



# Company Presentation

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■ November 2013

Corporate Finance & Investor Relations

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This presentation may contain forward-looking statements based on current assumptions and forecasts made by Brenntag AG and other information currently available to the company. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. Brenntag AG does not intend, and does not assume any liability whatsoever, to update these forward-looking statements or to conform them to future events or developments.

## IN A NUTSHELL

### **Brenntag – The global market leader in chemical distribution**

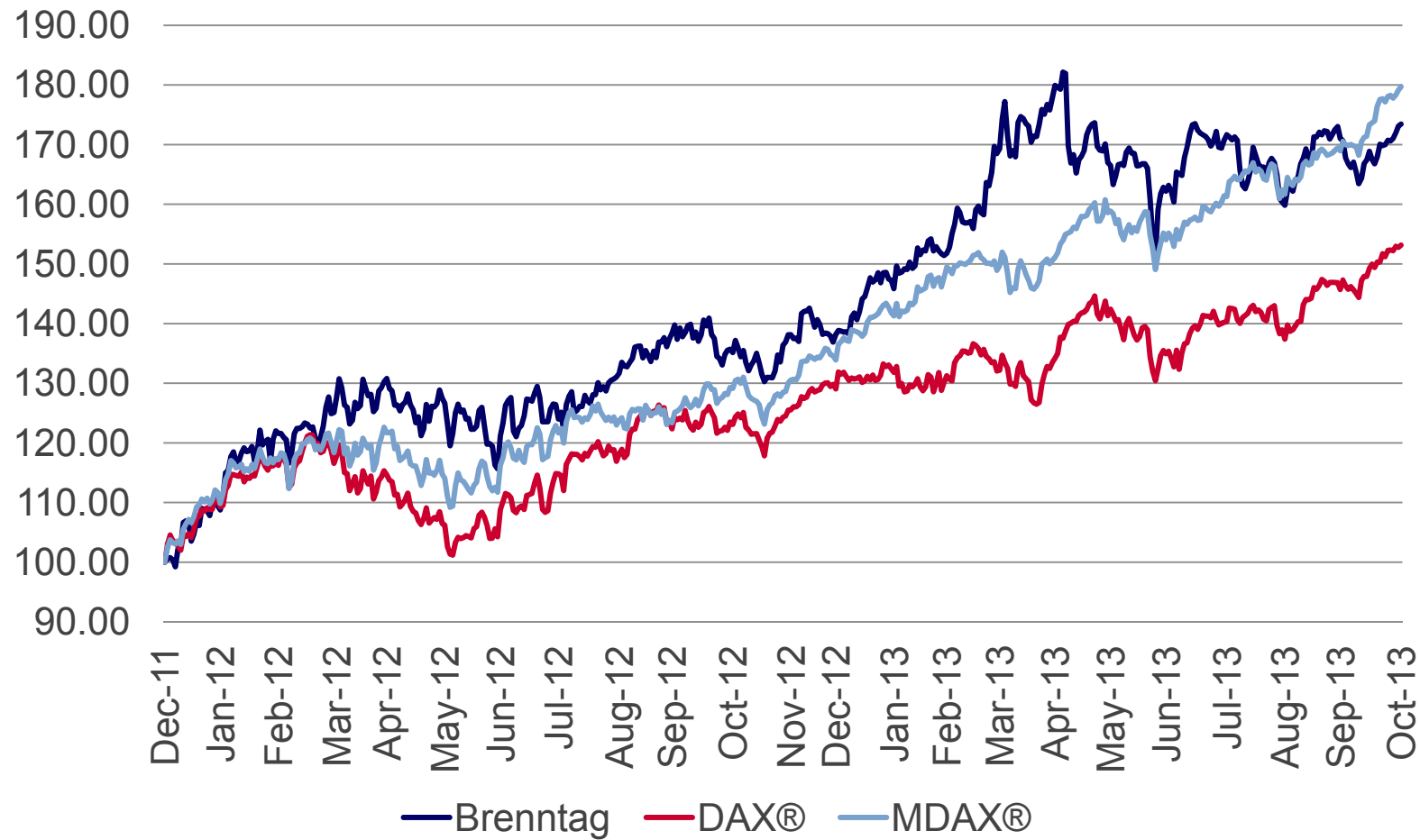
Brenntag is the global market leader in chemical distribution.

Linking chemical manufacturers and chemical users, Brenntag provides business-to-business distribution solutions for industrial and specialty chemicals globally.

With over 10,000 products and a world-class supplier base, Brenntag offers one-stop-shop solutions to more than 170,000 customers.



## SHARE PRICE (INDEXED TO 100)



**AGENDA**

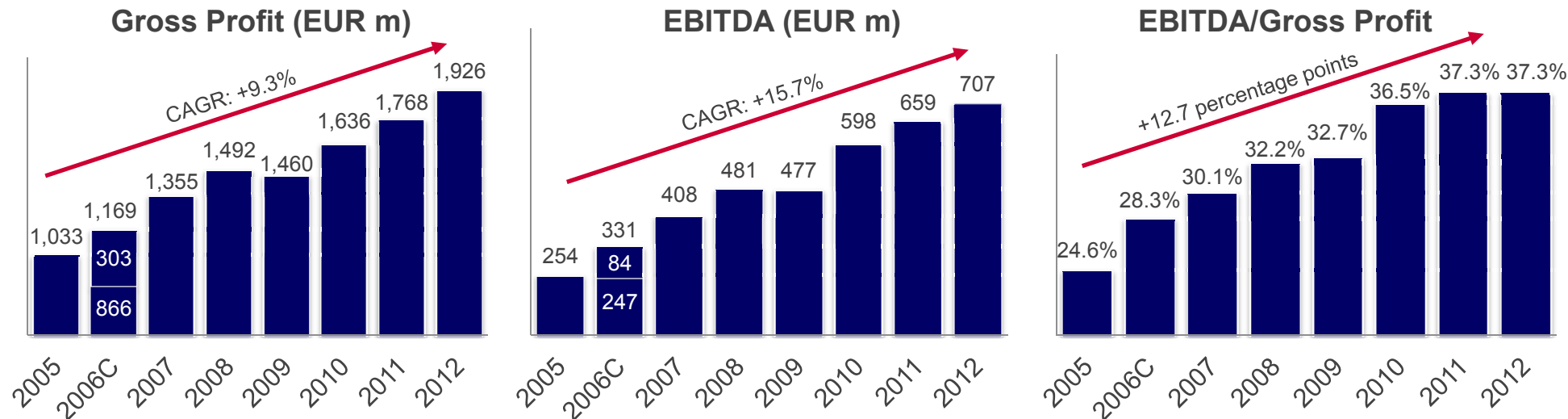
**Company Presentation**

- Introduction to Brenntag**
- Key investment highlights**
- Financials Q3 2013**
- Outlook**
- Appendix**

## BRENNTAG OVERVIEW

### Global market leader with strong financial profile

- Global leader with 5.9%\*) market share and sales of EUR 9.7bn in 2012
- c. 13,000 employees, thereof more than 4,800 dedicated local sales and marketing employees
- Full-line portfolio of over 10,000 products to more than 170,000 customers globally
- Network of 450+ locations across more than 70 countries worldwide
- c. 3.5 million usually less-than-truckload deliveries annually with average value of c. EUR 2,000



\*) As per end 2012: BCG Market Report (July 2013)

Notes: 2005: Brenntag Predecessor; 2006: Brenntag and Brenntag Predecessor Combined; 2012: EBITDA / Gross Profit adjusted for EUR 11m non-recurring effect

## BUSINESS MODEL

### Chemical distributors fulfil a value-adding function in the supply chain



#### Purchase, transport and storage of large-scale quantities of diverse chemicals

- Several thousand suppliers globally
- Full-line product portfolio of 10,000+ industrial and specialty chemicals
- Network of 450+ locations worldwide



## BUSINESS MODEL

### Chemical distributors fulfil a value-adding function in the supply chain



- Repackaging from large into smaller quantities
- Filling, labelling, bar-coding and palletizing
- Marketed by more than 4,800 dedicated local sales and marketing employees
- Mixing and blending according to customer specific requirements
- Formulating and technical support from dedicated application laboratories





