

BRENNTAG



Conference Call Presentation, 12th August 2010

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2. Financials Q2 2010

3. EAC Industrial Ingredients acquisition

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CEO

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Introductory remarks to Q2 2010 earnings

Ongoing sound business development and strong earnings growth in Q2 2010 against the background of continued macro-economic recovery

Accelerated gross profit growth and moderate increase of operating expenses support operating EBITDA growth in Q2 2010

Stronger USD in Q2 2010 in comparison to Q2 2009 results in translational effects

Growth in working capital in line with increased business activity, partly offset by improved working capital turnover

Expenses of EUR 1.5m for the acquisition of EAC Industrial Ingredients incurred

Operating highlights Q2 2010**Gross Profit**

EUR 419.2m
FX adjusted increase by 8.2% y-o-y (as reported increase of 14.0% y-o-y)

**Operating EBITDA**

EUR 153.0m
FX adjusted increase by 9.6% y-o-y (as reported increase of 15.4% y-o-y).

**Operating EBITDA /
Gross Profit**

36.5% (against 36.1% in Q2 2009 and 32.9% FY2009)

**Cash flow**

Outflow for trade working capital increase of EUR 45.7m inline with sales increase and typical seasonality. Working Capital management further improved. Modest capital expenditures in line with previous year.

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Income Statement Q2 2010

in EUR m	Q2 2010	Q2 2009	Δ	Δ FX adjusted	FY 2009
Sales	1,953.8	1,583.7	23.4 %	17.3 %	6,364.6
Cost of Goods Sold	-1,534.6	-1,216.1	26.2 %		-4,905.1
Gross Profit	419.2	367.6	14.0 %	8.2 %	1,459.5
Expenses¹⁾	-266.4	-235.3	13.2 %		-982.9
EBITDA	152.8	132.3	15.5 %	9.7 %	476.6
Add back Transaction Expenses²⁾	0.2	0.3			3.7
Operating EBITDA	153.0	132.6	15.4 %	9.6 %	480.3
Operating EBITDA / Gross Profit	36.5 %	36.1 %			32.9%

1) Q2 2010 including expenses related to the acquisition of EAC Industrial Ingredients in the amount of EUR 1.5m

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

Income Statement Q2 2010 (continued)

in EUR m	Q2 2010	Q2 2009	Δ	FY 2009
EBITDA	152.8	132.3	15.5 %	476.6
Depreciation	-20.9	-21.1	-0.9 %	-82.3
EBITA	131.9	111.2	18.6 %	394.3
Amortization¹⁾	-32.8	-31.5	4.1 %	-123.6
EBIT	99.1	79.7	24.3 %	270.7
Financial Result	-35.1	-50.8	-30.9 %	-223.6
EBT	64.0	28.9	121.5 %	47.1
Net Profit	38.7	16.3	137.4 %	0.5

1) Including amortization of customer relationships totaling EUR30.7m for Q2 2010 (EUR 29.1m for Q2 2009, EUR 114.4m for FY 2009). Of the amortization of customer relationships, EUR 27m for Q2 2010 (EUR 25.8m for Q2 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.

