



Q1 2017



10 May 2017

Conference call on Q1 2017 results

Corporate Finance & Investor Relations

AGENDA

Q1 2017 Presentation

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- Financials Q1 2017
- Outlook
- Appendix

HIGHLIGHTS Q1 2017

Introductory remarks to Q1 2017 earnings

Macro Economy

Moderately positive development in Europe. Improved demand situation in North America. Challenging conditions in some countries of Latin America. Ongoing growth in Asia Pacific.

Gross profit

Gross profit of EUR 631.8m growing at 7.7% (+5.5% fx adjusted).

Operating EBITDA

Operating EBITDA of EUR 201.6m growing at 4.9% (+2.5% fx adjusted).

EPS

Earnings per Share of EUR 0.61 (+41.9%).

Acquisitions

Petra Industries, Inc., USA
Greene's Energy Group, LLC, USA (one business segment)

HIGHLIGHTS Q1 2017

Recent Acquisitions in 2017

Target	Rationale	Indicative annual EBITDA contribution (m EUR)	Investment Amount (m EUR)
Petra Industries, Inc., USA	Strengthening the mixing and blending business in North America. The business supports our customer service business.	2.4	~19
Greene's Energy Group, LLC, USA (one business segment)	Leading provider of integrated solutions for the Oil & Gas industry. Focused on pipeline cleaning and hydrostatic testing. Complementary to our existing product and service portfolio.	1.0	~10

**M&A totally: Enterprise Values of ~EUR 29m in 2017 so far
Average EV/EBITDA multiple of ~8.6x**

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FINANCIALS Q1 2017

Income statement

in EUR m	Q1 2017	Q1 2016	Δ	Δ FX adjusted	2016
Sales	2,973.3	2,580.1	15.2%	12.8%	10,498.4
Cost of sales	-2,341.5	-1,993.5	17.5%		-8,129.1
Gross profit	631.8	586.6	7.7%	5.5%	2,369.3
Expenses	-430.2	-394.5	9.0%		1,559.3
Operating EBITDA	201.6	192.1	4.9%	2.5%	810.0
Op. EBITDA / Gross profit	31.9%	32.7%			34.2%

FINANCIALS Q1 2017

Income statement (continued)

in EUR m	Q1 2017	Q1 2016	Δ	2016
EBITDA	201.6	192.1	4.9%	810.0
Depreciation	-28.9	-28.8	0.3%	-115.5
EBITA	172.7	163.3	5.8%	694.5
Amortization ¹⁾	-11.6	-12.2	-4.9%	-47.2
EBIT	161.1	151.1	6.6%	647.3
Financial result	-22.8	-49.7	54.1%	-111.6
EBT	138.3	101.4	36.4%	535.7
Profit after tax	94.7	66.0	43.5%	361.0
EPS	0.61	0.43	41.9%	2.33

1) Includes scheduled amortization of customer relationships amounting to EUR 9.1m in Q1 2017 (EUR 9.2m in Q1 2016 and EUR 35.9 million in 2016).

FINANCIALS Q1 2017

Cash flow statement

in EUR m	Q1 2017	Q1 2016	2016
Profit after tax	94.7	66.0	361.0
Depreciation & amortization	40.5	41.0	162.7
Income taxes	43.6	35.4	174.7
Income tax payments	-29.7	-43.8	-170.6
Interest result	24.8	20.3	81.5
Interest payments (net)	-15.6	-7.4	-67.0
Changes in current assets and liabilities	-133.2	-53.8	-27.6
Change in purchase price obligation/IAS 32	0.3	1.2	2.6
Other	50.3	40.1	22.6
Cash provided by operating activities	75.7	99.0	539.9

