

Q3 2013



6 November 2013

Conference call on Q3 2013 results

Corporate Finance & Investor Relations

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AGENDA

Q3 2013 Presentation

- Highlights Q3 2013**
- Financials Q3 2013**
- Outlook**
- Appendix**

HIGHLIGHTS Q3 2013

Introductory remarks to Q3 2013 earnings

Macro Economy

Growth of the global economy remained modest; North America showed positive growth in industrial output, the recession in the Eurozone persisted

Gross profit

Gross profit of EUR 497.2m with a growth of 5.4% on a constant FX basis.

EBITDA

Operating EBITDA of EUR 183.2m with a growth of 14.6% on a constant FX basis and 7.3% when based on an adjusted Q3 2012¹⁾





Acquisition

Bolt-on acquisition in India strengthens local nutrition and health distribution business

1) The adjustment refers to a non-recurring expense item of EUR 11m in Q3 2012

HIGHLIGHTS Q3 2013

Operating highlights Q3 2013

	Q3 2013	Comments	Change
Gross profit	EUR 497.2m	<ul style="list-style-type: none"> FX adjusted increase of 5.4% y-o-y 	
Operating EBITDA	EUR 183.2m	<ul style="list-style-type: none"> Increase of 7.3% on a constant FX basis and based on an adjusted Q3 2012¹⁾ (14.6% without adjustment) 	
Operating EBITDA/ Gross profit	36.8%	<ul style="list-style-type: none"> Against 36.3% in Q3 2012 (based on an adjusted EBITDA¹⁾) 	
Free cash flow	EUR 168.0m	<ul style="list-style-type: none"> Against EUR 168.2m in Q3 2012 	

1) The adjustment refers to a non-recurring expense item of EUR 11m in Q3 2012

HIGHLIGHTS Q3 2013

Acquisition of chemical distribution division of Zytex Group

Chemical distribution division of Zytex Group, India

- Sales of EUR 7.0m and EBITDA of EUR 1.4m for the financial year 2013
- Closing occurred beginning of October 2013
- Acquired business is strengthening our nutrition and health distribution business in India
- Expanding strategic relationships with key global suppliers
- Acquisition underlines our commitment to India and will help us to accelerate the growth of Brenntag India in the coming years



AGENDA

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FINANCIALS Q3 2013

Income statement

in EUR m	Q3 2013	Q3 2012 ¹⁾	Δ	Δ FX adjusted	2012 ¹⁾
Sales	2,489.8	2,474.1	0.6%	4.9%	9,689.9
Cost of goods sold	-1,992.6	-1,980.9	0.6%		-7,764.2
Gross profit	497.2	493.2	0.8%	5.4%	1,925.7
Expenses	-314.0	-325.4	-3.5%		-1,218.7
EBITDA	183.2	167.8	9.2%	14.7%	707.0
Add back transaction costs ²⁾	-	0.1			-
Operating EBITDA	183.2	167.9	9.1%	14.6%	707.0
Adj. operating EBITDA ³⁾	183.2	178.9	2.4%	7.3%	718.0
Adj. Operating EBITDA ³⁾ / Gross profit	36.8%	36.3%			37.3%

1) IAS 19 revised

2) Transaction costs are costs related to restructuring and refinancing under company law

3) The adjustment refers to a non-recurring expense item of EUR 11m in Q3 2012

FINANCIALS Q3 2013

Income statement (continued)

in EUR m	Q3 2013	Q3 2012	Δ	2012
EBITDA	183.2	167.8	9.2%	707.0
Depreciation	-25.1	-24.3	3.3%	-96.2
EBITA	158.1	143.5	10.2%	610.8
Amortization ¹⁾	-10.2	-9.9	3.0%	-36.9
EBIT	147.9	133.6	10.7%	573.9
Financial result ²⁾	-23.3	-24.1	-3.3%	-95.6
EBT	124.6	109.5	13.8%	478.3
Profit after tax	81.0	79.5	1.9%	337.8
EPS	1.57	1.52	3.3%	6.52
EPS excl. Amortization and Zhong Yung liability ³⁾	1.72	1.68	2.4%	6.95

1) Includes for the period July to September 2013 scheduled amortization of customer relationships totaling (Q3 2013: EUR 8.4m; Q3 2012: EUR 8.0m). FY 2012 EUR 29.1m.