Cash Flow Statement Q2 2010

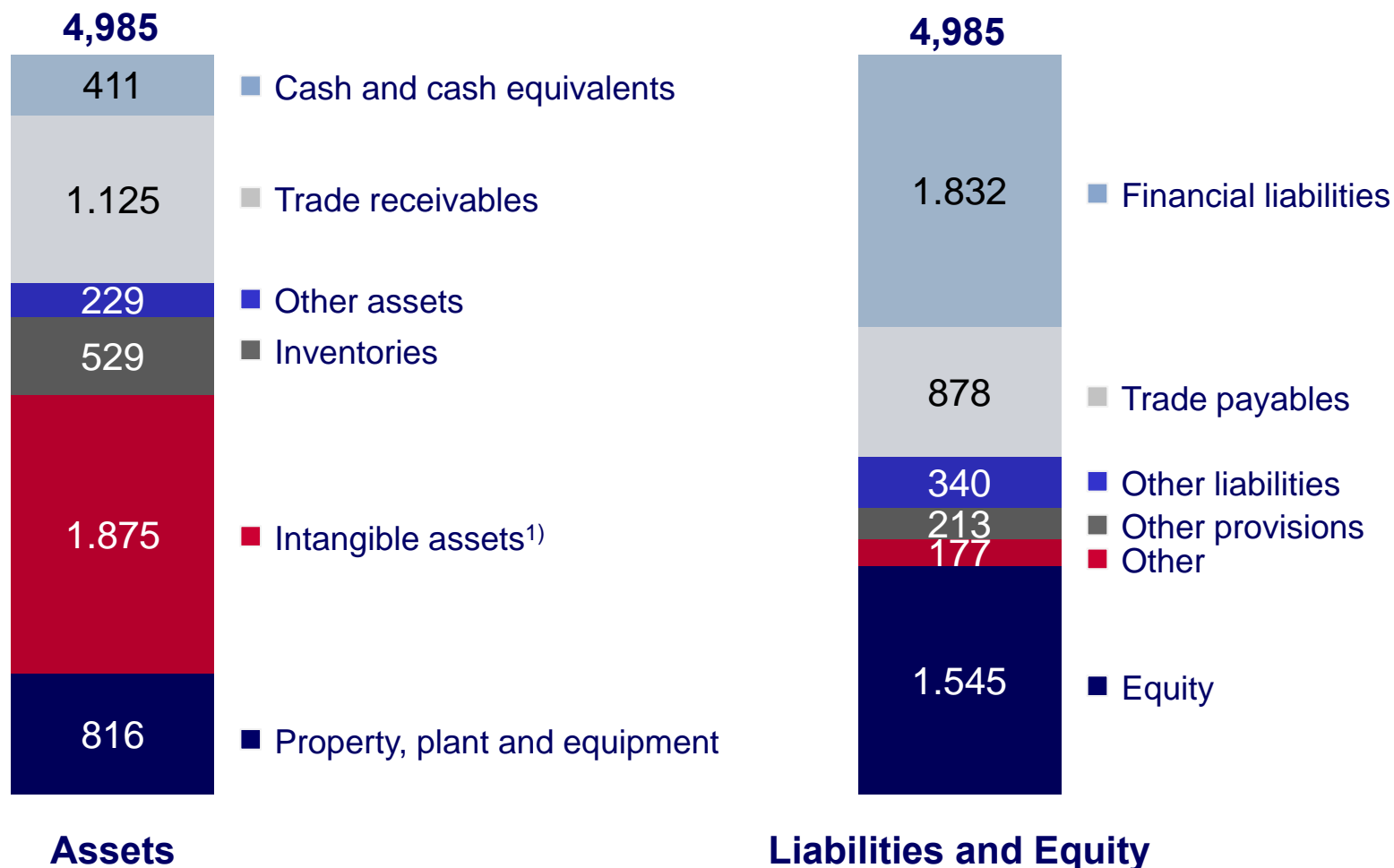
in EUR m	Q2 2010	Q2 2009	Q1 2010	FY 2009
Net Profit	38.7	16.3	2.2	0.5
Depreciation & Amortization	53.7	52.5	51.2	205.9
Income taxes	25.3	12.6	1.5	46.6
Income tax payments	-15.2	-34.4	-10.0	-84.4
Interest result	34.2	55.0	74.6	211.5
Interest payments (net)	-30.4	-16.4	-104.1	-158.9
Changes in current assets and liabilities	-45.7	94.6	-64.1	245.7
Other	-3.4	3.3	-23.6	23.4
Cash used for / provided by operating activities	57.2	183.5	-72.3	490.3