## BUSINESS MODEL

# Chemical distributors fulfil a value-adding function in the supply chain

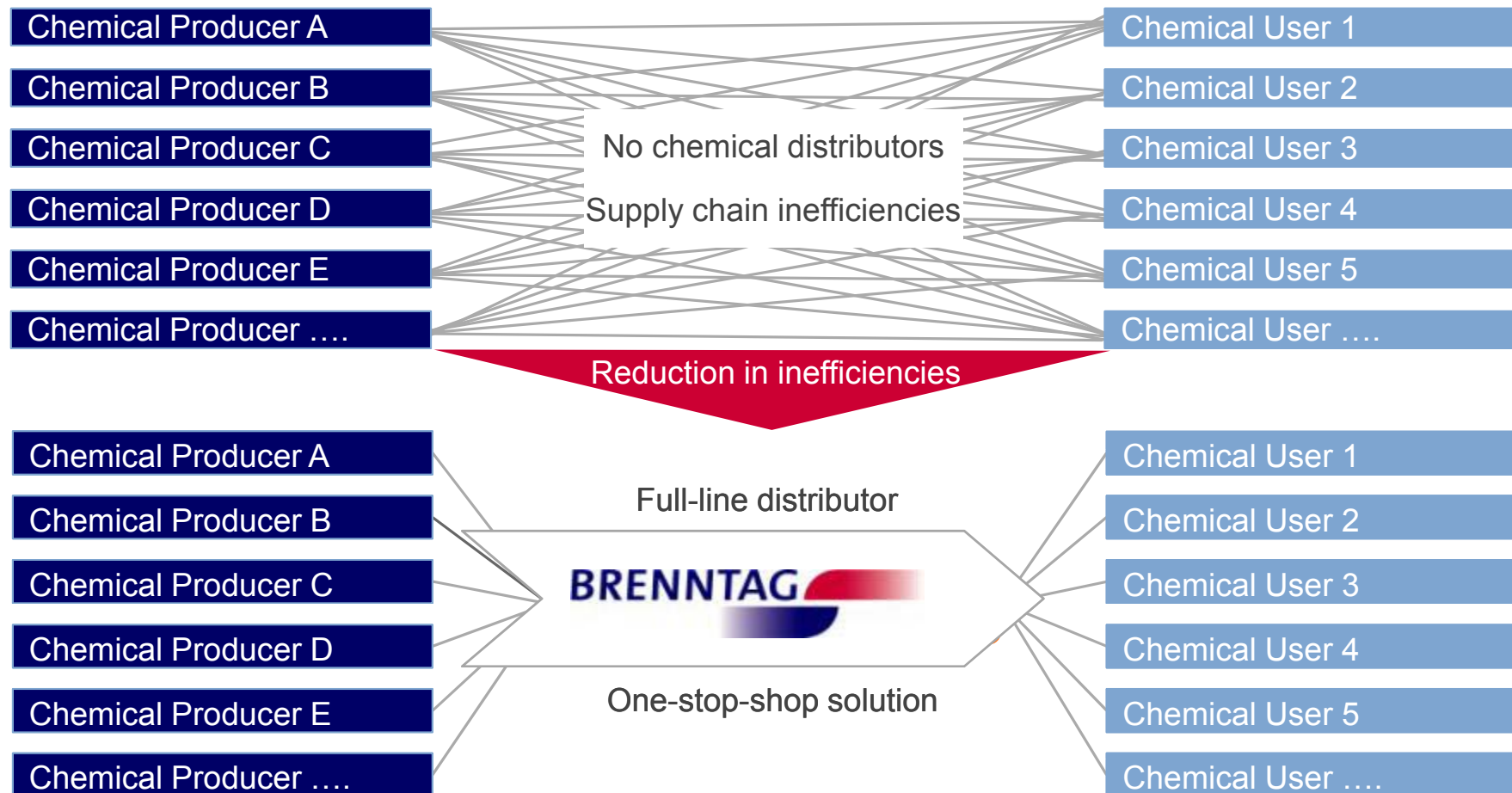


- Leveraging high route density based on local scale
- Providing just-in-time delivery and vendor-managed inventory service
- Utilizing transportation for drum return service
- Offering one-stop-shop solution





**DISTRIBUTION MODEL**

**As a full-line distributor, Brenntag can add significant value**



## DISTRIBUTOR VS. PRODUCER

# Chemical distribution differs substantially from chemical production

	 “What we are”	“What we are not”
	 BRENNTAG	Chemical Producer
Business model	B2B Services / Solutions	Manufacturing
Product portfolio	Full-line	Narrow
Customer base	Broad in diverse end-markets	Narrow
Customer order size	Small	Large
Delivery method	Less-than-truckload	Truckload and larger
Fixed assets	Low intensity	High intensity
Fixed asset flexibility	Multi-purpose	Narrow purpose
Cost base	Variable	Fixed
Raw material prices	Market	Contract
Input / Output pricing	Connected	Disconnected

## AGENDA

# Company Presentation

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- **Key investment highlights**
- Financials Q3 2013
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## INVESTMENT HIGHLIGHTS

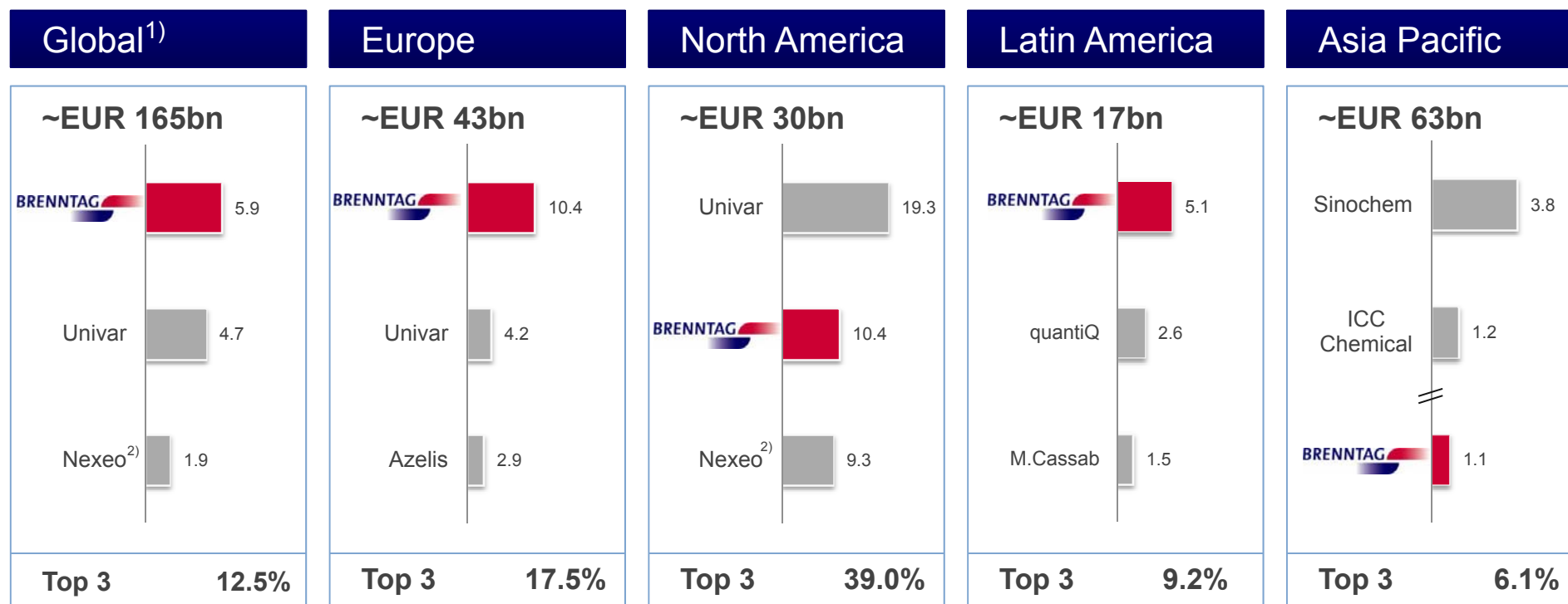
### Brenntag is a highly attractive investment case

#### Key investment highlights

- Global market leader
- Significant growth potential in an attractive industry
- Superior business model with resilience
- Excellence in execution
- Highly experienced management team
- Strong financial profile

## GLOBAL MARKET LEADER

# Third party chemical distribution estimated market size and market shares



**Still highly fragmented market with more than 10,000 chemical distributors globally**

As per end 2011: BCG Market Report (July 2013)

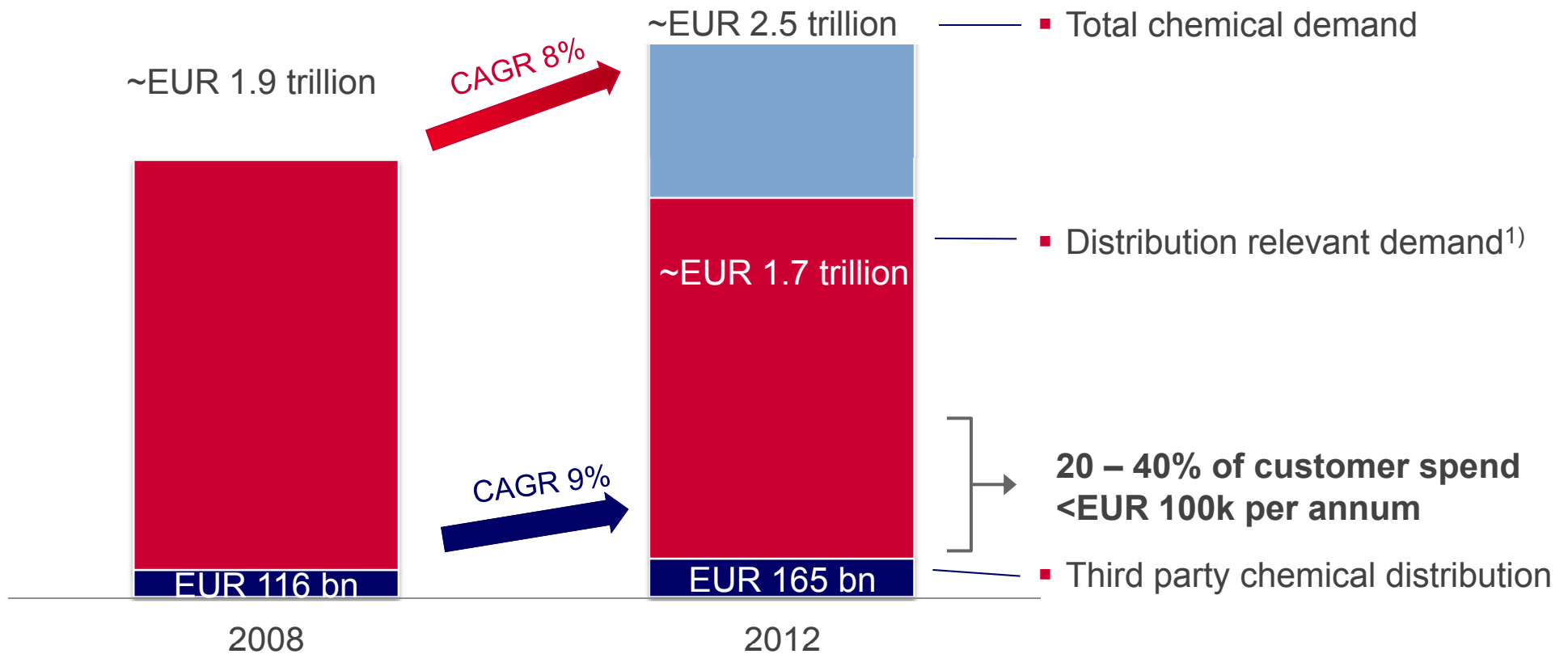
1) Global includes not only the four regions shown above, but also RoW

2) Former Ashland Distribution.