2) Thereof EUR +4.3m in FY 2012, EUR -0.7m in Q3 2013 and EUR -0.8m in Q3 2012 are related to change in purchase price obligation Zhong Yung (International) Chemical Ltd., which has to be recorded in the income statement according to IFRS.

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 Q3 2013

Cash flow statement

in EUR m	Q3 2013	Q3 2012	2012
Profit after tax	81.0	79.5	337.8
Depreciation & amortization	35.3	34.2	133.1
Income taxes	43.6	30.0	140.5
Income tax payments	-35.7	-21.5	-121.2
Interest result	18.8	20.0	83.2
Interest payments (net)	-36.7	-40.9	-80.4
Changes in current assets and liabilities	16.2	55.4	-43.2
Change in purchase price obligation/IAS 32	0.9	1.0	-2.8
Other	-38.5	0.4	-14.0
Cash provided by operating activities	84.9	158.1	433.0

FINANCIALS Q3 2013

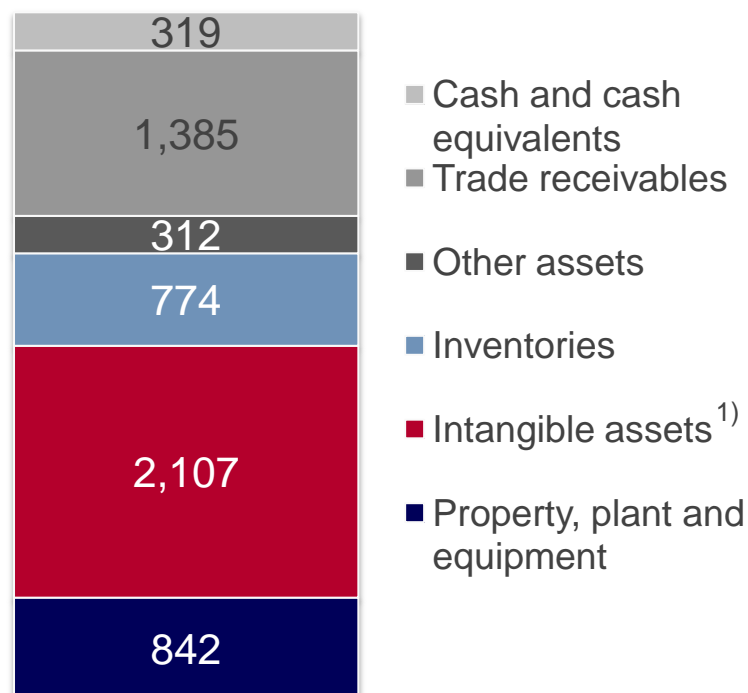
Cash flow statement (continued)

in EUR m	Q3 2013	Q3 2012	2012
Purchases of intangible assets and property, plant & equipment (PPE)	-22.3	-20.4	-86.3
Purchases of consolidated subsidiaries and other business units	-	-122.7	-234.5
Other	0.8	0.7	8.1
Cash used for investing activities	-21.5	-142.4	-312.7
Capital increase	-	-	-
Payments in connection with the capital increase	-	-	-
Purchases of shares in companies already consolidated	-	-	-
Dividends paid to minority shareholders	-	-	-1.6
Dividends paid to Brenntag shareholders	-	-	-103.0
Repayment of (-)/proceeds from (+) borrowings (net)	-9.6	-21.7	-123.4
Cash used for financing activities	-9.6	-21.7	-228.0
Change in cash & cash equivalents	53.8	-6.0	-107.7