Cash Flow Statement Q2 2010 (continued)

in EUR m	Q2 2010	Q2 2009	Q1 2010	FY 2009
Purchases of intangible assets and PPE	-15.3	-10.6	-15.0	-67.9
Purchases of consolidated subsidiaries and other business units	-0.6	-0.5	-2.3	-17.8
Other	2.7	8.2	-0.7	9.6
Cash used for investing activities	-13.2	-2.9	-18.0	-76.1
Capital increase	0.0	0.0	525.0	40.0
Payments in connection with the capital increase	-6.3	0.0	-6.6	0.0
Dividends paid to minority shareholders	-1.3	-1.4	-0.1	-4.5
Repayment of borrowings (net)	-298.9	-78.1	-380.1	-148.5
Cash provided by/used for financing activities	-306.5	-79.5	138.2	-113.0
Change in cash & cash equivalents	-262.5	101.1	47.9	301.2

Balance Sheet as of 30 June 2010

in EUR m



1) Of the intangible assets as of June 30, 2010, some EUR 1,260 million relate to goodwill, trademarks as well as customer relationships and similar rights that were capitalized as part of the purchase price allocation performed in connection with the acquisition of the Brenntag Group by the equity funds advised by BC Partners, Bain Capital and Goldman at the end of the third quarter of 2006 in addition to the relevant intangible assets already existing in the previous Group structure.