MARKET GROWTH

Third party chemical distribution outgrew total chemical demand

THIRD PARTY CHEMICAL DISTRIBUTION OPPORTUNITY

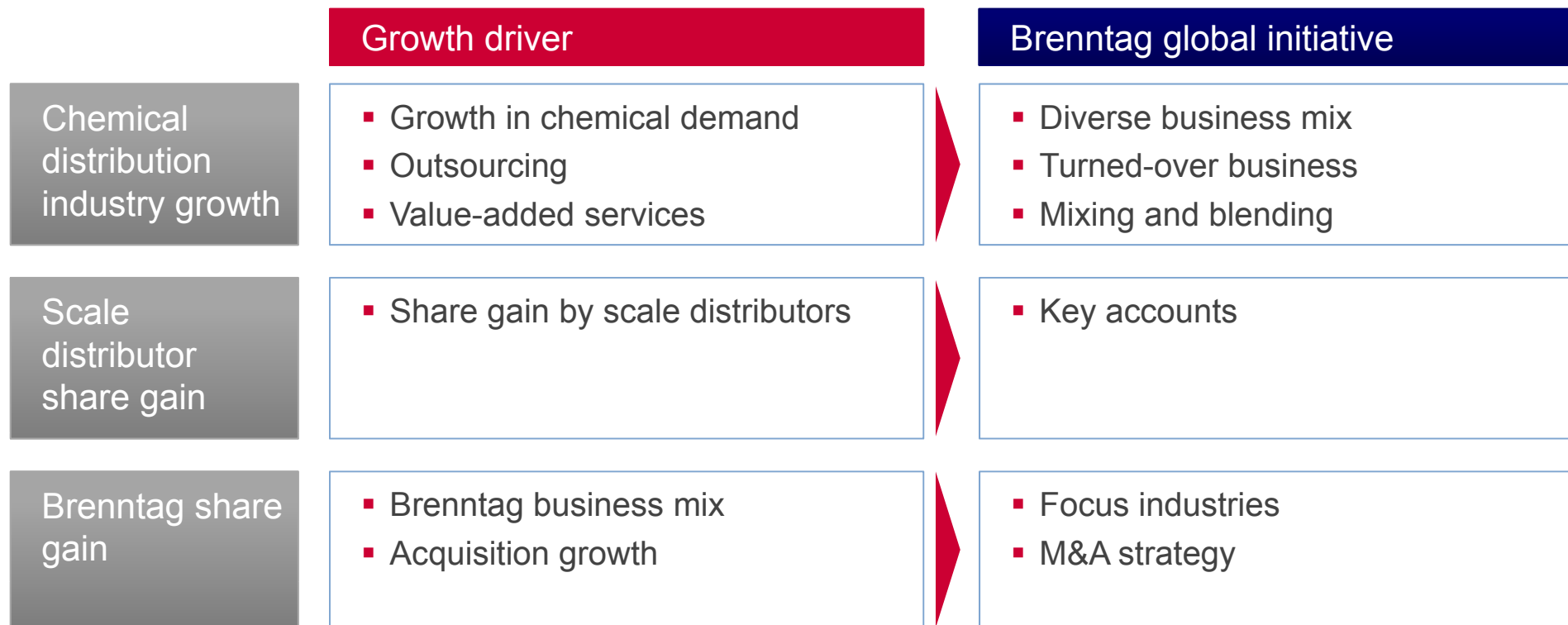


BCG Market Report (July 2013)

1) Excluding non-distribution relevant products like ethylene

## GROWTH DRIVERS

### Multiple levers of organic growth and acquisition potential



**Significant organic and acquisition growth potential**



## ACQUISITION OBJECTIVES

### Significant potential for consolidation and external growth

Building up  
scale and  
efficiencies

Expand  
geographic  
coverage

Improving full-  
line portfolio

#### Brenntag's acquisition track record

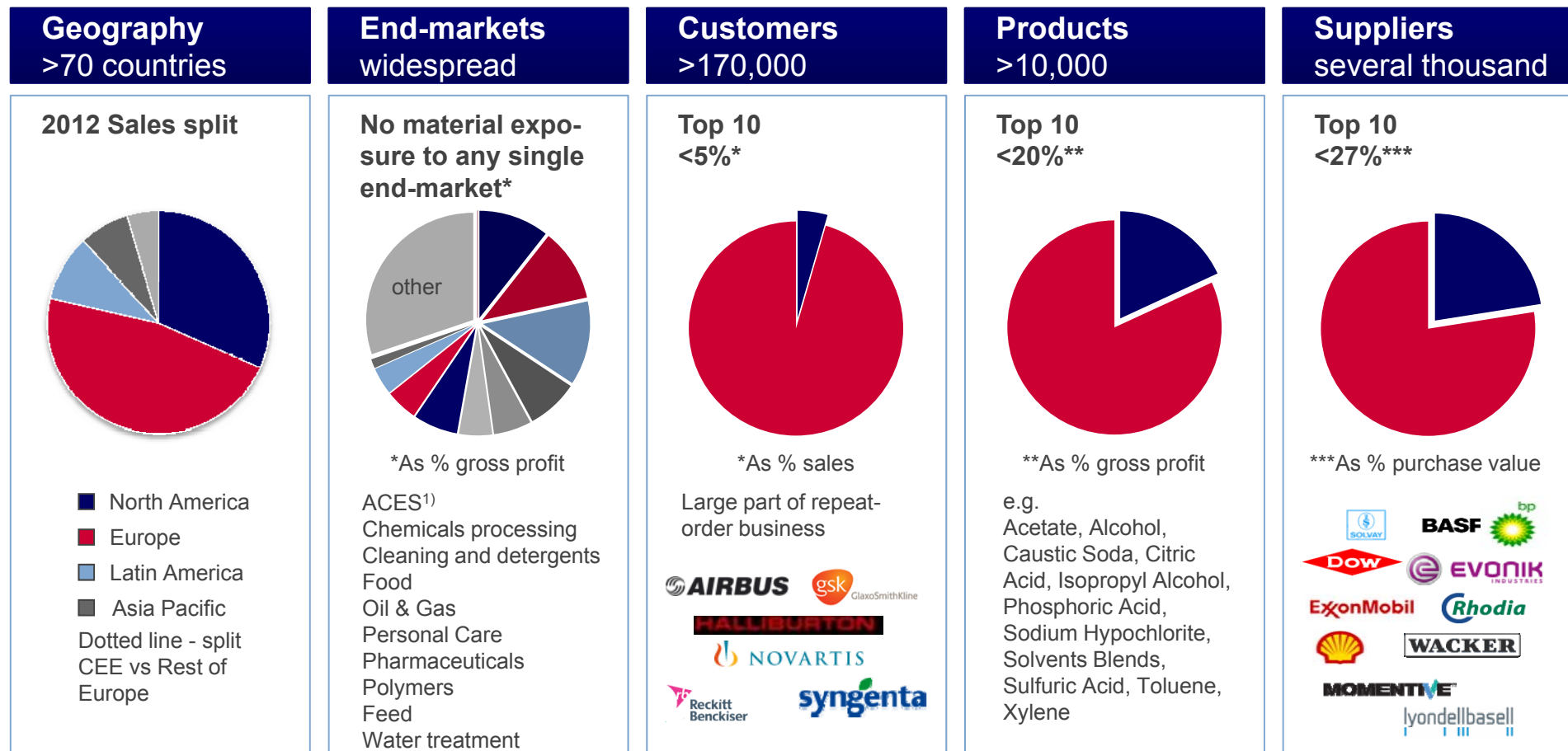
- 117 transactions since 1991, thereof 46 since 2007<sup>1)</sup>
- Total cost of acquisitions<sup>2)</sup> of EUR 826m from 2007 to November 2013
- Average investment amount of EUR 18m per transaction from 2007 to November 2013
- Synergy potential from cross-selling and cost saving opportunities mainly due to building up of scale and improved efficiency of acquisitions
- Market remains highly fragmented facilitating significant further consolidation potential

1) Without acquisitions performed by JV-Crest; including acquisitions performed until December 2012

2) Purchase price paid excluding debt assumed

## HIGH DIVERSIFICATION

# Diversity provides resilience and growth potential



Data for end-markets, customers, products and suppliers as per Management estimates

1) Adhesives, coatings, elastomers, sealants

**BARRIERS TO ENTRY**

**High barriers to entry due to critical scale and scope**

**Permits and licences**

**Infrastructure availability**

**Regulatory standards**

**Know-how**

**Rationalization of distribution relationships**

**Global reach**

**Significant  
capital  
resources and  
time required to  
create a global  
full-line  
distributor**

**MARKET-DRIVEN**

**Excellence in execution due to balance of global scale and local reach**

Global platform	Local reach
<p><b>Core management functions</b></p> <ul style="list-style-type: none"> <li>▪ Strategic direction</li> <li>▪ Controlling and Treasury</li> <li>▪ Information Technology</li> <li>▪ Quality, Health, Safety, Environment</li> </ul> <p><b>Strategic growth initiatives</b></p> <ul style="list-style-type: none"> <li>▪ Strategic supplier relationships</li> <li>▪ Turned-over business</li> <li>▪ Focus industries</li> <li>▪ Key accounts</li> <li>▪ Mergers &amp; Acquisitions</li> </ul> <p><b>Best practice transfer</b></p>	<ul style="list-style-type: none"> <li>▪ Better local understanding of market trends and adaptation to respective customer needs</li> <li>▪ Entrepreneurial culture</li> <li>▪ Clear accountability</li> <li>▪ Strong incentivization with high proportion of variable compensation of management</li> </ul>

## HIGHLY EXPERIENCED MANAGEMENT TEAM

**Brenntag's board alone has more than 90 years of collective experience**

### Brenntag board of management



**Steven Holland,  
CEO**

- With Brenntag since 2006
- 30 years of dedicated experience
- Corp. Comm., Dev., HR, HSE, Internal Audit



**Georg Müller,  
CFO**

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



**Jürgen Buchsteiner,  
Board Member**

- With Brenntag since 2000
- More than 20 years of dedicated experience
- Asia-Pacific, Corp. M&A



**William Fidler,  
Board Member**

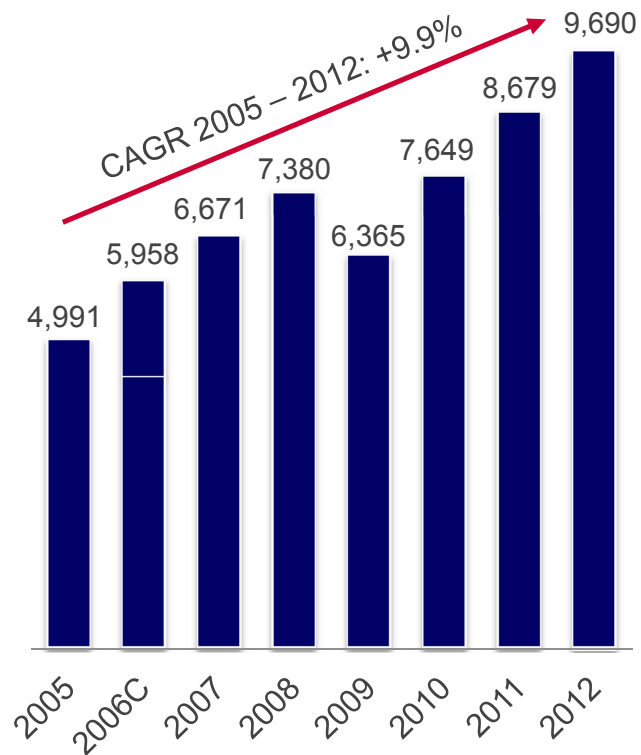
- With Brenntag since 1970
- 40 years of experience in chemicals distribution
- Americas, Global Sourcing