FINANCIALS Q1 2017

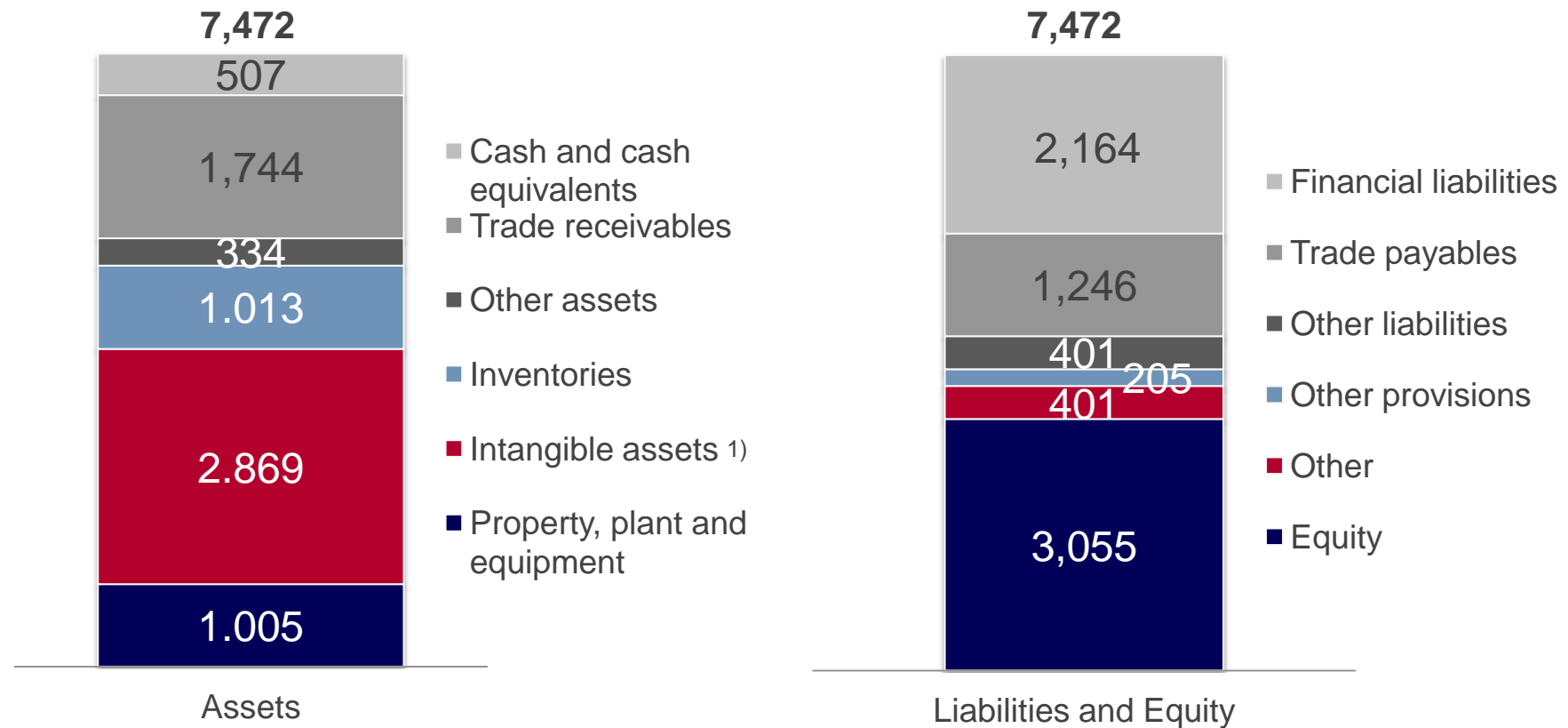
Cash flow statement (continued)

in EUR m	Q1 2017	Q1 2016	2016
Purchases of intangible assets and property, plant & equipment (PPE)	-25.6	-24.0	-138.8
Purchases of consolidated subsidiaries and other business units	-27.3	-31.1	-139.6
Other	1.8	2.2	9.0
Cash used for investing activities	-51.1	-52.9	-269.4
Capital increase	-	-	-
Payments in connection with the capital increase	-	-	-
Purchases of companies already consolidated	-	-14.5	-62.2
Profits distributed to non-controlling interests	-	-	-1.6
Dividends paid to Brenntag shareholders	-	-	-154.5
Repayment of (-)/proceeds from (+) borrowings (net)	-116.3	-6.3	-30.8
Cash used for financing activities	-116.3	-20.8	-249.1
Change in cash & cash equivalents	-91.7	25.3	21.4

FINANCIALS Q1 2017

Balance Sheet as of March 31, 2017

in EUR m



1) Of the intangible assets as of March 31, 2017, some EUR 1,299 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.

