



Q1 2014



7 May 2014

Conference call on Q1 2014 results
Corporate Finance & Investor Relations

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AGENDA

Q1 2014 Presentation

| Highlights Q1 2014

| Financials Q1 2014





| Outlook

HIGHLIGHTS Q1 2014**Introductory remarks to Q1 2014 earnings**

Macro Economy	Positive growth momentum in Europe, North American environment positive but impacts from extremely hard winter, emerging markets weak.
Gross profit	Gross profit of EUR 483.6m at a growth of 4.4% on a constant FX basis.
EBITDA	Operating EBITDA of EUR 164.0m at a growth of 2.8% on a constant FX basis.
Acquisition	With the acquisition of Gafor in Brazil, we achieve critical mass in the country and expand our market presence.
Refinancing	Amend & Extend of existing Syndicated Loan in March.

HIGHLIGHTS Q1 2014

Operating highlights Q1 2014

	Q1 2014	Comments	Change
Gross profit	EUR 483.6m	<ul style="list-style-type: none"> FX adjusted increase of 4.4% y-o-y 	
Operating EBITDA	EUR 164.0m	<ul style="list-style-type: none"> Increase of 2.8% on a constant FX basis 	
Operating EBITDA/ Gross profit	33.9%	<ul style="list-style-type: none"> Against 34.5% in Q1 2013 	
Free cash flow	EUR 75.7m	<ul style="list-style-type: none"> Against EUR 70.5m in Q1 2013 	

HIGHLIGHTS Q1 2014

Acquisition of specialty solvents distributor Gafor Distribuidora Ltd

Gafor Distribuidora Ltd,
Sao Paulo, Brazil

- Sales of approx. USD 70.0m and EBITDA of USD 7.2m for the financial year 2013
- Acquisition was closed on April 15, 2014
- With Gafor we expand our market presence in Brazil as the most important chemical distribution market in Latin America
- Together with Brenntag's existing business a critical mass is achieved in the country
- Perfect fit: Brenntag's and Gafor's product lines are complimentary with the existing industry and customer base.



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FINANCIALS Q1 2014

Income statement

in EUR m	Q1 2014	Q1 2013	Δ	Δ FX adjusted	2013
Sales	2,416.1	2,419.1	-0.1%	2.9%	9,769.5
Cost of goods sold	-1,932.5	-1,941.2	0.5%		-7,824.0
Gross profit	483.6	477.9	1.2%	4.4%	1,945.5
Expenses	-319.6	-313.2	2.0%		-1,248.7
EBITDA	164.0	164.7	-0.4%	2.8%	696.8
Add back transaction costs ¹⁾	-	-			+1.5
Operating EBITDA	164.0	164.7	-0.4%	2.8%	698.3
EBITDA / Gross profit	33.9%	34.5%			36.8% ²⁾

1) Transaction costs are costs connected with restructuring and refinancing under company law.

2) Conversion ratio of 35.9% in 2013 if not adjusted for the non-recurring cost items.

FINANCIALS Q1 2014

Income statement (continued)

in EUR m	Q1 2014	Q1 2013	Δ	2013
EBITDA	164.0	164.7	-0.4%	696.8
Depreciation	-24.0	-24.2	-0.8%	-101.2
EBITA	140.0	140.5	-0.4%	595.6
Amortization ¹⁾	-8.8	-10.0	-12.0%	-39.7
EBIT	131.2	130.5	10.7%	555.9
Financial result ²⁾	-22.2	-24.5	9.4%	-60.7
EBT	109.0	106.0	2.8%	495.2
Profit after tax	72.1	69.8	3.3%	338.9
EPS	1.40	1.35	3.7%	6.59
EPS excl. Amortization and Zhong Yung liability ³⁾	1.53	1.52	0.6%	6.61

- 1) Includes scheduled amortization of customer relationships amounting to EUR 6.9m in Q1 2014 (EUR 8.3m in Q1 2013) and totalling EUR 32.8 million in 2013.
- 2) Thereof EUR -0.6m in Q1 2014 (EUR -1.5m in Q1 2013) are related to a change of the purchase price obligation for Zhong Yung (International) Chemical Ltd., which has to be recorded in the income statement according to IFRS (EUR 26.8m in 2013).
- 3) Adjusted for the net effect of amortizations and changes in the purchase price obligation for the outstanding 49% in Zhong Yung (International) Chemical Ltd.