FINANCIALS Q3 2013

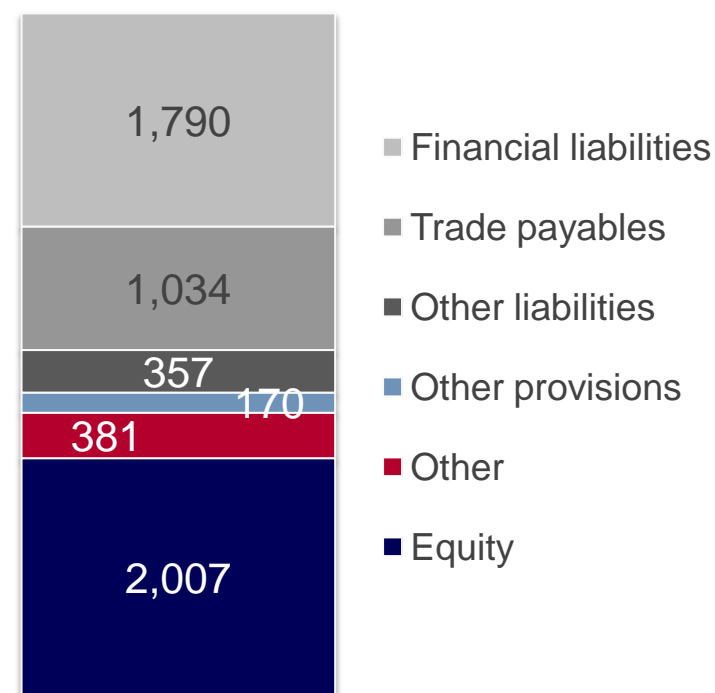
Balance Sheet as of 30 September 2013

in EUR m **5,739**



Assets

5,739



Liabilities and Equity

1) Of the intangible assets as of September 30, 2013, some EUR 1,166 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 Q3 2013