FINANCIALS Q1 2017

Balance Sheet and leverage

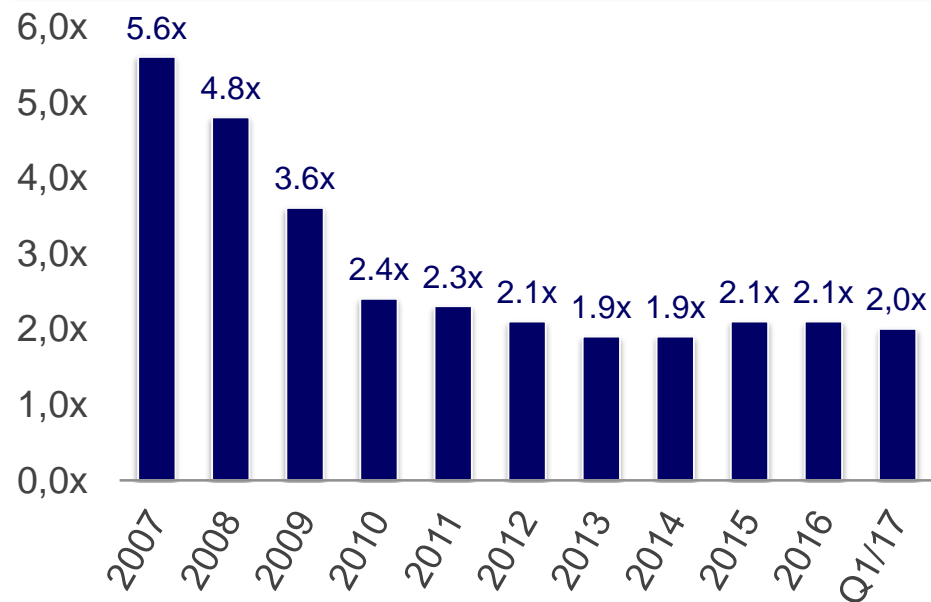
in EUR m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 June 2016
Financial liabilities	2,164.1	2,283.8	2,211.1	2,230.5
./. Cash and cash equivalents	506.5	601.9	607.1	463.4
Net Debt	1,657.6	1,681.9	1,604.0	1,767.1
Net Debt/Operating EBITDA ¹⁾	2.0x	2.1x	2.0x	2.2x
Equity	3,054.6	2,959.2	2,752.8	2,668.0

1) Operating EBITDA for the quarters on LTM basis.