FINANCIALS Q1 2014

Cash flow statement

in EUR m	Q1 2014	Q1 2013	2013
Profit after tax	72.1	69.8	338.9
Depreciation & amortization	32.8	34.2	140.9
Income taxes	36.9	36.2	156.3
Income tax payments	-27.9	-34.2	-159.9
Interest result	19.0	18.7	73.8
Interest payments (net)	-14.1	-17.3	-73.2
Changes in current assets and liabilities	-76.6	-80.2	-63.2
Change in purchase price obligation/IAS 32	1.0	1.7	-25.3
Other	3.5	4.8	-30.5
Cash provided by operating activities	46.7	33.7	357.8

FINANCIALS Q1 2014

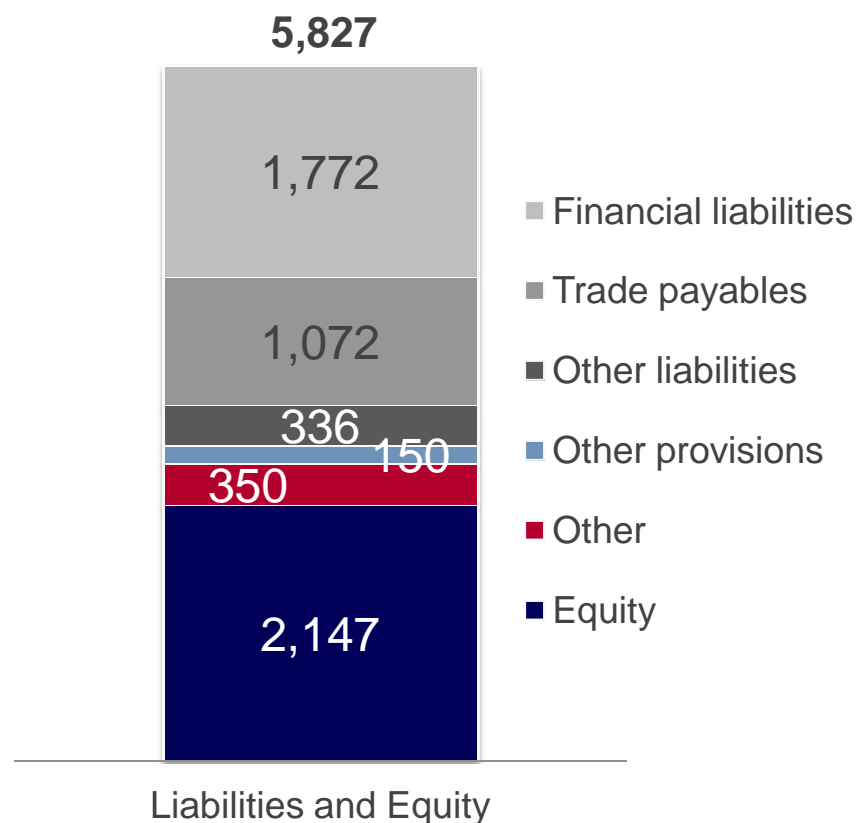
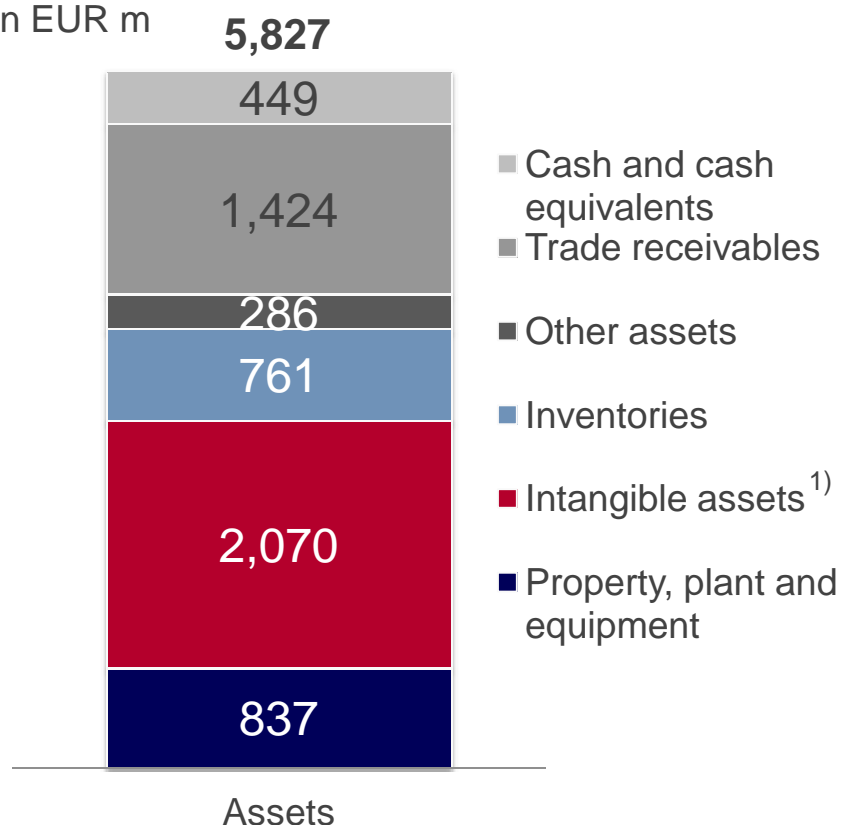
Cash flow statement (continued)

