisitions & integrations (2)	(57)		(548)	-	605	-	163	442	0.01
Restructuring & related costs (3)	(173)		(3,556)	(9,544)	13,273	-	3,584	9,689	0.33
Lucent costs (4)	(85)		(724)	-	809	-	218	591	0.02
CEO transition costs (5)	-		(189)	-	189	-	51	138	-
Accelerated amortization of debt issuance costs (6)	-		-	-	-	(205)	55	150	0.01
Tax (benefits) charges (7)	-		-	-	-	-	(1,562)	1,562	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%			2.4%	
Effective Tax Rate							27.0%		

Explanation of Adjustments

1. Accelerated depreciation for the period ended November 30, 2017 represents costs incurred in LATAM for ERP implementation. Accelerated depreciation for the period ended November 30, 2016 was related to restructuring plans in the Company's USCAN and EMEA segments.
2. 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.
3. Restructuring and related costs include items such as employee severance charges, lease termination charges, curtailment gains/losses, other employee termination costs, professional fees related to the reorganization of the Company’s legal entity structure, facility operations and compliance with new legislation, and costs associated with new software implementation that are not eligible for capitalization. Refer to Note 12 in the Company's Quarterly Report on Form 10-Q for further discussion.
4. Lucent costs for the period ended November 30, 2017 primarily represent legal and investigation costs related to resolving the Lucent matter. Lucent costs for the period ended November 30, 2016 represent legal and investigation costs related to resolving the Lucent matter and product manufacturing costs for reworking existing Lucent inventory.
5. CEO transition costs represent charges for deferred compensation granted to Bernard Rzepka.
6. Write off of debt issuance costs are related to prepayments of $56.0 million on Term Loan B during the first quarter of fiscal 2017.
7. Tax (benefits) charges represent the Company's quarterly non-GAAP tax based on the overall estimated annual non-GAAP effective tax rates.
8. Asset impairment relates to the discontinuation of information technology assets in the USCAN segment and cash settlement of a commitment to a local government.
9. Gain related to sale of assets that had previously been classified as held for sale.

A. SCHULMAN, INC.
Reconciliation of GAAP and Non-GAAP Financial Measures
Unaudited

(in millions)	Three months ended November 30, 2017	Three months ended November 30, 2016
Net income available to A. Schulman, Inc. common stockholders	$ 12.8	$ 1.1
Interest expense	13.4	13.2
Provision for U.S. and foreign income taxes	4.2	3.3
Depreciation and amortization	19.2	20.0
Noncontrolling interests	0.4	0.2
Convertible special stock dividends	1.9	1.9
Other (1)	(0.2)	(0.6)
EBITDA, as calculated	51.7	39.1
Non-GAAP Adjustments (2)	4.1	15.5
EBITDA, as adjusted	55.8	54.6

Explanation of Adjustments

1. Other includes Foreign currency transaction (gains) losses, Other (income) expense, net, and Gain on early extinguishment of debt.
2. For details on Non-GAAP adjustments, refer to "Reconciliation of GAAP and Non-GAAP Financial Measures", items (2) - (9). 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.

	Three months ended	
	November 30, 2017	November 30, 2016
Net sales to unaffiliated customers		
EMEA	$ 347,419	$ 296,072
USCAN	159,236	156,418
LATAM	48,413	42,216
APAC	60,164	50,737
EC	59,391	54,557
Total net sales	674,623	600,000
Segment gross profit		
EMEA	$ 46,445	$ 44,658
USCAN	24,628	24,516
LATAM	10,203	9,417
APAC	9,911	9,126
EC	13,980	13,968
Total segment gross profit	**105,167**	**101,685**
Accelerated depreciation and restructuring related costs (1)	(83)	(528)
Costs related to acquisitions	-	(57)
Lucent costs (2)	-	(85)
Total gross profit	**$ 105,084**	**$ 101,015**

A. SCHULMAN, INC.
SUPPLEMENTAL SEGMENT INFORMATION

	Three months ended	
	November 30, 2017	November 30, 2016
Segment operating income		
EMEA	$ 21,075	$ 19,768
USCAN	8,141	8,496
LATAM	5,957	5,435
APAC	5,761	5,013
EC	5,282	5,111
Total segment operating income	**46,216**	**43,823**
Corporate	(9,401)	(8,816)
Costs related to acquisitions and integrations	-	(605)
Restructuring and related costs (1)	(4,371)	(13,273)
Accelerated depreciation	(178)	(356)
Lucent costs (2)	(2,776)	(809)
Asset impairment	-	(678)
Gain (loss) on sale of assets	3,077	-
CEO transition costs	-	(189)
Operating income (loss)	**$ 32,567**	**$ 19,097**
Interest expense	(13,441)	(13,164)
Foreign currency transaction gains (losses)	(787)	(562)
Other income (expense), net	898	1,132
Income from continuing operations before tax	**$ 19,237**	**$ 6,503**

Explanation of Adjustments

1. Restructuring related costs for the three months ended November 30, 2017 and 2016 of $3.9 million and $3.7 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, improve efficiency of its operations or comply with new legislation, costs associated with reorganizations of the legal entity structure of the Company, and costs associated with new software implementation that are not eligible for capitalization. Restructuring expenses for the three months ended November 30, 2017 and 2016 of $0.5 million and $9.5 million, respectively, 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

2. Refer to Note 13, Contingencies and Claims, of the Quarterly Report on Form 10-Q for additional discussion on this matter. Lucent costs for the period ended November 30, 2017 primarily represent legal and investigation costs related to resolving the Lucent matter. Lucent costs for the period ended November 30, 2016 represent legal and investigation costs related to resolving the Lucent matter and product manufacturing costs for reworking existing Lucent inventory.