**Brenntag's top management comprises nearly 120 executive and senior managers**

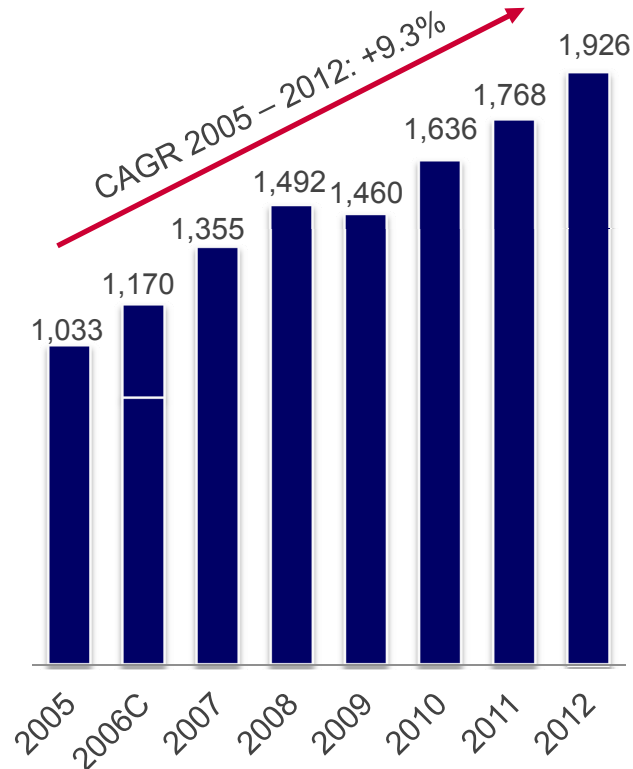
## STRONG FINANCIAL PROFILE

### Growth track record and resilience through the downturn

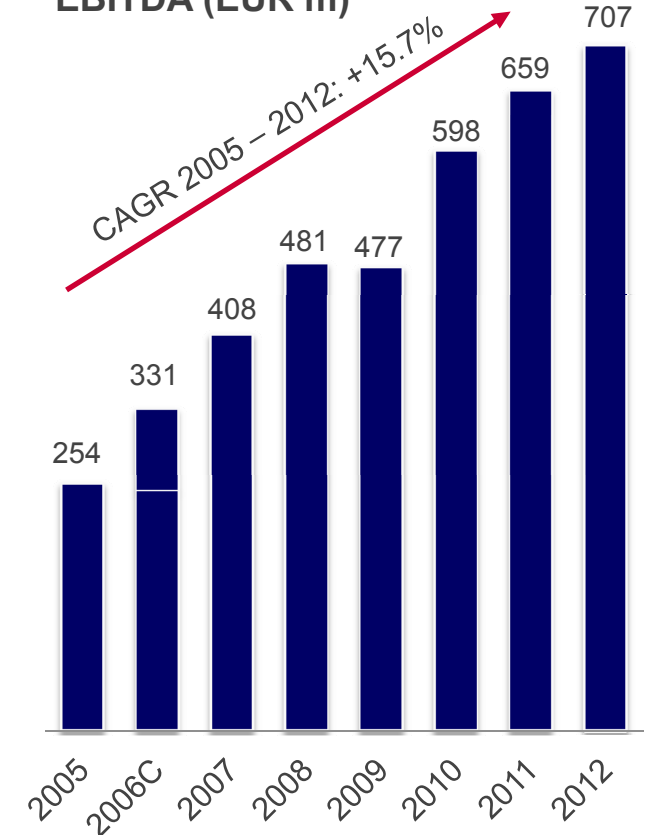
Sales (EUR m)



Gross Profit (EUR m)



EBITDA (EUR m)



Notes: 2005: Brenntag Predecessor; 2006: Brenntag and Brenntag Predecessor Combined and does not constitute pro forma financial information.

## INVESTMENT HIGHLIGHTS

### Brenntag is a highly attractive investment case

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- Excellence in execution
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## HIGHLIGHTS Q3 2013



### Introductory remarks to Q3 2013 earnings

<b>Macro Economy</b>	<p>Growth of the global economy remained modest; North America showed positive growth in industrial output, the recession in the Eurozone persisted</p>
<b>Gross profit</b>	<p>Gross profit of EUR 497.2m with a growth of 5.4% on a constant FX basis.</p>
<b>EBITDA</b>	<p>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 2012<sup>1)</sup></p>
<b>Acquisition</b>	<p>Bolt-on acquisition in India strengthens local nutrition and health distribution business</p>

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"> <li>FX adjusted increase of 5.4% y-o-y</li> </ul>	
Operating EBITDA	EUR 183.2m	<ul style="list-style-type: none"> <li>Increase of 7.3% on a constant FX basis and based on an adjusted Q3 2012<sup>1)</sup> (14.6% without adjustment)</li> </ul>	
Operating EBITDA/ Gross profit	36.8%	<ul style="list-style-type: none"> <li>Against 36.3% in Q3 2012 (based on an adjusted EBITDA<sup>1)</sup>)</li> </ul>	
Free cash flow	EUR 168.0m	<ul style="list-style-type: none"> <li>Against EUR 168.2m in Q3 2012</li> </ul>	

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



## FINANCIALS Q3 2013

### Income statement

in EUR m	Q3 2013	Q3 2012 <sup>1)</sup>	Δ	Δ FX adjusted	2012 <sup>1)</sup>
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
<b>Gross profit</b>	<b>497.2</b>	<b>493.2</b>	<b>0.8%</b>	<b>5.4%</b>	<b>1,925.7</b>
Expenses	-314.0	-325.4	-3.5%		-1,218.7
<b>EBITDA</b>	<b>183.2</b>	<b>167.8</b>	<b>9.2%</b>	<b>14.7%</b>	<b>707.0</b>
Add back transaction costs <sup>2)</sup>	-	0.1			-
<b>Operating EBITDA</b>	<b>183.2</b>	<b>167.9</b>	<b>9.1%</b>	<b>14.6%</b>	<b>707.0</b>
Adj. Operating EBITDA <sup>3)</sup>	183.2	178.9	2.4%	7.3%	718.0
Adj. Operating EBITDA <sup>3)</sup> 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
<b>EBITA</b>	<b>158.1</b>	<b>143.5</b>	<b>10.2%</b>	<b>610.8</b>
Amortization <sup>1)</sup>	-10.2	-9.9	3.0%	-36.9
<b>EBIT</b>	<b>147.9</b>	<b>133.6</b>	<b>10.7%</b>	<b>573.9</b>
Financial result <sup>2)</sup>	-23.3	-24.1	-3.3%	-95.6
EBT	124.6	109.5	13.8%	478.3
<b>Profit after tax</b>	<b>81.0</b>	<b>79.5</b>	<b>1.9%</b>	<b>337.8</b>
EPS	1.57	1.52	3.3%	6.52
EPS excl. Amortization and Zhong Yung liability <sup>3)</sup>	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
<b>Cash provided by operating activities</b>	<b>84.9</b>	<b>158.1</b>	<b>433.0</b>

## FINANCIALS Q3 2013

### Cash flow statement (continued)

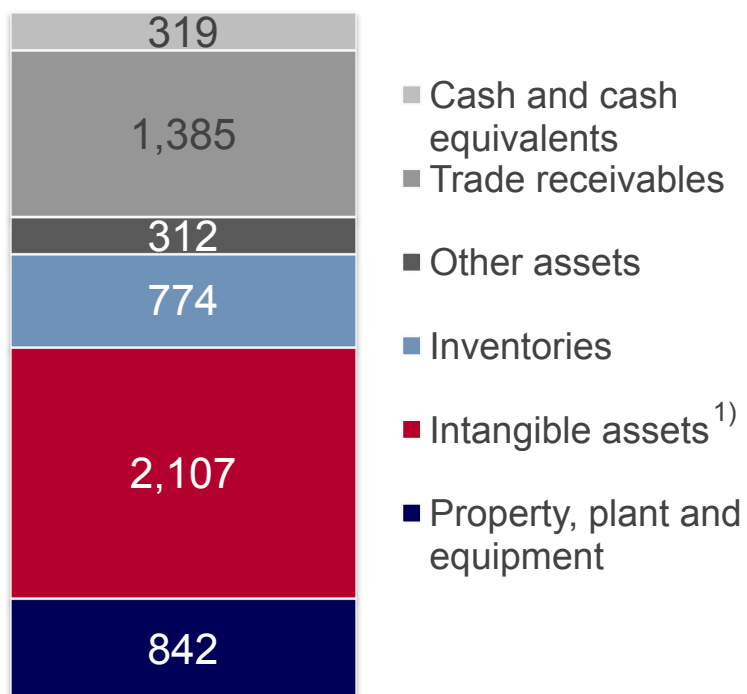
in EUR m	Q3 2013	Q3 2012	2012
Purchases of intangible assets and property, plant & equipment (PPE)	-22.3	-20.4	-86.3
Purchases of consolidated subsidiaries and other business units	-	-122.7	-234.5
Other	0.8	0.7	8.1
<b>Cash used for investing activities</b>	<b>-21.5</b>	<b>-142.4</b>	<b>-312.7</b>
Capital 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
<b>Cash used for financing activities</b>	<b>-9.6</b>	<b>-21.7</b>	<b>-228.0</b>
<b>Change in cash &amp; cash equivalents</b>	<b>53.8</b>	<b>-6.0</b>	<b>-107.7</b>

