

Connecting**Chemistry**



Media Call Q2 2018 Results



■ August 8, 2018

Brenntag AG, Essen, Germany

AGENDA

Q2 2018 Results Presentation

- Review Q2 2018 – Steven Holland**
- Financials Q2 2018 – Georg Müller
- Outlook – Steven Holland
- Q&A

REVIEW Q2 2018

Highlights Q2 2018

Operating Gross Profit

+8.4% (fx adj.)

EUR 677.0m

Operating EBITDA

+10.7% (fx adj.)

EUR 231.3m

Q2 confirms growth trends from Q1

Broad based contribution to growth

3 regions growing across main industries

Successful completion of acquisitions

Contribution from acquired businesses meeting

EPS

+10.1%

EUR 0.76

REVIEW Q2 2018

Segments – EMEA

in EUR m	Q2 2018	Q2 2017	Δ in %	in % (fx adj.)
Operating gross profit	293.5	280.0	4.8	6.4
Operating EBITDA	103.0	94.8	8.6	10.6

Update

- Growth of both operating gross profit and operating EBITDA
- Double-digit operating EBITDA growth is primarily driven organically
- Initiatives to increase efficiency contributed to earnings results

REVIEW Q2 2018

Segments – North America

in EUR m	Q2 2018	Q2 2017	Δ in %	in % (fx adj.)
Operating gross profit	281.4	280.2	0.4	8.5
Operating EBITDA	108.0	106.6	1.3	9.8

Update

- Ongoing positive trend in the region
- Operating EBITDA growth entirely organic
- Growth is broad based across all industries

REVIEW Q2 2018

Segments – Latin America

in EUR m	Q2 2018	Q2 2017	Δ in %	in % (fx adj.)
Operating gross profit	40.7	44.1	-7.7	2.0
Operating EBITDA	8.7	9.7	-10.3	0.0

Update

- Flat results in continued volatile overall conditions are a positive
- Economies of Latin American countries show mixed picture
- Brenntag is well positioned across the sub-continent

REVIEW Q2 2018

Segments – Asia Pacific

in EUR m	Q2 2018	Q2 2017	Δ in %	in % (fx adj.)
Operating gross profit	57.2	48.9	17.0	23.5
Operating EBITDA	19.8	16.8	17.9	24.1

Update

- Another quarter with double digit growth
- Results supported by positive performance of acquisitions
- Track record underlines future growth potential of the region

REVIEW Q2 2018

Recent acquisitions

Canada Colors and Chemicals

- **Signing** in Q2 2018
- Sales of around 140m EUR in 2017
- Gross profit of around 25m EUR in 2017
- Strengthening of industry focus and specialties capabilities in Canada
- Strategic step in the country with operations in various important locations



Raj Petro Specialties Private Limited

- **Closing** in Q2 2018
- Acquisition of 65% of the shares of the company in May 2018
- The second tranche of 35% will be purchased after a period of five years or seven years at the latest

Quimitecnica Group

- **Closing** in Q2 2018
- Expansion of distribution activities in Portugal and the north of Spain

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FINANCIALS Q2 2018

Income statement

in EUR m	Q2 2018	Q2 2017	Δ	Δ FX adjusted	2017
Sales	3,215.0	3,001.4	7.1%	12.2%	11,743.3
Operating gross profit	677.0	656.5	3.1%	8.4%	2,554.1
Operating EBITDA	231.3	220.7	4.8%	10.7%	836.0
Op. EBITDA / Op. gross profit	34.2%	33.6%			32.7%
Profit after tax	118.3	106.8	10.8%		362.0

FINANCIALS Q2 2018

Free cash flow

in EUR m	Q2 2018	Q2 2017	Δ	Δ	2017
Operating EBITDA	231.3	220.7	10.6	4.8%	836.0
CAPEX	-38.0	-27.3	-10.7	39.2%	-148.1
Δ Working capital	-45.4	-70.0	24.6	-35.1%	-247.6
Free cash flow	147.9	123.4	24.5	19.9%	440.3

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OUTLOOK**Brenntag Group has had a good start into the year 2018****North America**

- Positive trend in macroeconomy to continue
- Results to be supported by almost all customer industries

EMEA

- Efficiency measures will continue to pay off

Latin America

- Macroeconomic environment to remain volatile
- Business is well positioned

Asia Pacific

- Positive macroeconomic environment
- Steadily growing earnings contribution, organically and through acquisitions

Group

- **Guidance Range:**
operating EBITDA of EUR 870m – EUR 900m for the full year 2018
- Performance to be supported by all regions

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, Sustainability



**Georg Müller,
CFO**

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

We are ready to answer your questions!

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CONTACT

Corporate Communications

Hubertus Spethmann

Phone: +49 (0) 201 6496-1732

Fax: +49 (0) 201 6496-2007

E-mail: hubertus.spethmann@brenntag.de

Web: www.brenntag.com



Thomas Langer

Phone: +49 (0) 201 6496-1496

Fax: +49 (0) 201 6496-2003

E-mail: IR@brenntag.de

Web: www.brenntag.com

Corporate Finance & Investor Relations