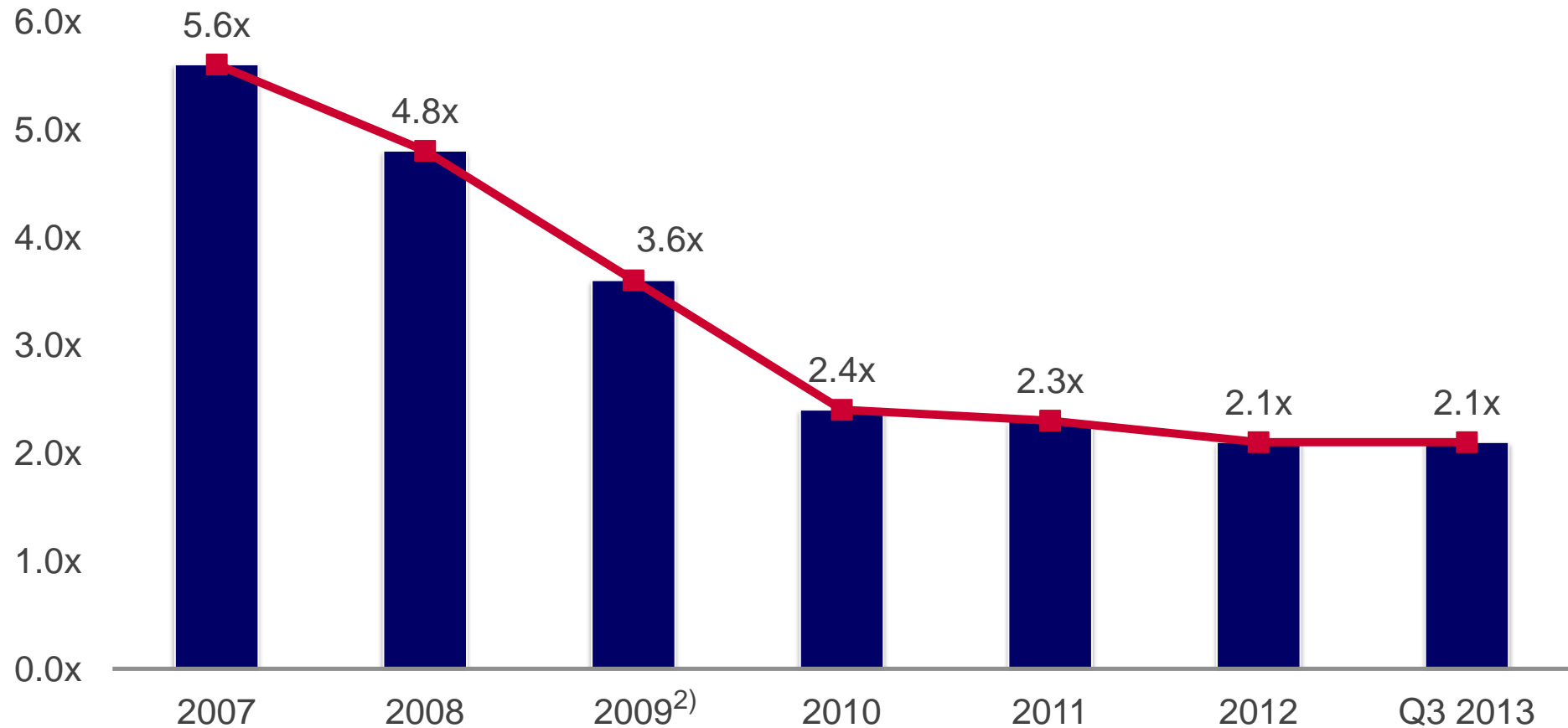
Balance Sheet and leverage

in EUR m	30 Sep 2013	30 June 2013	31 Mar 2013	31 Dec 2012	30 Sep 2012	30 June 2012	31 Mar 2012
Financial liabilities	1,789.7	1,851.1	1,848.7	1,829.5	1,839.6	1,902.3	1,819.5
./. Cash and cash equivalents	318.6	272.3	352.9	346.6	302.8	308.5	364.5
Net Debt	1,471.1	1,578.8	1,495.8	1,482.9	1,536.8	1,593.8	1,455.0
Net Debt/Operating EBITDA¹⁾	2.1x	2.3x	2.1x	2.1x	2.2x	2.3x	2.2x
Equity	2,006.9	1,952.7	2,044.3	1,944.2	1,872.8	1,811.3	1,806.2

1) Operating EBITDA for the quarters on LTM basis.