## FINANCIALS Q3 2013

# Balance Sheet as of 30 September 2013

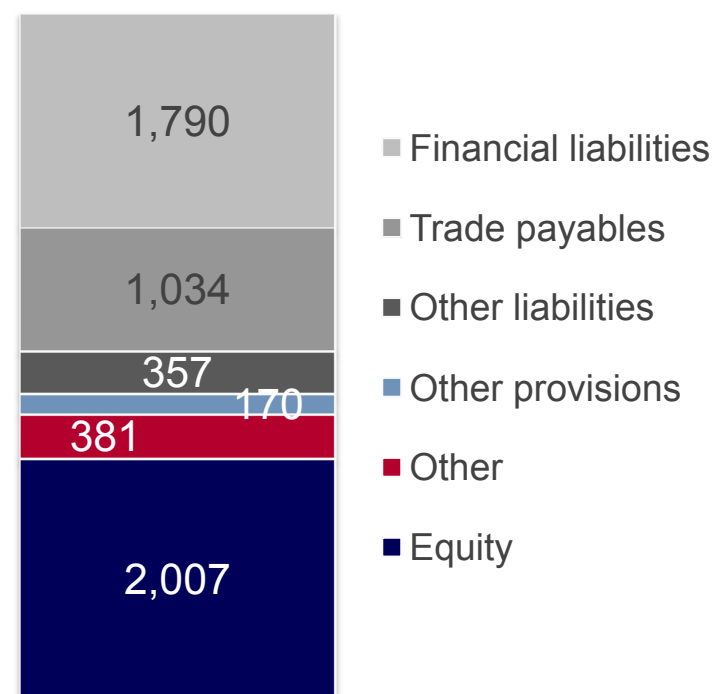
in EUR m

**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

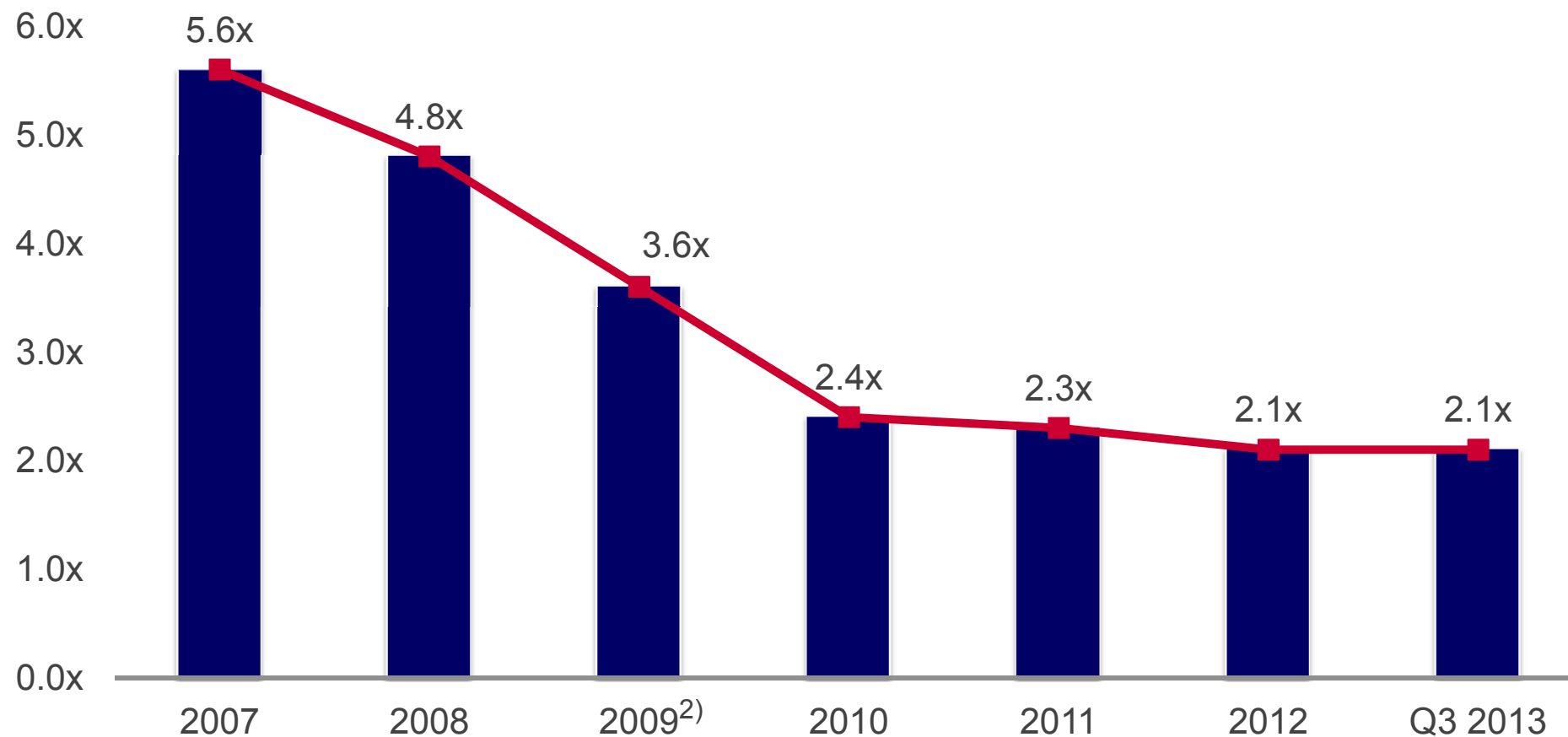
### Balance Sheet and leverage

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
<b>Net Debt/Operating EBITDA <sup>1)</sup></b>	<b>2.1x</b>	<b>2.3x</b>	<b>2.1x</b>	<b>2.1x</b>	<b>2.2x</b>	<b>2.3x</b>	<b>2.2x</b>
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 EBITDA<sup>1)</sup>**

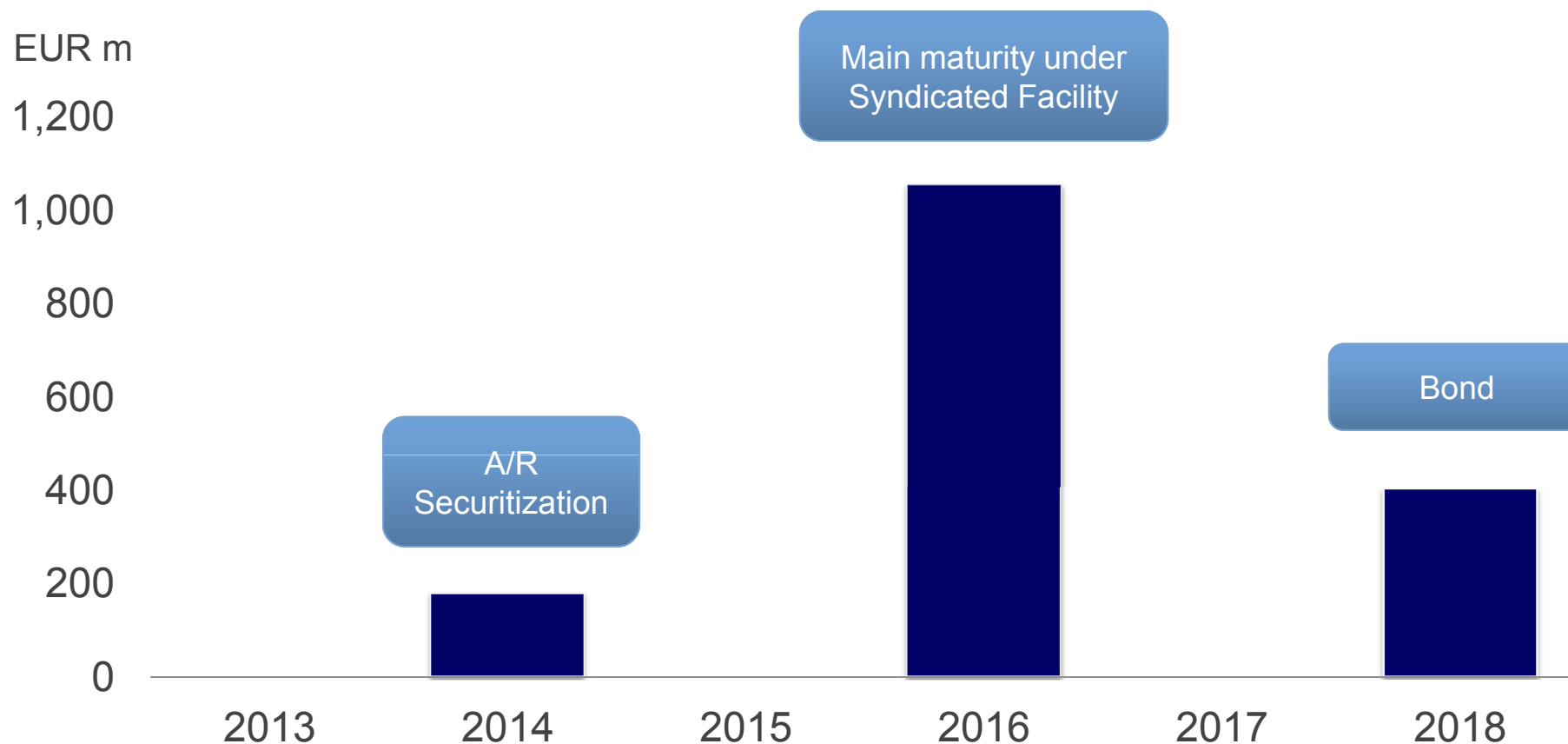


1) Net debt defined as current financial liabilities plus non-current financial liabilities less (cash and cash equivalents)

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 2013<sup>1)</sup>**



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
<b>Working capital (end of period)</b>	<b>1,124.9</b>	<b>1,151.2</b>	<b>1,110.9</b>	<b>1,018.6</b>	<b>1,112.9</b>	<b>1,121.8</b>
Working capital turnover (year-to-date) <sup>1)</sup>	9.0x	9.1x	9.1x	9.2x	9.3x	9.4x
Working capital turnover (last twelve months) <sup>2)</sup>	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
<b>Free cash flow</b>	<b>168.0</b>	<b>168.2</b>	<b>-0.2</b>	<b>-0.1%</b>	<b>579.3</b>

## FINANCIALS Q3 2013

### Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
<b>External sales</b>	<b>Q3 2013</b>	<b>1,141.7</b>	<b>816.5</b>	<b>210.0</b>	<b>183.9</b>	<b>137.7</b>	<b>2,489.8</b>
	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%
<b>Operating gross profit</b>	<b>Q3 2013</b>	<b>233.5</b>	<b>200.9</b>	<b>40.8</b>	<b>29.8</b>	<b>3.9</b>	<b>508.9</b>
	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%
<b>Operating EBITDA</b>	<b>Q3 2013</b>	<b>79.1</b>	<b>84.9</b>	<b>11.5</b>	<b>12.1</b>	<b>-4.4</b>	<b>183.2</b>
	Q3 2012 <sup>1)</sup>	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**

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## OUTLOOK

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



## OUTLOOK

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

AGENDA

**Company Presentation**

- Introduction to Brenntag
- Key investment highlights
- Financials Q3 2013
- Outlook
- **Appendix**

## APPENDIX

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## BRENNTAG HISTORY

### Longstanding history of more than 140 years

Year	Event
1874	Philipp Mühsam founds the business in Berlin
1912	Entry into chemical distribution business
1966	Brenntag becomes international, acquiring Balder in Belgium
1970 – 1979	US business established; continued acquisitions in European and North American chemicals distribution business
1980 – 1989	Further expansion in North America
1990 – 2000	Expansion in Europe via acquisitions; takeover of Neuber Group in Austria establishes foothold in Central and Eastern Europe
2000	Acquisition of Holland Chemical International, at the time the fifth largest chemical distributor worldwide, providing global scale and a leading position in Latin America

## BRENNTAG HISTORY (CONT.)

### Longstanding history of more than 140 years

Year	Event
2000 – 2008	Becoming global market leader; acquisition of LA Chemicals (US, 2006), Schweizerhall (Switzerland, 2006) and Albion (UK and Ireland, 2006)
2008	Acquisition of Rhodia’s distribution activities in 8 countries, establishing Asia Pacific platform
2010	IPO; acquisition of EAC Industrial Ingredients, substantially strengthening presence in Asia Pacific
2011	Market entry in China
2012	The free float of the Brenntag AG share reached 100% of the share capital, after final placement of Brachem Acquisition S.C.A.

