

BRENNTAG



Conference Call Presentation, 12th May 2010

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This presentation contains forward-looking statements. The words “anticipate”, “assume”, “believe”, “estimate”, “expect”, “intend”, “plan”, “project”, “may”, “should” and similar expressions are used to identify forward-looking statements. Forward-looking statements are statements that are not historical facts; instead they reflect our current views and expectations and the assumptions underlying them about future events.

These forward-looking statements are subject to many risks and uncertainties, including a lack of further improvement or a renewed deterioration of global economic conditions, in particular a renewed decline of consumer demand and investment activities in Western Europe for the United States, a down-turn in major economies, a continuation of the tense situation in the credit and financial markets and other risks and uncertainties.

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Agenda

1. Highlights Q1 2010

2. Financials Q1 2010

3. Outlook 2010

Appendix

Agenda

1. Highlights Q1 2010

CEO

2. Financials Q1 2010

CFO

3. Outlook 2010

CFO

Appendix

Brenntag's IPO

- Offered shares: 14.95m, thereof 10.5m from a capital increase
- Proceeds: EUR 747.5m, thereof EUR 525.0m from the capital increase
- Issue price: EUR 50.00
- First trading day: 29 March 2010
- First price: EUR 51.10 (+2.2%)
- First closing price: EUR 54.00 (+8.0%)
- Current share price: EUR 55.00 (+10.0%) as of 6 May 2010
- Use of proceeds: Pay down of Mezzanine Debt, parts of Syndicated Loan and IPO costs

Introductory remarks to Q1 2010 earnings




Sound business development in Q1 2010 against the background of a modest macro-economic recovery

Solid gross profit growth and effective cost control permit strong operating EBITDA growth

Weakening of USD Q1 2010 over Q1 2009 causes some translational impacts on consolidation; based on recent strengthening of USD this should reverse in further course of the year

Income Statement impacted by IPO related effects, in financial result, but also above EBITDA – as expected

Operating highlights for Q1 2010

<p>Gross Profit</p>	<p>EUR 377.0m FX adjusted increase by 2.8% y-o-y (as reported increase of 2.6% y-o-y)</p>	
<p>Operating EBITDA</p>	<p>EUR 134.3m FX adjusted increase by 10.9% y-o-y (as reported increase of 10.4% y-o-y). Operating EBITDA excludes effects related to the IPO</p>	
<p>Operating EBITDA / Gross Profit</p>	<p>35.6% (against 33.1% in Q1 2009 and 32.9% FY2009)</p>	
<p>Cash flow</p>	<p>Outflow for trade working capital increase of EUR 77.5m inline with sales increase and typical seasonality. Working Capital management continues to be effective. Modest capital expenditures</p>	

Segments

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
External Sales	Q1 2010	927.4	545.2	164.1	18.5	78.6	1,733.8
	Q1 2009	846.6	564.6	161.6	13.8	33.1	1,619.7
	% Δ	9.5%	-3.4%	1.5%	34.1%	137.5%	7.0%
	% Δ FX adjusted	7.6%	0.1%	-0.2%	20.9%	137.5%	7.1%
Operating Gross Profit	Q1 2010	211.5	134.7	31.8	4.9	2.8	385.7
	Q1 2009	198.3	141.2	29.5	3.1	2.4	374.5
	% Δ	6.7%	-4.6%	7.8%	58.1%	16.7%	3.0%
	% Δ FX adjusted	5.1%	-1.2%	5.6%	44.1%	16.7%	3.2%
Operating EBITDA	Q1 2010	70.4	56.4	10.1	2.1	-4.7	134.3
	Q1 2009	58.0	57.9	9.6	0.8	-4.6	121.7
	% Δ	21.4%	-2.6%	5.2%	162.5%	2.2%	10.4%
	% Δ FX adjusted	18.9%	1.1%	3.1%	133.3%	2.2%	10.9%