in EUR m	Q1 2014	Q1 2013	2013
Purchases of intangible assets and property, plant & equipment (PPE)	-20.0	-21.9	-98.2
Purchases of consolidated subsidiaries, other business units and financial assets	-7.2	-	-43.9
Other	0.8	1.4	6.9
Cash used for investing activities	-21.5	-20.5	-135.2
Capital increase	-	-	-
Payments in connection with the capital increase	-	-	-
Purchases of shares in companies already consolidated	-	-	-
Dividends paid to minority shareholders	-	-	-1.5
Dividends paid to Brenntag shareholders	-	-	-123.6
Repayment of (-)/proceeds from (+) borrowings (net)	-	-5.3	9.2
Cash used for financing activities	0.0	-5.3	-115.9
Change in cash & cash equivalents	20.4	7.9	-106.7

FINANCIALS Q1 2014

Balance Sheet as of 31 March 2014

in EUR m



1) Of the intangible assets as of March 31, 2014, some EUR 1,144 million relate to goodwill and trademarks that were capitalized as part of the purchase price allocation performed on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International at the end of the third quarter of 2006 in addition to the relevant intangible assets already existing in the previous Group structure.

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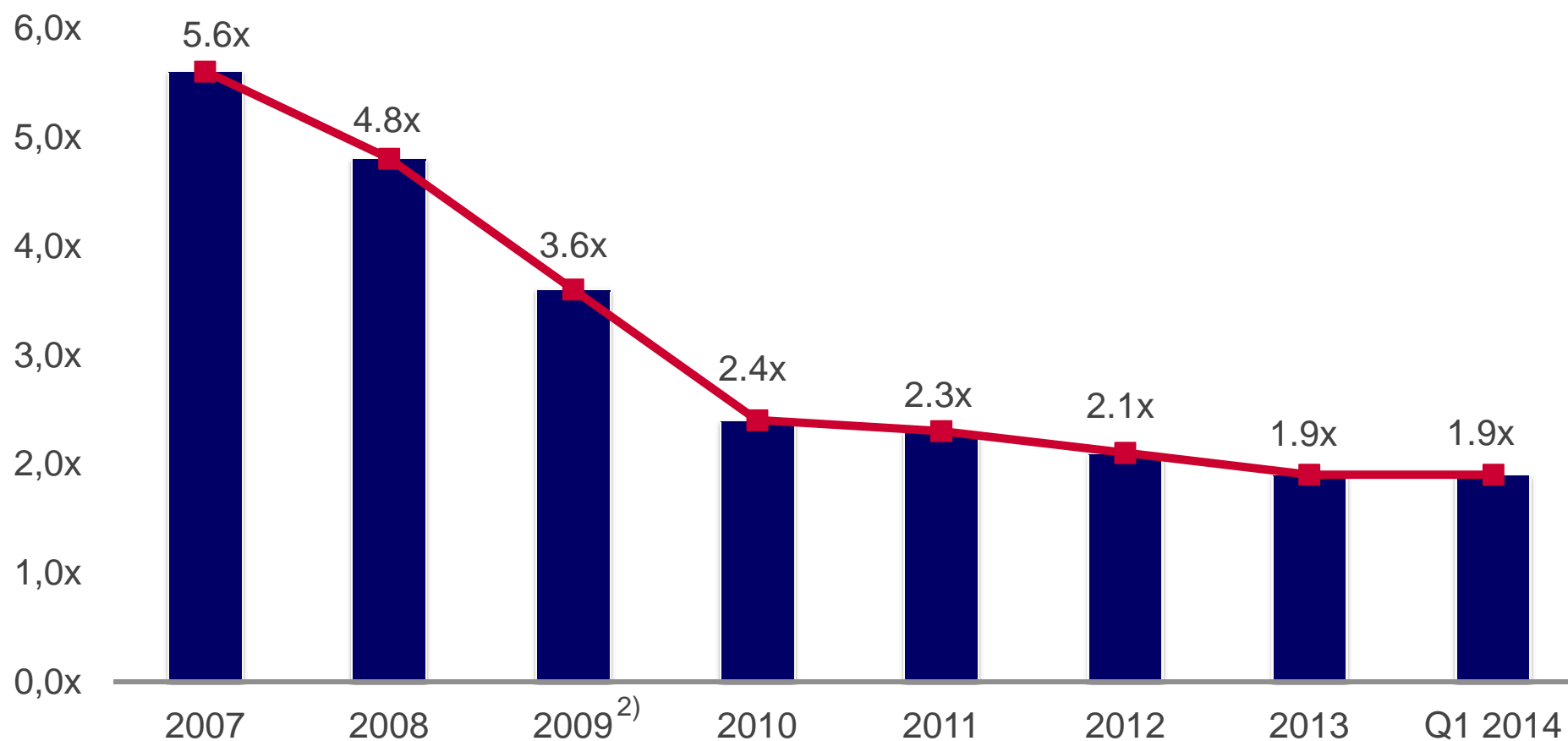
Balance Sheet and leverage

in EUR m	31 Mar 2014	31 Dec 2013	31 Mar 2013
Financial liabilities	1,771.5	1,768.5	1,848.7
./. Cash and cash equivalents	448.8	426.8	352.9
Net Debt	1,322.7	1,341.7	1,495.8
Net Debt/Operating EBITDA ¹⁾	1.9x	1.9x	2.1x
Equity	2,147.3	2,093.7	2,044.3

1) Operating EBITDA for the quarters on LTM basis.

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Leverage: Net debt/Operating EBITDA¹⁾



1) Net debt defined as current financial liabilities plus non-current financial liabilities less (cash and cash equivalents).

2) 2009 adjusted for expense items relating to the early termination of a multi-year incentive program.