**STRATEGY**

**Strategic focus on continued profitable growth**



**Focus on organic growth and acquisitions**

- Intense customer orientation
- Full-line product portfolio focused on value-added services
- Complete geographic coverage
- Accelerated growth in target markets
- Commercial and technical competence
- Continued commitment to Responsible Care/Distribution

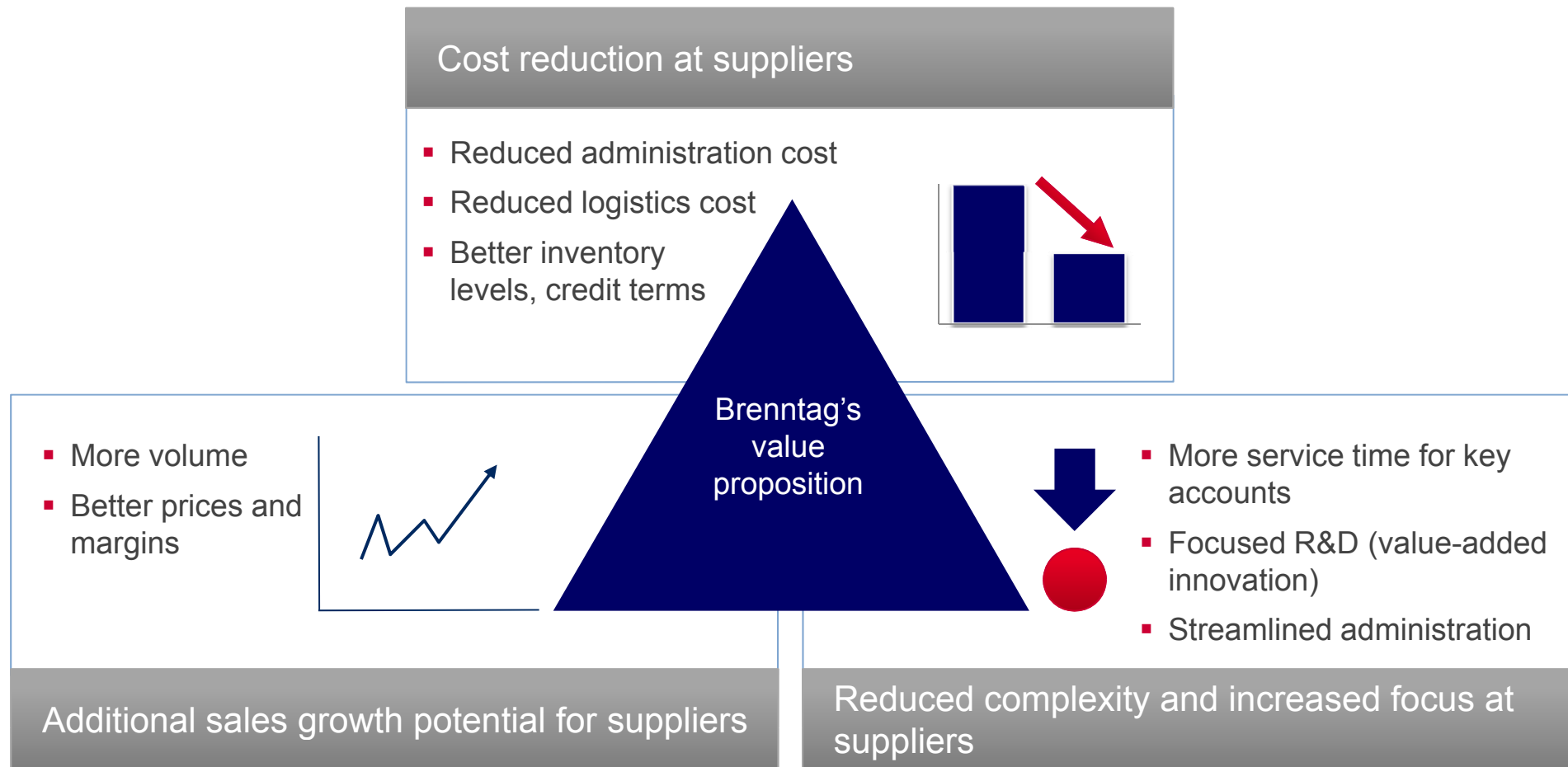
**Maintain focus on profitability and returns**

**Global top initiatives and regional strategies**

**Be the safest, fastest growing, most profitable, global chemical distributor and preferred channel for both specialty and industrial chemicals**

**TOP INITIATIVE – TURNED-OVER BUSINESS**

**Substantially increase supplier penetration by proactively taking over smaller customers from suppliers**





**TOP INITIATIVE – FOCUSED SEGMENT GROWTH**

**Significantly increase share in customer industries where Brenntag can achieve above average growth**



**Growth drivers**

- Capturing cross-selling opportunities
- Optimization of portfolio, leveraging of know-how across regions
- Improvement of value proposition
- Supported by M&A

1) Adhesives, coatings, elastomers, sealants

## TOP INITIATIVE – KEY ACCOUNTS

### **Increase business with pan-regional/global key customers based on increased demand**

#### **Concept**

- Management believes amount spent by customers on chemical distribution may be 15% to 25% of their total chemical spending
- Partnering with an international distributor can greatly reduce the cost and time of supplier management, allowing customer procurement to focus on strategic materials
- International distribution can bundle customers' global usage to simplify the interaction with producers
- Knowledge gain at one customer site can be rapidly transferred to all other sites, thus lessening project development time, approval of alternate sources, or implementing best-in-class logistics
- One contract or working document applies to all business interactions leading to quicker implementation, reduced misunderstandings and elimination of regional differences
- An international distributor can grow with the customer as the customer enters new geographical and business markets

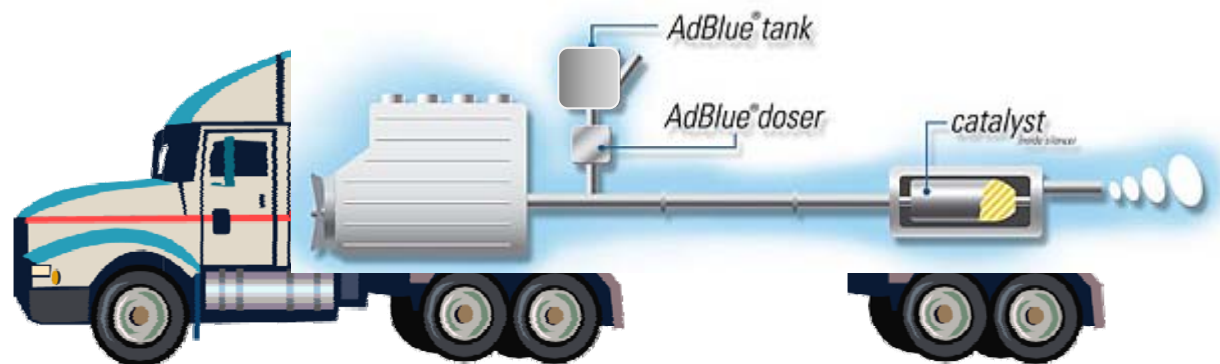
**Customers who take advantage of Brenntag's truly global network contributed EUR 986m of sales in 2012**

TOP INITIATIVE – ADBLUE/DEF<sup>1)</sup>

**High volume growth of high quality urea solution needed for catalytic reaction in trucks to fulfill regulatory requirements in Europe and NA**

**Concept**

- In Europe and North America new trucks have to meet specific norms for reduced emissions.
- High quality urea solution is needed for catalyst reaction to fulfill those norms.
- Brenntag has developed special logistics and consultancy concepts to facilitate supply of our customers with AdBlue/ DEF. This concept focuses on guaranteeing a consistently high quality standard throughout the supply chain from production and all logistics services to the arrival of the product at the customer's premises.
- For 30 liters of truck diesel 1 liter of AdBlue is required.

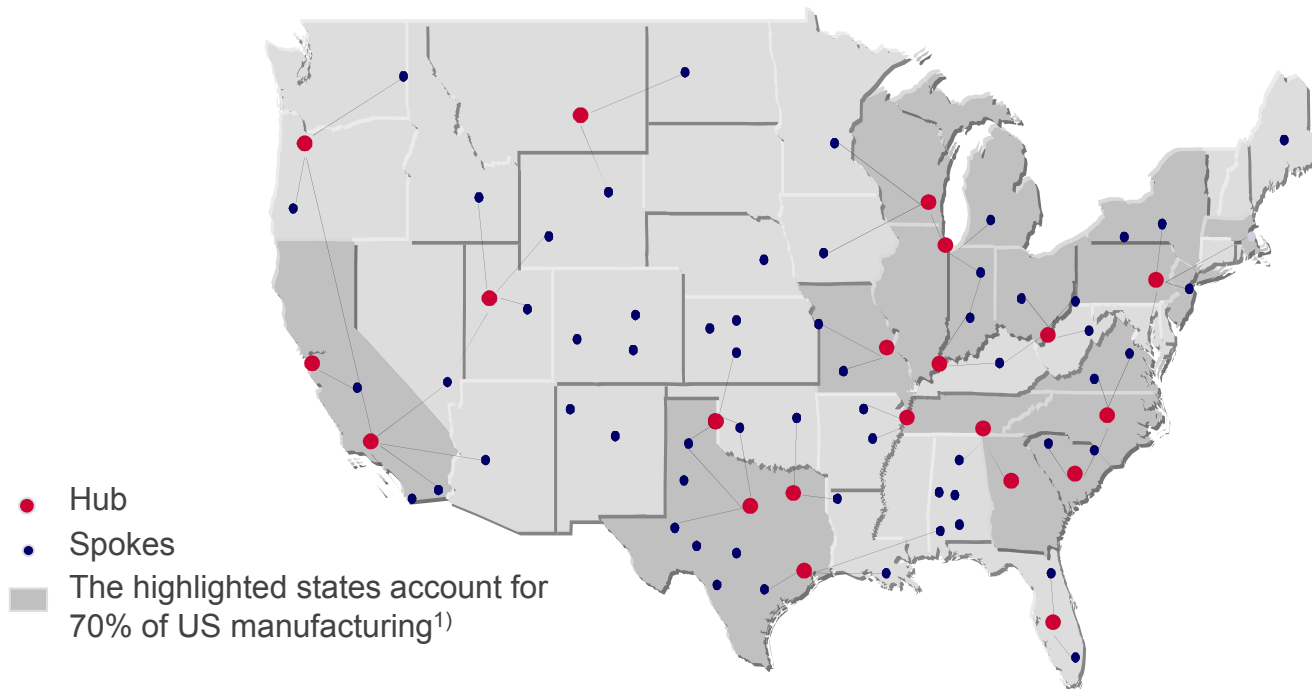


- Reduction of NOx
- Reduction of particles

1) Diesel Exhaust Fuel

NORTH AMERICA – EFFICIENT HUB & SPOKE SYSTEM

Efficient management of stock and storage utilization



- **Larger distribution sites (“hubs”)** are fully equipped with tanks, filling stations, mixing and blending facilities and storage facilities for packaged products
- **Smaller distribution sites (“spokes”)** represent warehouse facilities for packaged products that are supplied from the larger sites