Agenda

1. Highlights Q1 2010

2. Financials Q1 2010

3. Outlook 2010

Appendix

Income Statement

in EUR m	Q1 2010	Q1 2009	% Δ	% Δ FX adjusted	FY 2009
Sales	1,733.8	1,619.7	7.0%	7.1%	6,364.6
Cost of Goods Sold	-1,356.8	-1,252.3	8.3%		-4,905.1
Gross Profit	377.0	367.4	2.6%	2.8%	1,459.5
Operating Expenses¹⁾	-248.5	-246.0	1.0%		-982.9
EBITDA	128.5	121.4	5.8%	6.4%	476.6
Add back Transaction Expenses²⁾	-5.8	0.3			3.7
Operating EBITDA	134.3	121.7	10.4%	10.9%	480.3
Operating EBITDA / Gross Profit (in %)	35.6%	33.1%			32.9%

1) Q1 2010 including IPO related expenses the amount of EUR 5.7m

2) For 2010 IPO related expenses of EUR 5.7m; for 2009 see definition of Transaction Expenses in the prospectus

Income Statement (continued)

in EUR m	Q1 2010	Q1 2009	% Δ	FY 2009
EBITDA	128.5	121.4	5.8%	476.6
Depreciation	-20.2	-20.3	-0.5%	-82.3
EBITA	108.3	101.1	7.1%	394.3
Amortization¹⁾	-31.0	-31.1	-0.3%	-123.6
EBIT	77.3	70.0	10.4%	270.7
Financial Result²⁾	-73.6	-71.8	2.5%	-223.6
EBT	3.7	-1.8	nm	47.1
Net Profit	2.2	-17.9	nm	0.5

1) Including amortization of customer relationships totaling EUR 29.0m for Q1 2010 (EUR 28.7m for Q1 2009, EUR 114.4m for FY 2009). Of the amortization of customer relationships, EUR 25.8m for Q1 2010 (EUR 25.9m for Q1 2009, EUR 102.4m for FY 2009) result from the acquisition of the Brenntag Group by equity funds advised by BC Partners, Bain Capital and Goldman at the end of the third quarter of 2006. These customer relationships will be fully amortized by the end of Q3 2010.

2) Including IPO-related effects in the amount of EUR 43.2m for Q1 2010

IPO-related effects on Income Statement

in EUR m

Q1 2010

Effects above EBITDA

IPO costs passed on to Brachem Acquisition S.C.A.	+2.5
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IPO costs	-8.2
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Total effect above EBITDA	-5.7
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Effects in Financial result

Waiver related	-20.8
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Discontinuation of hedge accounting for certain interest swaps	-5.4
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Interest expenses on subordinated shareholder loan	-17.0
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Total effects in Financial result	-43.2
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Total IPO-related effects on Income Statement	-48.9
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No adjustment made for the amortization of customer relationships resulting from the acquisition of the Brenntag Group by equity funds advised by BC Partners, Bain Capital and Goldman at the end of the third quarter of 2006 (EUR 25.8m for Q1 2010). These customer relationships will be fully amortized by the end of Q3 2010

Income Statement adjusted for IPO effects

in EUR m	Q1 2010
EBITDA	128.5
Adjustment for IPO-related effects	5.7
EBITDA adjusted	134.2
Financial result	-73.6
Adjustment for IPO-related effects	43.2
Financial result adjusted	-30.4
EBT	3.7
Adjustment for IPO-related effects	48.9
EBT adjusted	52.6

No adjustment made for the amortization of customer relationships and similar rights in the amount of EUR 25.8m capitalized in the course of the purchase price allocation made in September 2006 and fully amortized by the end of Q3 2010