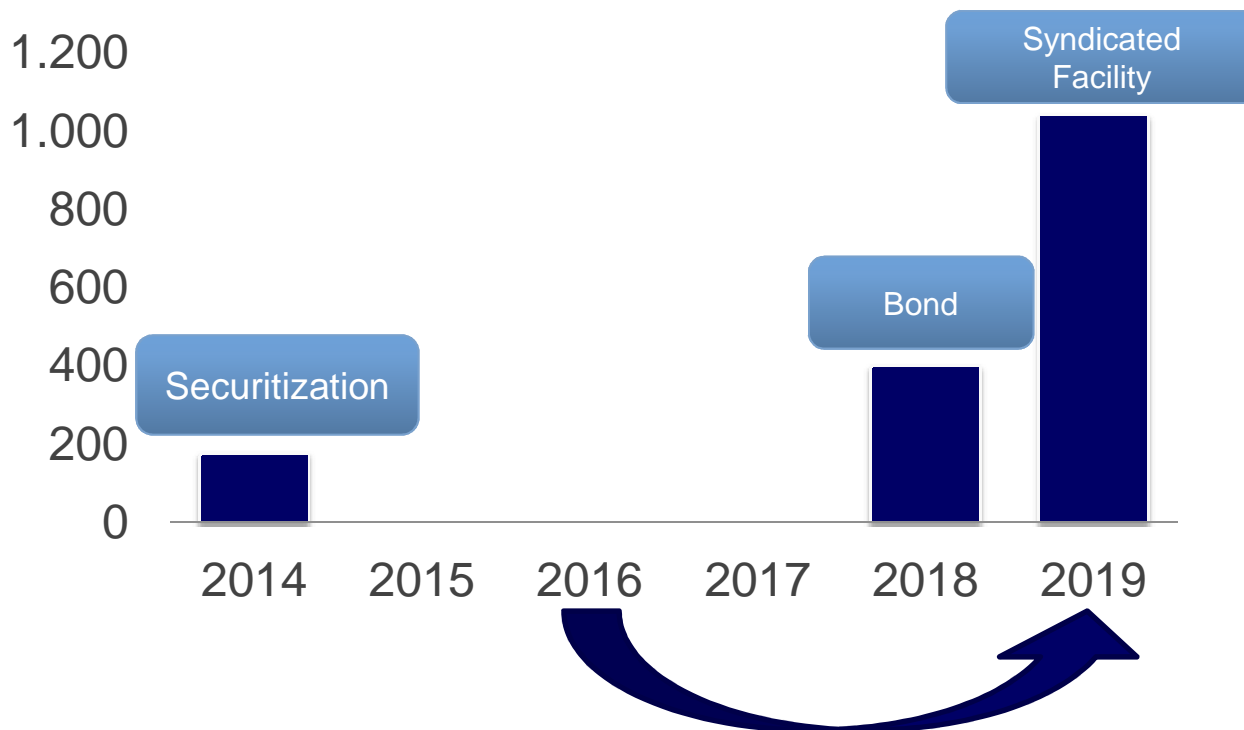
FINANCIALS Q1 2014

Improved maturity profile after „Amend & Extend“ of existing syndicated loan

Amend & Extend of Syndicated Loan

- Maturity extended ahead of schedule until March 2019
- Interest Expenses will be reduced by at least EUR 6m p.a.
- Strong support by 22 banks out of the existing syndicate
- Significant oversubscription allowed increase of Revolver by EUR 100m (to EUR 600m)

Maturities profile as of 31 March 2014¹⁾



1) Syndicated loan, bond and liabilities under the international accounts receivable securitization program excluding accrued interest and transaction costs on the basis of end of period exchange rates.

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Working capital

in EUR m	31 Mar 2014	31 Dec 2013	31 Mar 2013
Inventories	760.5	757.1	791.2
+ Trade receivables	1,424.2	1,248.8	1,440.3
./. Trade payables	1,072.3	961.5	1,120.6
Working capital (end of period)	1,112.4	1,044.4	1,110.9
Working capital turnover (year-to-date) ¹⁾	9.0x	9.0x	9.1x
Working capital turnover (last twelve months) ²⁾	8.8x	9.0x	9.0x

1) Using sales on year-to-date basis and average working capital year-to-date.