1) BEA Bureau of Economic Analysis

## HSE

# Committed to health, safety and the environment

### Committed to the principles of Responsible Care/Responsible Distribution<sup>1)</sup>

- Product responsibility
- Plant safety
- Occupational safety and health
- Comprehensive environment protection (air, water, soil, raw materials, waste)
- Transport safety

### Brenntag Approach

<p><b>Programs and regular training</b></p>	<p><b>Clear guidelines and procedures</b></p>	<p><b>Appropriate equipment</b></p>	<p><b>Behaviour-based safety</b></p>	<p><b>Regular reporting to Board</b></p>
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1) Program of the International Council of Chemical Trade Associations

## ACQUISITION HISTORY

### Acquisitions have achieved three main objectives

#### Building up scale & efficiencies

- Biesterfeld, Germany, 2002
- Albion, UK and Ireland, 2006
- Schweizerhall, Switzerland, 2006
- Quadra and LA Chemicals, Western US, 2006
- Ulrich Chemicals, Mid-South US, 2007
- Houghton Chemicals, North-Eastern US, 2010
- G.S. Robins, Northern US, 2011
- The Treat-Em-Rite Corporation, Coastal US, 2012

#### Expanding geographic coverage

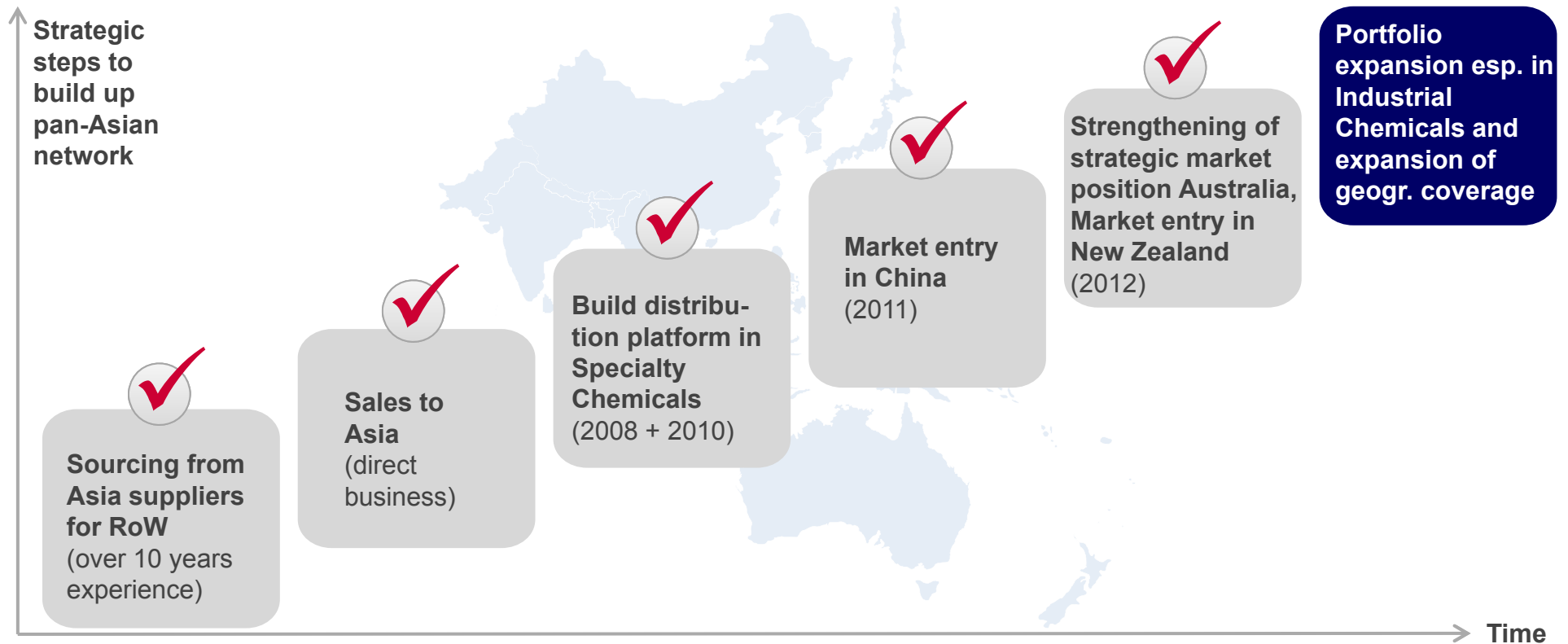
- Neuber, CEE, 2000
- Holland Chemical Intl., Canada/Latin America/Nordic, 2000
- Group Alliance, North Africa, 2005
- Dipol, Ukraine & Russia, 2008
- Rhodia, Asia Pacific, 2008
- EAC Industrial Ingredients, Asia Pacific, 2010
- Zhong Yung (International) Chemical, China, 2011
- ISM/Salkat Group, Asia Pacific, 2012

#### Improving full-line portfolio

- ACES<sup>1)</sup>, Acquacryl/Chemacryl (UK), 2004
- ACES<sup>1)</sup>, St. Lawrence (Canada), 2007
- Food, 6 distrib. in Spain, Italy, Turkey, Mexico and the UK, 2005, 2007-09
- Oil & Gas, 3 distributors in North America, 2005-06, 2008
- Food, Riba (Spain), Amco (Mexico), 2010 + 2011
- Lubricant additives, Multisol (UK), 2011
- Paints & coatings, ceramics, construction, food chemicals, Delanta Group (LA), 2012
- Water treatment, Altivia Corporation USA, 2012
- Lubricants & chemicals, Lubrication Services, L.L.C. (LSi), 2013
- Zytex Group India, 2013

1) Adhesives, coatings, elastomers, sealants

**ASIA PACIFIC**  
**Clearly defined strategy**



**Brenntag's goal: Full-line distribution in Asia Pacific with access to various markets**

## CHINA

### Strategic market entry in 2011

- Acquisition of Zhong Yung (International) Chemical Ltd.
- Purchase of the first tranche of 51% end of August 2011 and consolidation since Sept. 1, 2011
- Acquisition of the remaining stake is contracted for 2016
- Enterprise value for the first tranche of 51% of the shares is EUR 66.7m, higher than previously reported due to strong Q4 performance above expectations
- Zhong Yung is focused on the distribution of solvents with established commercial and logistical infrastructure in the key economic regions in China





## FINANCIALS 2012

### Income statement

in EUR m	2012	2011	Δ	Δ FX adjusted
Sales	9,689.9	8,679.3	11.6%	7.7%
Cost of goods sold	-7,764.2	-6,911.3	12.3%	
<b>Gross profit</b>	<b>1,925.7</b>	<b>1,768.0</b>	<b>8.9%</b>	<b>4.6%</b>
Expenses	-1,219.1	-1,109.2	9.9%	
EBITDA <sup>2)</sup>	706.6	658.8	7.3%	2.5%
Add back transaction costs <sup>1)</sup>	0.0	2.1		
<b>Operating EBITDA<sup>2)</sup></b>	<b>706.6</b>	<b>660.9</b>	<b>6.9%</b>	<b>2.2%</b>
Operating EBITDA/Gross profit	36.7% <sup>3)</sup>	37.4%		

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

2) Operating EBITDA 2012 EUR 717.6m, adjusted for non-recurring effect in European segment

3) 37.3% adjusted for the non-recurring effect

## FINANCIALS 2012

### Income statement (continued)

in EUR m	2012	2011	Δ
EBITDA	706.6	658.5	7.3%
Depreciation	-96.2	-88.9	8.2%
<b>EBITA</b>	<b>610.4</b>	<b>569.9</b>	<b>7.1%</b>
Amortization <sup>1)</sup>	-36.9	-24.1	53.1%
<b>EBIT</b>	<b>573.5</b>	<b>545.8</b>	<b>5.1%</b>
Financial result	-94.7 <sup>2)</sup>	-126.3 <sup>2)</sup>	-25.0%
EBT	478.8	419.5	14.1%
<b>Profit after tax</b>	<b>338.2</b>	<b>279.3</b>	<b>21.1%</b>

1) This figure includes for the period January to December 2012 scheduled amortization of customer relationships totalling EUR 29.1m (2011: EUR 16.4m).