Cash Flow Statement

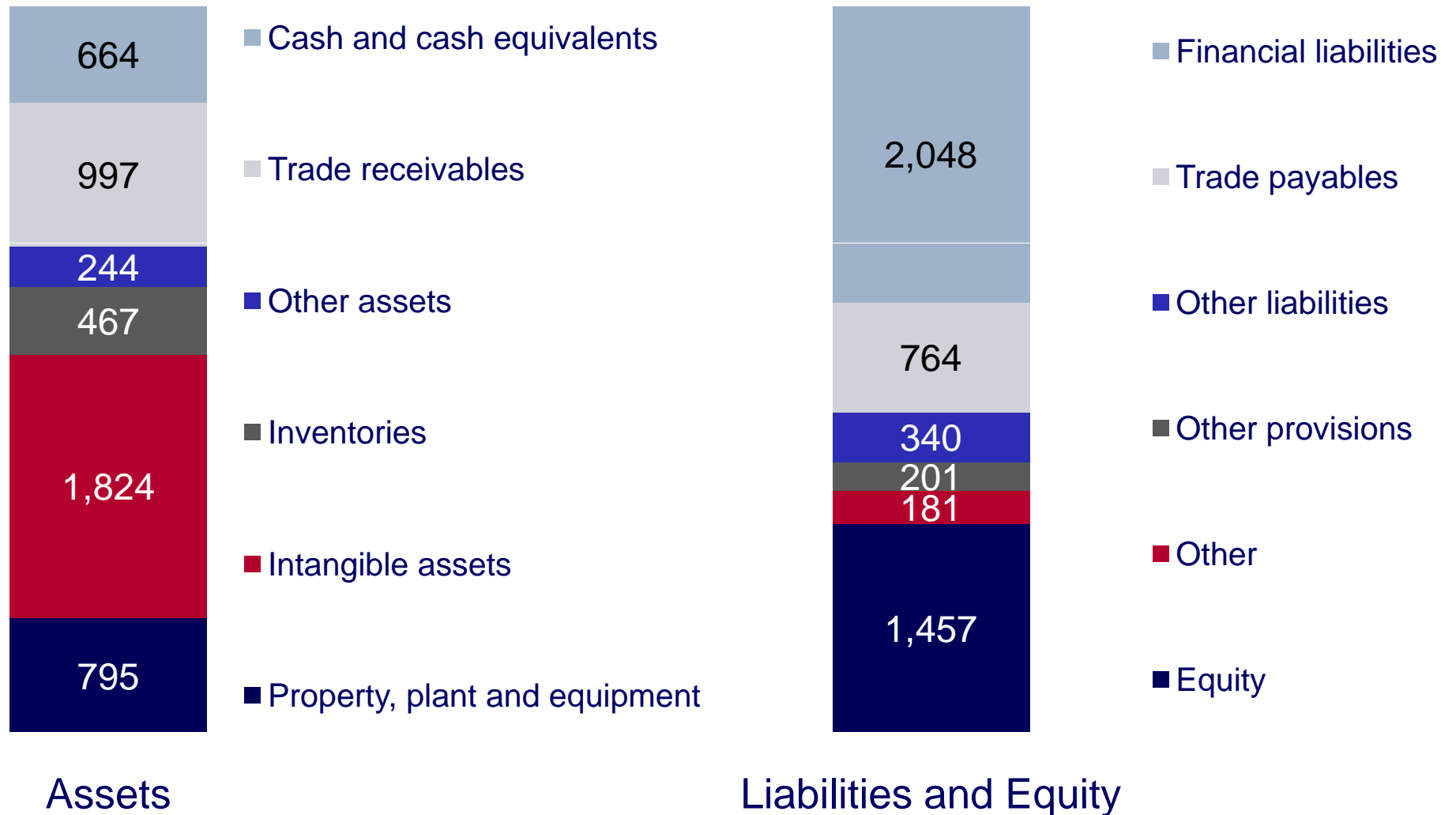
in EUR m	Q1 2010	Q1 2009	FY 2009
Net Profit	2.2	-17.9	0.5
Depreciation & Amortization	51.2	51.5	205.9
Income taxes	1.5	16.1	46.6
Income tax payments	-10.0	-14.3	-84.4
Interest result	74.6	57.2	211.5
Interest payments (net)	-104.1	-70.2	-158.9
Changes in current assets and liabilities	-64.1	107.4	245.7
Other	-23.6	26.8	23.4
Cash used for / provided by operating activities	-72.3	156.6	490.3