FINANCIALS Q3 2013

Leverage: Net debt/Operating EBITDA¹⁾

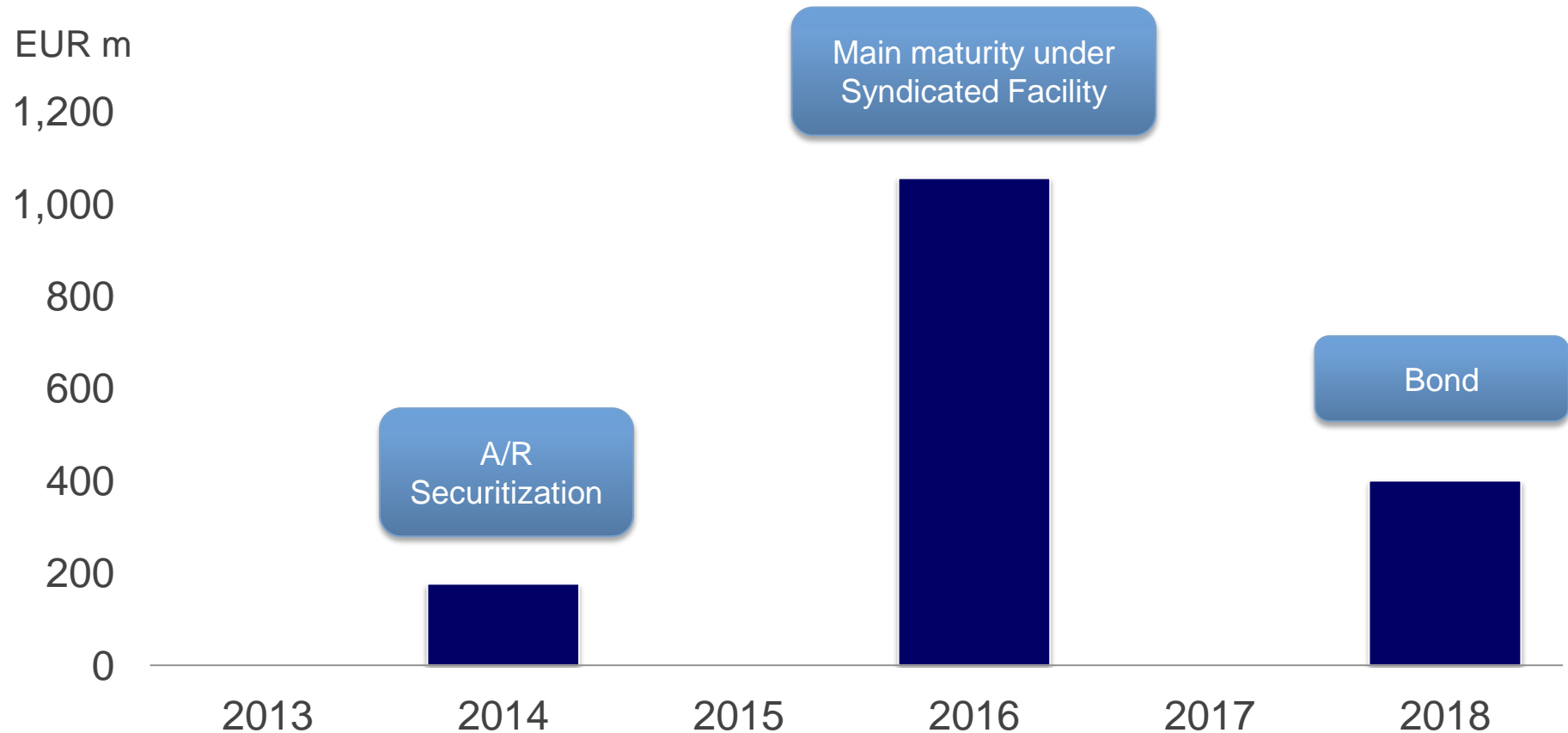


1) Net debt defined as current financial liabilities plus non-current financial liabilities less (cash and cash equivalents)

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

FINANCIALS Q3 2013

Maturities profile as of 30 Sep 2013¹⁾



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).

FINANCIALS Q3 2013

Working capital

in EUR m	30 Sep 2013	30 June 2013	31 Mar 2013	31 Dec 2012	30 Sep 2012	30 June 2012
Inventories	774.2	790.3	791.2	760.4	750.7	722.5
+ Trade receivables	1,384.5	1,462.0	1,440.3	1,266.4	1,405.0	1,445.7
./. Trade payables	1,033.8	1,101.1	1,120.6	1,008.2	1,042.8	1,046.4
Working capital (end of period)	1,124.9	1,151.2	1,110.9	1,018.6	1,112.9	1,121.8
Working capital turnover (year-to-date) ¹⁾	9.0x	9.1x	9.1x	9.2x	9.3x	9.4x
Working capital turnover (last twelve months) ²⁾	8.9x	8.9x	9.0x	9.2x	9.2x	9.2x

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 Q3 2013

Free cash flow

in EUR m	Q3 2013	Q3 2012	Δ	Δ	2012
EBITDA	183.2	167.8	15.4	9.2%	707.0
Capex	-23.1	-22.4	-0.7	3.1%	-94.7
Δ Working capital	7.9	22.8	-14.9	-65.4%	-33.0
Free cash flow	168.0	168.2	-0.2	-0.1%	579.3