FINANCIALS Q1 2017

Financial stability of Brenntag Group

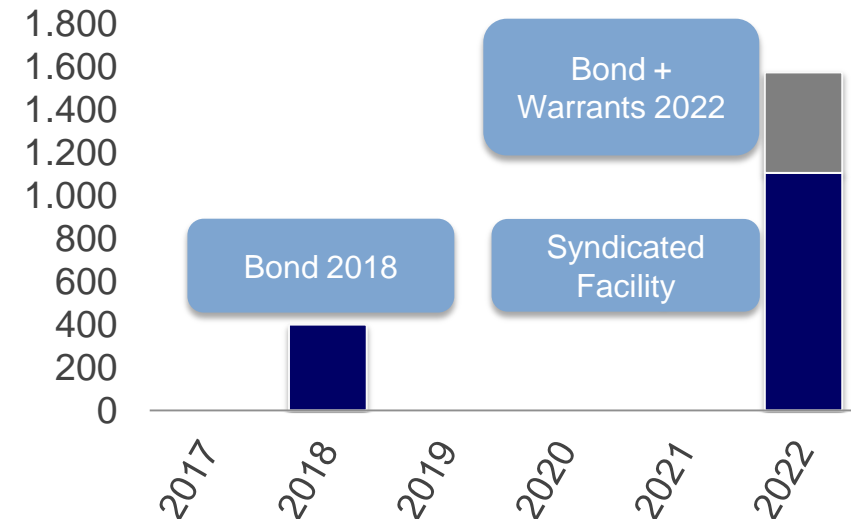
Leverage: Net debt/Operating EBITDA ¹⁾



- Business demonstrates ability to de-leverage constantly
- Investment-grade ratings from Standard & Poor's ("BBB") and Moody's ("Baa3")

Maturity profile as of Mar. 31, 2017

in EUR m



- Refinancing at attractive market conditions in Jan. 2017
- Balanced and long-term maturity profile
- High flexibility due to undrawn revolving credit facility of EUR 600m

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

FINANCIALS Q1 2017

Working capital

in EUR m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 June 2016
Inventories	1,013.0	962.8	883.2	880.5
+ Trade receivables	1,744.5	1,511.2	1,508.4	1,572.8
./. Trade payables	1,246.3	1,119.4	1,080.6	1,126.7
Working capital (end of period)	1,511.2	1,354.6	1,311.0	1,326.6
Working capital turnover (year-to-date) ¹⁾	8.3x	8.0x	8.1x	8.1x
Working capital turnover (last twelve months) ²⁾	8.0x	8.0x	8.0x	7.9x

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.