Cash Flow Statement (continued)

in EUR m	Q1 2010	Q1 2009	FY 2009
Purchases of Property, Plant and Equipment	-15.0	-12.0	-67.9
Purchases of consolidated subsidiaries and other business units	-2.3	-11.6	-17.8
Other	-0.7	0.2	9.6
Cash used for investing activities	-18.0	-23.4	-76.1
Capital increase	525.0	40.0	40.0
Payments in connection with the capital increase	-6.6		
Dividends paid to minority shareholders	-0.1	-0.6	-4.5
Repayment of borrowings (net)	-380.1	-14.7	-148.5
Cash provided by financing activities	138.2	24.7	-113.0
Change in cash & cash equivalents	47.9	157.9	301.2

Balance Sheet as of 31 March 2010

in EUR m



Balance Sheet and Leverage

in EUR m	31 Mar 2010	31 Mar 2009	Δ	31 Dec 2009
Financial liabilities¹⁾	2,048.6	2,607.0	-510.0	2,436.3
./. Cash and cash equivalents	664.0	458.1	205.9	602.6
Net Debt	1,384.6	2,148.9	-715.9	1,833.7
Net Debt / Operating EBITDA²⁾	2.7x	4.3x		3.6x
Equity	1,456.6	153.6	1,303.0	172.3

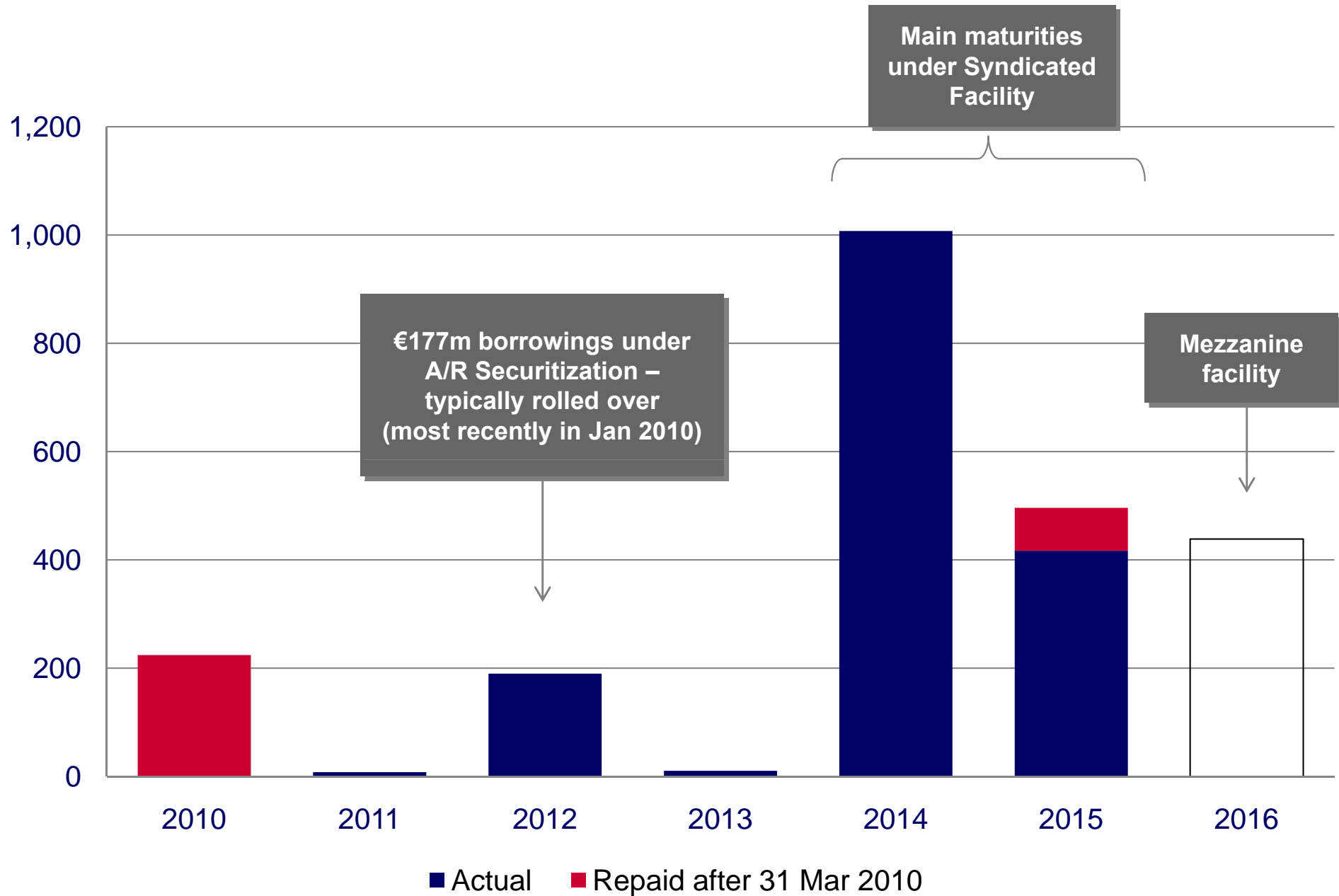
- 1) Excluding shareholder loan in an amount of EUR 653.6m for 31 March 2009 and EUR 702.2m for 31 Dec 2009. No shareholder loan was in place as of 31 Mar 2010
- 2) Operating EBITDA on LTM basis; 2009 adjusted for expense items relating to the early termination of a multi-year incentive program. These expenses for the members of the management board amount to EUR 22.8m