FINANCIALS Q3 2013

Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
External sales	Q3 2013	1,141.7	816.5	210.0	183.9	137.7	2,489.8
	Q3 2012	1,139.7	792.6	233.7	195.6	112.5	2,474.1
	Δ	0.2%	3.0%	-10.1%	-6.0%	22.4%	0.6%
	Δ FX adjusted	2.0%	9.6%	-1.2%	0.1%	22.4%	4.9%
Operating gross profit	Q3 2013	233.5	200.9	40.8	29.8	3.9	508.9
	Q3 2012	231.9	193.5	43.0	31.0	4.4	503.8
	Δ	0.7%	3.8%	-5.1%	-3.9%	-11.4%	1.0%
	Δ FX adjusted	2.7%	10.4%	3.7%	4.1%	-11.4%	5.6%
Operating EBITDA	Q3 2013	79.1	84.9	11.5	12.1	-4.4	183.2
	Q3 2012 ¹⁾	80.0	84.0	13.0	11.8	-9.9	178.9
	Δ	-1.1%	1.1%	-11.5%	2.5%	-55.6%	2.4%
	Δ FX adjusted	0.9%	7.2%	-2.5%	8.6%	-55.6%	7.3%

1) Q3 2012 is adjusted for a non-recurring expense item in Europe of EUR 11m

AGENDA

Q3 2013 Presentation



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OUTLOOK

	2012 9M 2013	Comments	Trend 2013
Sales	EUR 9,690m EUR 7,454m	<ul style="list-style-type: none"> Global economy currently not expected to recover throughout 2013; in particular Euro zone may stay in recession. Structural growth trends for chemical distributors and Brenntag's strong competitive position in particular are expected to provide growth potential. 	
Gross profit	EUR 1,926m EUR 1,477m	<ul style="list-style-type: none"> Positive development of gross profit is expected due to structural growth trends. 	
Operating EBITDA	EUR 707m EUR 517m	<ul style="list-style-type: none"> Op. EBITDA is expected between EUR 710m – 725m for full year 2013. Guidance range is to be understood before extraordinary effects (particularly the EUR 16.8m provision increase) and no major FX rate changes. Tight cost control is in place. 	
Profit after tax	EUR 338m EUR 220m	<ul style="list-style-type: none"> Profit after tax is expected to decrease. 	

OUTLOOK

	2012 9M 2013	Comments	Trend 2013
Working capital	EUR 1,019m EUR 1,125m	<ul style="list-style-type: none"> To a large extent a function of sales growth. Expected to grow in 2013 (compared to year end 2012). 	
Capex	EUR 95m EUR 58m	<ul style="list-style-type: none"> Capex spending will be slightly above depreciation due to increasing business activities. Capex sufficient to support organic growth. 	
Free Cash Flow	EUR 579m EUR 339m	<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**



**Georg Müller,
CFO**



**Jürgen Buchsteiner,
Board Member**



**William Fidler,
Board Member**

We are ready to answer your questions!

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FINANCIALS 9M 2013

Income statement

in EUR m	9M 2013	9M 2012	Δ	Δ FX adjusted
Sales	7,453.6	7,349.8	1.4%	3.4%
Cost of goods sold	-5,976.3	-5,894.5	1.4%	
Gross profit	1,477.3	1,455.3	1.5%	3.7%
Expenses	-960.3	-931.3	3.1%	
EBITDA	517.0	524.0	-1.3%	1.0%
Add back transaction costs ¹⁾	-	-		
Operating EBITDA	517.0	524.0	-1.3%	1.0%
Adj. operating EBITDA ²⁾	533.8	535.0	-0.2%	2.1%
Operating EBITDA/Gross profit ³⁾	35.0%	36.0%		

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

2) Q3 2012 (EUR 11m) and Q2 2013 (EUR 16.8m) are adjusted for non-recurring cost items in Europe in relation to an antitrust case

3) Conversion ratio of 36.1% in 2013 (36.8% in 2012) if adjusted for the non-recurring cost items