2) Using sales on LTM basis and average LTM working capital.

FINANCIALS Q1 2014

Free cash flow

in EUR m	Q1 2014	Q1 2013	Δ	Δ	2013
EBITDA	164.0	164.7	-0.7	-0.4%	696.8
Capex	-18.6	-15.6	-3.0	19.2%	-97.2
Δ Working capital	-69.7	-78.6	8.9	-11.3%	-56.2
Free cash flow	75.7	70.5	5.2	7.4%	543.4

FINANCIALS Q1 2014

Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	Q1 2014	244.1	182.4	37.6	27.8	3.6	495.5
	Q1 2013	232.5	179.2	42.4	31.2	3.8	489.1
	Δ	5.0%	1.8%	-11.3%	-10.9%	-5.3%	1.3%
	Δ FX adjusted	5.4%	6.7%	-4.1%	-2.1%	-5.3%	4.5%
Operating EBITDA	Q1 2014	83.2	68.0	10.7	8.5	-6.4	164.0
	Q1 2013	75.7	69.7	12.7	13.3	-6.7	164.7
	Δ	9.9%	-2.4%	-15.7%	-36.1%	-4.5%	-0.4%
	Δ FX adjusted	10.2%	1.6%	-8.5%	-30.3%	-4.5%	2.8%

AGENDA




Q1 2014 Presentation

■ Highlights Q1 2014

■ Financials Q1 2014

■ **Outlook**

OUTLOOK

	2013 Q1 2014	Comments	Trend 2014
Sales	EUR 9,770m EUR 2,416m	<ul style="list-style-type: none"> Ongoing macroeconomic recovery at a moderate pace with challenges in emerging markets. 	
Gross profit	EUR 1,946m EUR 484m	<ul style="list-style-type: none"> Positive development of gross profit is supported by structural growth trends. 	
Operating EBITDA	EUR 698m EUR 164m	<ul style="list-style-type: none"> Growth expected driven by segments Europe and North America. 	
Profit after tax	EUR 339m EUR 72m	<ul style="list-style-type: none"> Developing broadly in line with operating EBITDA without taking into account the positive one-off effect in 2013 (below EBITDA) 	

OUTLOOK

	2013 Q1 2014	Comments	Trend 2014
Working capital	EUR 1,044m EUR 1,112m	<ul style="list-style-type: none"> To a large extent a function of sales growth. Expected to grow in 2014 (compared to year end 2013). 	
Capex	EUR 97m EUR 19m	<ul style="list-style-type: none"> Increase of Capex spending to support future growth. Capex sufficient to support organic growth. 	
Free Cash Flow	EUR 543m EUR 76m	<ul style="list-style-type: none"> Free cash flow is expected to remain strong. 	

THANK YOU FOR YOUR ATTENTION

Brenntag Board of Management



**Steven Holland,
CEO**

- With Brenntag since 2006
- +30 years of dedicated experience
- Corp. Communications, Development, HR, HSE, Internal Audit, M&A, regions Europe and Asia Pacific



**Georg Müller,
CFO**

- With Brenntag since 2003
- +10 years of experience in chemicals distribution
- Corp. Accounting, Controlling, Finance & IR, IT, Legal, Tax, Risk Management



**William Fidler,
Board Member**

- With Brenntag since 1970
- +40 years of experience in chemicals distribution
- Regions North and Latin America, Global Sourcing

We are ready to answer your questions!

CONTACT

**Investor
Relations**

Thomas Langer
Diana Alester
René Weinberg

Phone: +49 (0) 208 7828 7653

Fax: +49 (0) 208 7828 7755

eMail: IR@brenntag.de

Web: www.brenntag.com



Brenntag AG

Corporate Finance & Investor Relations

Stinnes-Platz 1

45472 Mülheim an der Ruhr

Germany

Address