IPO related effects on equity in Q1 2010

in EUR m

Increase of share capital from issuance of 10.5m additional shares	10.5
Increase of capital reserve from gross proceeds of newly issued shares	514.5
Costs of IPO directly offset against capital reserve	-12.6
Increase of capital reserve from conversion of shareholder loan incl. interest prior to IPO	714.9
Total impact on equity	1,227.3

Maturities Profile



Trade Working Capital

in EUR m	31 Mar 2010	31 Mar 2009	31 Dec 2009
Inventories	467.2	472.7	422.3
+ Trade Receivables	997.5	934.4	831.4
./. Trade Payables	764.2	653.8	655.6
Working Capital (end of period)	700.5	753.3	598.1
Working Capital Turnover (end of period)	9.9x	8.6x	10.6x
Average Working Capital Turnover	9.7x	8.7x	9.2x

Free Cash Flow

in EUR m	Q1 2010	Q1 2009	FY 2009
EBITDA¹⁾	128.5	121.4	476.6
Capex	-10.3	-8.5	-71.8
Δ Working Capital	-77.5	92.3	242.0
Free Cash Flow	40.7	205.2	646.8

1) After IPO related expenses of EUR 5.7m

Agenda

1. Highlights Q1 2010

2. Financials Q1 2010

3. Outlook 2010

Appendix

Events after 31 March 2010

EUR 69m repayment of 2nd Lien Facility on 15 Apr 2010

EUR 227m repayment of Senior Facilities on different dates in April and May, 2010

Outlook

	2009 / Q1 2010	Comments	Outlook
Sales	EUR 6,365m EUR 1,734m	<ul style="list-style-type: none"> • Modest macro-economic recovery in many countries generally expected to lead to modest increases in demand for chemicals • The same is expected to hold true for the prices of many chemicals • Outsourcing trends to distribution, the preferential role of scale distributors and Brenntag's strong competitive position in the major economies are expected to provide further growth potential 	
Gross Profit	EUR 1,460m EUR 377m	<ul style="list-style-type: none"> • Based on past experience, price changes are not seen as significant factor of influence on Gross Profit • Efficiency of Brenntag's operations is supportive for earnings' development 	
Operating EBITDA	EUR 480m EUR 134m		
EBITA	EUR 394m EUR 108m		
Net Income		<ul style="list-style-type: none"> • BC Partners' related customer base amortization finalized by end of Q3 2010 • Changes to the capital structure through the IPO beneficial for interest expense 	

Outlook

	2009 / Q1 2010	Comments	Outlook
Working Capital	EUR 598m EUR 701m	<ul style="list-style-type: none"> Continuously improved working capital management To a large extent a function of sales growth 	
Capex	EUR 72m EUR 10m	<ul style="list-style-type: none"> No significant changes 2009 impacted by cautious spending policy 	

Agenda

1. Highlights Q1 2010

2. Financial Figures Q1 2010

3. Outlook 2010

Appendix

Shareholder Structure as of 31 Mar 2010