FINANCIALS 9M 2013

Income statement (continued)

in EUR m	9M 2013	9M 2012	Δ
EBITDA	517.0	524.0	-1.3%
Depreciation	-76.2	-70.8	7.6%
EBITA	440.8	453.2	-2.7%
Amortization ¹⁾	-29.8	-27.5	8.4%
EBIT	411.0	425.7	-3.5%
Financial result	-71.0 ²⁾	-74.5 ²⁾	-4.7%
EBT	340.0	351.2	-3.2%
Profit after tax	219.7	240.1	-8.5%

1) This figure includes for the period January to September 2013 scheduled amortization of customer relationships totalling EUR 24.4 million (9M 2012: EUR 21.5m).

2) Thereof EUR -3.1m in 9M 2013 and EUR -4.9m in 9M 2012 are related to change in purchase price obligation Zhong Yung (International) Chemical Ltd., which has to be recorded in the income statement according to IFRS.

FINANCIALS 9M 2013

Cash flow statement

in EUR m	9M 2013	9M 2012
Profit after tax	219.7	240.1
Depreciation & amortization	106.0	98.3
Income taxes	120.3	111.1
Income tax payments	-109.8	-95.2
Interest result	55.9	62.2
Interest payments (net)	-64.9	-72.6
Changes in current assets and liabilities	-121.1	-117.9
Other	-8.5	-4.4
Cash provided by operating activities	197.6	221.6

FINANCIALS 9M 2013

Cash flow statement (continued)

in EUR m	9M 2013	9M 2012
Purchases of intangible assets and property, plant & equipment	-62.4	-52.2
Purchases of consolidated subsidiaries and other business units	-33.0	-125.5
Other	3.4	4.7
Cash used for investing activities	-92.0	-173.0
Capital increase	-	-
Payments in connection with the capital increase	-	-
Purchases of shares in companies already consolidated	-	-
Dividends paid to minority shareholders	-1.0	-1.0
Dividends paid to Brenntag shareholders	-123.6	-103.0
Repayment of (-)/proceeds from (+) borrowings (net)	5.0	-105.2
Cash used for financing activities	-119.6	-209.2
Change in cash & cash equivalents	-14.0	-160.6

FINANCIALS 9M 2013

Free cash flow

in EUR m	9M 2013	9M 2012	Δ	Δ	2012
EBITDA	517.0	524.0	-7.0	-1.3%	707.0
CAPEX	-57.6	-52.7	-4.9	9.3%	-94.7
Δ Working capital	-120.9	-123.8	2.9	-2.3%	-33.0
Free cash flow	338.5	347.5	-9.0	-2.6%	579.3

FINANCIALS 9M 2013

Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
External sales	9M 2013	3,477.6	2,389.5	646.8	548.1	391.6	7,453.6
	9M 2012	3,465.4	2,334.4	689.3	510.6	350.1	7,349.8
	Δ	0.4%	2.4%	-6.2%	7.3%	11.9%	1.4%
	Δ FX adjusted	1.2%	5.5%	-1.0%	9.4%	11.9%	3.4%
Operating gross profit	9M 2013	703.2	578.2	126.6	92.1	11.8	1,511.9
	9M 2012	707.3	559.3	126.5	81.1	12.5	1,486.7
	Δ	-0.6%	3.4%	0.1%	13.6%	-5.6%	1.7%
	Δ FX adjusted	0.4%	6.6%	5.2%	16.3%	-5.6%	3.9%
Operating EBITDA ¹⁾	9M 2013	239.1	237.7	37.4	37.6	-18.0	533.8
	9M 2012	245.6	238.0	41.1	32.3	-22.0	535.0
	Δ	-2.6%	-0.1%	-9.0%	16.4%	-18.2%	-0.2%
	Δ FX adjusted	-1.5%	2.9%	-4.1%	17.5%	-18.2%	2.1%

1) EBITDA is adjusted for non-recurring cost items in Europe in relation to an antitrust case: Q3 2012 (EUR 11m) and Q2 2013 (EUR 16.8m)