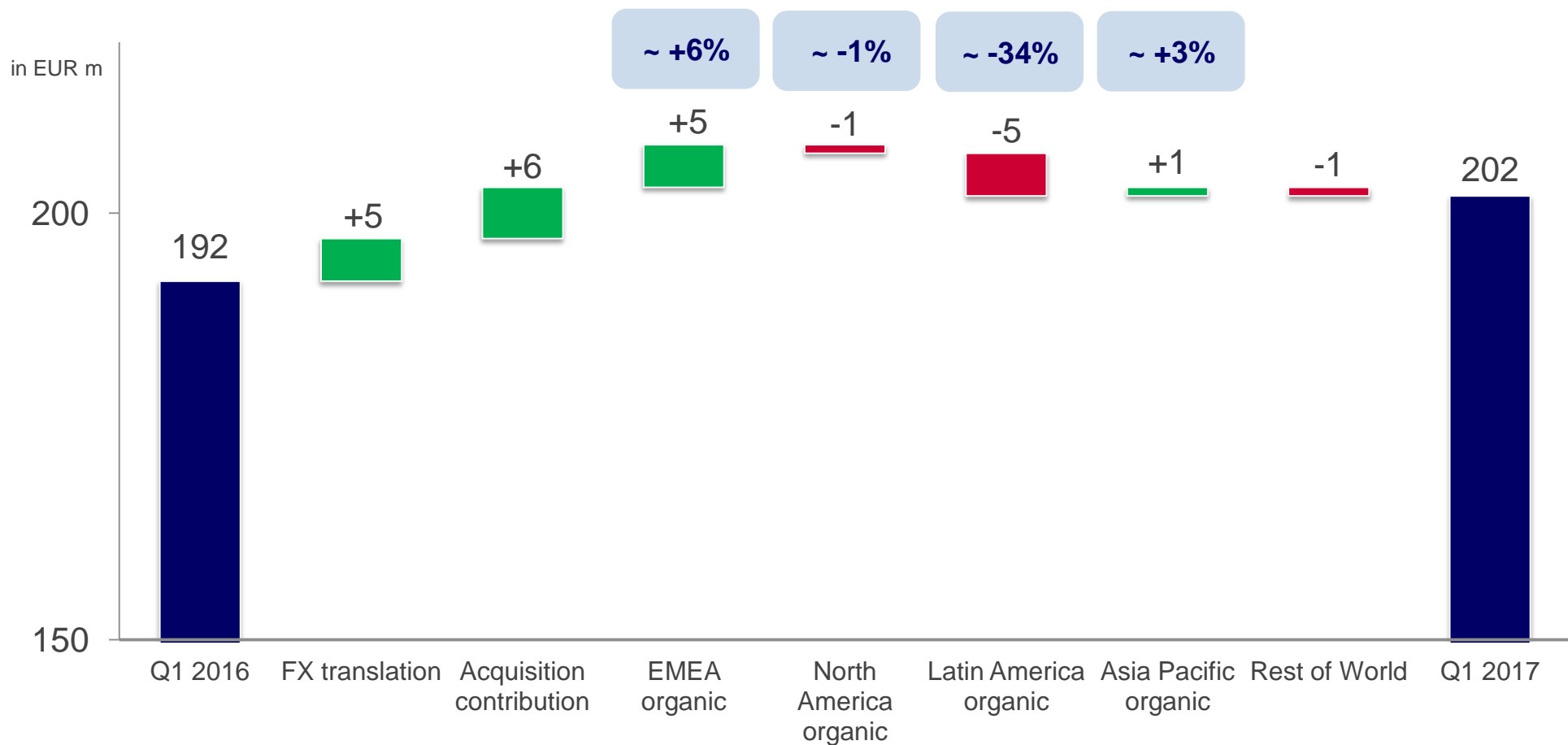
FINANCIALS Q1 2017

Free cash flow

in EUR m	Q1 2017	Q1 2016	Δ	Δ	2016
EBITDA	201.6	192.1	9.5	4.9%	810.0
Capex	-20.1	-17.6	-2.5	14.2%	-141.1
Δ Working capital	-155.8	-43.3	-112.5	259.8%	-27.5
Free cash flow	25.7	131.2	-105.5	-80.4%	641.4

FINANCIALS Q1 2017

Operating EBITDA bridge¹⁾: Q1 2016 to Q1 2017



1) Calculations are partly based on assumptions made by management; Effects based on rounded figures

FINANCIALS Q1 2017

Segments






in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	Q1 2017	279.0	272.5	43.7	48.3	4.2	647.7
	Q1 2016	267.6	244.2	43.6	41.9	3.1	600.4
	Δ	4.3%	11.6%	0.2%	15.3%	35.5%	7.9%
	Δ FX adjusted	5.1%	7.5%	-9.0%	12.1%	35.5%	5.6%
Operating EBITDA	Q1 2017	95.8	88.6	9.2	17.0	-9.0	201.6
	Q1 2016	88.3	84.6	12.4	14.9	-8.1	192.1
	Δ	8.5%	4.7%	-25.8%	14.1%	11.1%	4.9%
	Δ FX adjusted	9.1%	1.0%	-34.3%	11.1%	11.1%	2.5%

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OUTLOOK 2017

	2016 Q1/2017	Comments	Trend 2017
Gross profit	EUR 2,369m EUR 632m	<ul style="list-style-type: none"> Gross profit to increase due predominantly to higher volumes in the existing business 	
Operating EBITDA	EUR 810m EUR 202m	<ul style="list-style-type: none"> Expected growth of operating EBITDA to be supported by EMEA, North America and Asia Pacific 	
Working capital	EUR 1,355m EUR 1,511m	<ul style="list-style-type: none"> To a large extent a function of sales growth Improvement in working capital turnover expected 	
Capex	EUR 141m EUR 20m	<ul style="list-style-type: none"> Capex spending to increase to over EUR 150m driven by projects to expand our business operations. 	
Free cash flow	EUR 641m EUR 26m	<ul style="list-style-type: none"> Anticipate an increase (subject to stable chemical prices). 	

THANK YOU FOR YOUR ATTENTION



**Steven Holland,
CEO**

- With Brenntag since 2006
- +30 years of dedicated experience
- Region Latin America, Corp. Communications, Development, HR, HSE, Internal Audit + Compliance, M&A



**Georg Müller,
CFO**

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

We are ready to answer your questions!

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