2) Thereof EUR +4.3m in 2012 and EUR -10.6m in 2011 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 2012

### Cash flow statement

	in EUR m	2012	2011
	Profit after tax	338.2	279.3
	Depreciation & amortization	133.1	113.0
	Income taxes	140.6	140.2
	Income tax payments	-121.3	-119.3
	Interest result	82.3	107.3
	Interest payments (net)	-80.4	-112.0
	Changes in current assets and liabilities	-43.2	-59.1
	Other	-16.4	0.2
	<b>Cash provided by operating activities</b>	<b>433.0</b>	<b>349.6</b>

## FINANCIALS 2012

### Cash flow statement (continued)

	in EUR m	2012	2011
Purchases of intangible assets and property, plant & equipment		-86.3	-86.3
Purchases of consolidated subsidiaries and other business units		-234.5	-122.3
Other		8.1	10.5
<b>Cash used for investing activities</b>		<b>-312.7</b>	<b>-198.1</b>
Capital increase		-	-
Payments in connection with the capital increase		-	-
Purchases of shares in companies already consolidated		-	-25.3
Dividends paid to minority shareholders		-1.6	-5.8
Dividends paid to Brenntag shareholders		-103.0	-72.1
Repayment of (-)/proceeds from (+) borrowings (net)		-123.4	46.1
<b>Cash used for financing activities</b>		<b>-228.0</b>	<b>-57.1</b>
<b>Change in cash &amp; cash equivalents</b>		<b>-107.7</b>	<b>94.4</b>

## FINANCIALS 2012

### Free cash flow

in EUR m	2012	2011	Δ	Δ
EBITDA	706.6	658.8	47.8	7.3%
CAPEX	-94.7	-86.0	-8.7	10.1%
Δ Working capital	-33.0	-61.0	28.0	-45.9%
<b>Free cash flow</b>	<b>578.9</b>	<b>511.8</b>	<b>67.1</b>	<b>13.1%</b>

## FINANCIALS 2012

### Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
<b>External sales</b>	<b>2012</b>	<b>4,549.0</b>	<b>3,065.2</b>	<b>919.0</b>	<b>707.6</b>	<b>449.1</b>	<b>9,689.9</b>
	2011	4,295.3	2,725.7	806.9	415.4	436.0	8,679.3
	Δ	5.9%	12.5%	13.9%	70.3%	3.0%	11.6%
	Δ FX adjusted	5.3%	3.9%	8.5%	58.4%	3.0%	7.7%
<b>Operating gross profit</b>	<b>2012</b>	<b>927.9</b>	<b>742.3</b>	<b>169.6</b>	<b>111.6</b>	<b>17.0</b>	<b>1,968.4</b>
	2011	898.0	659.7	150.5	82.1	17.3	1,807.6
	Δ	3.3%	12.5%	12.7%	35.9%	-1.7%	8.9%
	Δ FX adjusted	2.4%	4.0%	7.3%	26.7%	-1.7%	4.5%
<b>Operating EBITDA</b>	<b>2012</b>	<b>301.6</b>	<b>321.5</b>	<b>56.9</b>	<b>49.4</b>	<b>-22.8</b>	<b>706.6</b>
	2011	303.9	282.1	51.4	36.9	-13.4	660.9
	Δ	-0.8%	14.0%	10.7%	33.9%	70.1%	6.9%
	Δ FX adjusted	-1.8%	5.5%	5.6%	25.4%	70.1%	2.2%

## FINANCIALS 2012

### Specific effects relating to the consolidation of Zhong Yung

- 51% of Zhong Yung is currently owned by Brenntag; the acquisition of the remaining 49% stake is contracted for 2016.
- Zhong Yung is fully consolidated by the Brenntag Group since September 2011.
- Earnings attributable to our co-owning partner are recorded in the income statement under “profit after tax, attributable to minority shareholders”.
- Liabilities for an additional final payment for the acquisitions of the currently owned 51% and for the 49% to be acquired in 2016 are recorded in the balance sheet on an estimated basis under “purchase price obligations and liabilities under IAS 32 to minorities”.
- Changes to these liabilities (e.g. from compounding of interest, change in earnings estimates, changes in the CNY/EUR exchange rate) are recorded in the income statement under “change in purchase price obligations and liabilities under IAS 32 to minorities” which is part of financial result. In 2011 an expense of EUR 10.6m and in 2012 an income of EUR 4.3m has been recorded.
- The purchase price obligation for the second tranche of Zhong Yung has been included in net investment hedge accounting in the amount of the pro-rata net assets of the Chinese Zhong Yung companies. Exchange rate-related changes in the liability are recorded for the portion included in net investment hedge accounting within equity in the net investment hedge reserve and for the portion not included in net investment hedge accounting are recognized in profit or loss.
- Any income effect related to the changes of purchase price liabilities will be tax neutral, i.e. will not impact current or deferred taxes.

## BALANCE SHEET AND LEVERAGE

in EUR m	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
Financial liabilities <sup>1)</sup>	1,829.5	1,952.4	1,783.8	2,436.3
./. Cash and cash equivalents	346.6	458.8	362.9	602.6
Net Debt	1,482.9	1,493.6	1,420.9	1,833.7
<b>Net Debt/Operating EBITDA<sup>2)</sup></b>	<b>2.1x</b>	<b>2.3x</b>	<b>2.4x</b>	<b>3.8x</b>
Equity	1,991.2	1,761.3	1,617.9	172.3

1) Excluding shareholder loan in an amount of EUR 702.2m for 31 Dec 2009. No shareholder loan was in place as of 31 Mar 2010 and subsequent quarters.

2) Operating EBITDA for the quarters on LTM basis.



## WORKING CAPITAL

	in EUR m	31 Dec 2012	31 Dec 2011	31 Dec 2010	31 Dec 2009
Inventories		760.4	696.8	606.1	422.3
+ Trade receivables		1,266.4	1,220.9	1,059.7	831.4
./. Trade payables		1,008.2	956.6	834.1	655.6
<b>Working capital (end of period)</b>		<b>1,018.6</b>	<b>961.1</b>	<b>831.7</b>	<b>598.1</b>
Working capital turnover (year-to-date) <sup>1)</sup>		9.2x	9.3x	10.2x	9.2x

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

## RETURN ON NET ASSETS (RONA)

in EUR m	2012	2011	Δ	Δ
EBITA	610.4	569.9	40.5	7.1%
Average property, plant and equipment (PPE)	860.5	824.0	36.5	4.4%
Average working capital	1,048.8	928.3	120.5	13.0%
<b>Return on net assets</b>	<b>32.0%</b>	<b>32.5%</b>		

## DIVIDEND 2012

<b>in EUR m</b>	
Profit after tax	338.2
Less minority interest	-2.0
Profit after tax (consolidated) attributable to shareholders of Brenntag AG	336.2
<b>Proposed dividend payment</b>	<b>123.6</b>
Dividend per share in EUR	2.40
<b>Payout ratio</b>	<b>36.8%</b>

## RONA

### Increasing value added and returns

	in EUR m	2008	% Δ	2009	% Δ	2010	% Δ	2011	% Δ	2012	% CAGR 2008 - 2012
Sales		7,380	-13.8	6,365	20.2	7,649	13.5	8,679	11.6	9,690	7.0
Cost of goods sold		5,887	-16.7	4,905	22.6	6,013	14.9	6,911	12.3	7,764	7.2
Gross profit		1,492	-2.2	1,460	12.1	1,636	8.0	1,768	8.9	1,926	6.6
Operating expenses		1,011	-2.8	983	5.7	1,039	6.8	1,109	9.9	1,219	4.8
<b>EBITDA</b>		<b>481</b>	<b>-0.9</b>	<b>477</b>	<b>25.4</b>	<b>598</b>	<b>10.2</b>	<b>659</b>	<b>7.3</b>	<b>707</b>	<b>10.1</b>
EBITDA/Gross profit		32%		33%		37%		37%		37%	
<b>EBITA</b>		<b>398</b>	<b>-0.8</b>	<b>394</b>	<b>30.3</b>	<b>514</b>	<b>11.0</b>	<b>570</b>	<b>7.1</b>	<b>610</b>	<b>11.3</b>
<b>RONA<sup>1)</sup></b>		<b>24.4%</b>		<b>26.8%</b>		<b>33.0%</b>		<b>32.5%</b>		<b>32.0%</b>	

1) RONA is defined as EBITA divided by the sum of average PPE plus average working capital.

## CASH FLOW

### Strong cash generation over the past years

in EUR m	2008	2009	2010	2011	2012
EBITDA	480.9	476.6	597.6	658.8	706.6
CAPEX	-84.3	-71.8	-85.1	-86.0	-94.7
Δ Working capital	-53.5	242.0	-136.4	-61.0	-33.0
<b>Free cash flow<sup>1)</sup></b>	<b>343.1</b>	<b>646.8</b>	<b>376.1</b>	<b>511.8</b>	<b>578.9</b>
Average working capital <sup>2)</sup>	833.1	691.9	752.4	928.3	1,048.8
<b>Working capital turnover<sup>3)</sup></b>	<b>8.9x</b>	<b>9.2x</b>	<b>10.2x</b>	<b>9.3x</b>	<b>9.2x</b>

1) Free Cash Flow is calculated as EBITDA – Capex +/- Δ Working Capital.

2) Average Working Capital is defined for a particular year as the mean average of the values for working capital at each of the following five times: the beginning of the year, the end of each of the first, second and third quarters, and the end of the year.

3) Working Capital Turnover is defined as Sales divided by Average Working Capital.

## SHAREHOLDER STRUCTURE

### Shareholders exceeding the 3% or 5% threshold as of 31 October 2013

Shareholder	No. of Brenntag shares	Proportion in %	Date of notification
Threadneedle/Ameriprise	2,763,932	5.37	July 27, 2012
BlackRock	2,678,905	5.20	April 5, 2012
Sun Life/MFS	2,590,260	5.03	July 3, 2012
Longview Partners	1,597,984	3.10	July 11, 2012
Manning & Napier	1,552,555	3.01	July 2, 2013

## SHARE DATA

<b>ISIN</b>	DE000A1DAH0
<b>Stock symbol</b>	BNR
<b>Listed since</b>	29 March 2010
<b>Subscribed capital</b>	EUR 51,500,000
<b>Outstanding shares</b>	51,500,000
<b>Class of shares</b>	Registered shares
<b>Free float</b>	100%
<b>Official market</b>	Prime Standard XETRA and Frankfurt
<b>Regulated unofficial markets</b>	Berlin, Stuttgart
<b>Designated sponsors</b>	Deutsche Bank AG, ICF Kursmakler AG
<b>Indices</b>	MDAX <sup>®</sup> , MSCI, Stoxx Global, Stoxx Europe

## BOND DATA

<b>ISIN</b>	XS0645941419
<b>Listing</b>	Luxembourg Stock Exchange
<b>Issuer</b>	Brenntag Finance B.V.
<b>Guarantors</b>	Brenntag AG, several Brenntag Group companies
<b>Aggregate principal amount</b>	EUR 400,000,000
<b>Denomination</b>	EUR 1,000
<b>Minimum transferable amount</b>	EUR 50,000
<b>Coupon</b>	5.50%
<b>Coupon payment</b>	19 July
<b>Maturity</b>	19 July 2018
<b>Rating</b>	BBB-/Ba1



## FINANCIAL CALENDAR

Date	Event
March 19, 2014	Release of Annual Report 2013
January 13 – 15, 2014	Commerzbank German Investment Seminar, New York
December 2 – 5, 2013	Berenberg European Conference, London
November 27, 2013	Deutsche Bank Business Service & Leisure Conference, London
November 26, 2013	JP Morgan German Corporate Forum, London
November 19, 2013	Exane BNP Paribas MidCap Forum, London
November 7, 2013	Analyst & Investor Conference 2013
November 6, 2013	Interim Report Q3 2013

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