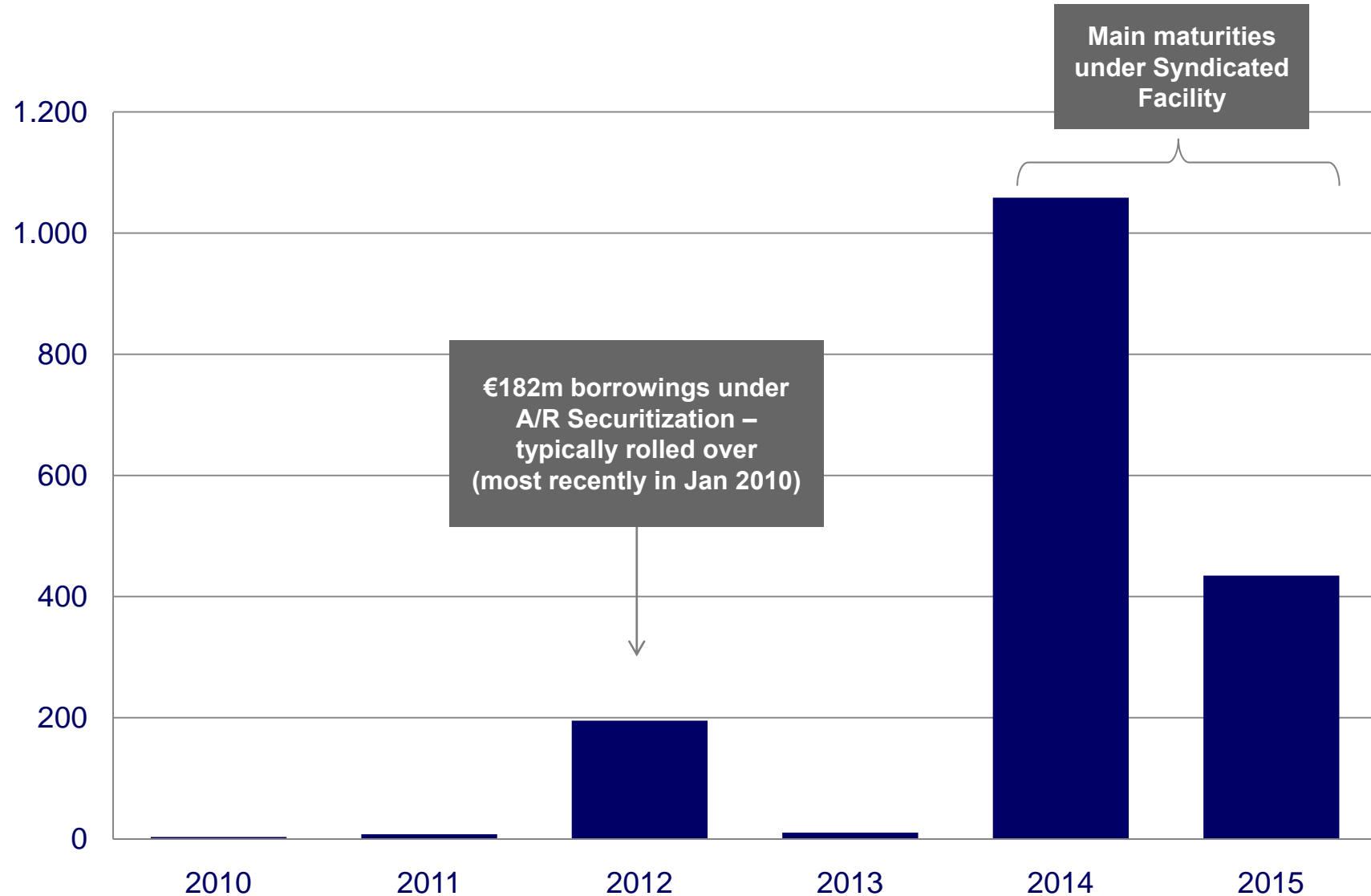
Balance Sheet and Leverage

in EUR m	30 Jun 2010	31 Mar 2010	31 Dec 2009	Δ Q2 to 31/12/09
Financial liabilities¹⁾	1,832.2	2,048.6	2,436.3	-604.1
./. Cash and cash equivalents	411.3	664.0	602.6	-191.3
Net Debt	1,420.9	1,384.6	1,833.7	-412.8
Net Debt / Operating EBITDA²⁾	2.7x	2.7x	3.6x	0.9
Equity	1,545.1	1,456.6	172.3	1,372.8

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.

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.

Maturities Profile as of 30 Jun 2010



Trade Working Capital

in EUR m	30 Jun 2010	31 Mar 2010	31 Dec 2009
Inventories	528.5	467.2	422.3
+ Trade Receivables	1.124.7	997.5	831.4
./. Trade Payables	877.7	764.2	655.6
Working Capital (end of period)	775.5	700.5	598.1
Working Capital Turnover (year-to-date)¹⁾	10.7x	10.7x	9.2x
Working Capital Turnover (last twelve months)²⁾	10.2x	9.7x	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

Free Cash Flow Q2 2010

in EUR m	Q2 2010	Q2 2009	Q1 2010	FY 2009
EBITDA¹⁾	152.8	132.3	128.5	476.6
Capex	-15.5	-11.0	-10.3	-71.8
Δ Working Capital	-45.7	101.8	-77.5	242.0
Free Cash Flow	91.6	223.1	40.7	646.8

1) After costs related to the EAC Industrial Ingredients acquisition of EUR 1.5m

Segments Q2 2010

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
External Sales	Q2 2010	1,009.5	645.5	188.3	20.1	90.4	1,953.8
	Q2 2009	858.8	513.0	145.3	14.2	52.4	1,583.7
	Δ	17.5 %	25.8 %	29.6 %	41.5 %	72.5 %	23.4 %
	Δ FX adjusted	15.1 %	15.9 %	15.3 %	21.4 %	72.5 %	17.3 %
Operating Gross Profit	Q2 2010	220.0	162.2	37.2	5.6	3.9	428.9
	Q2 2009	203.0	135.1	29.7	3.5	3.4	374.7
	Δ	8.4 %	20.1 %	25.3 %	60.0 %	14.7 %	14.5 %
	Δ FX adjusted	5.7 %	10.8 %	12.9 %	38.5 %	14.7 %	8.6 %
Operating EBITDA	Q2 2010	74.0	69.7	12.5	2.1	-5.3	153.0
	Q2 2009	65.9	56.1	10.8	0.5	-0.7	132.6
	Δ	12.3 %	24.2 %	15.7 %	320.0 %	657.1 %	15.4 %
	Δ FX adjusted	10.3 %	15.2 %	3.4 %	250.0 %	657.1 %	9.6 %

Events after 30 June 2010

Acquisition of EAC Industrial Ingredients for EUR 160m on cash and debt free basis – establishing of a full-fledged Asia Pacific platform

Acquisition of the Industrial Chemicals Division of Houghton Chemical Corporation (HCC) for USD 7.1m – further improvement of market position in North America

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1. Highlights Q2 2010

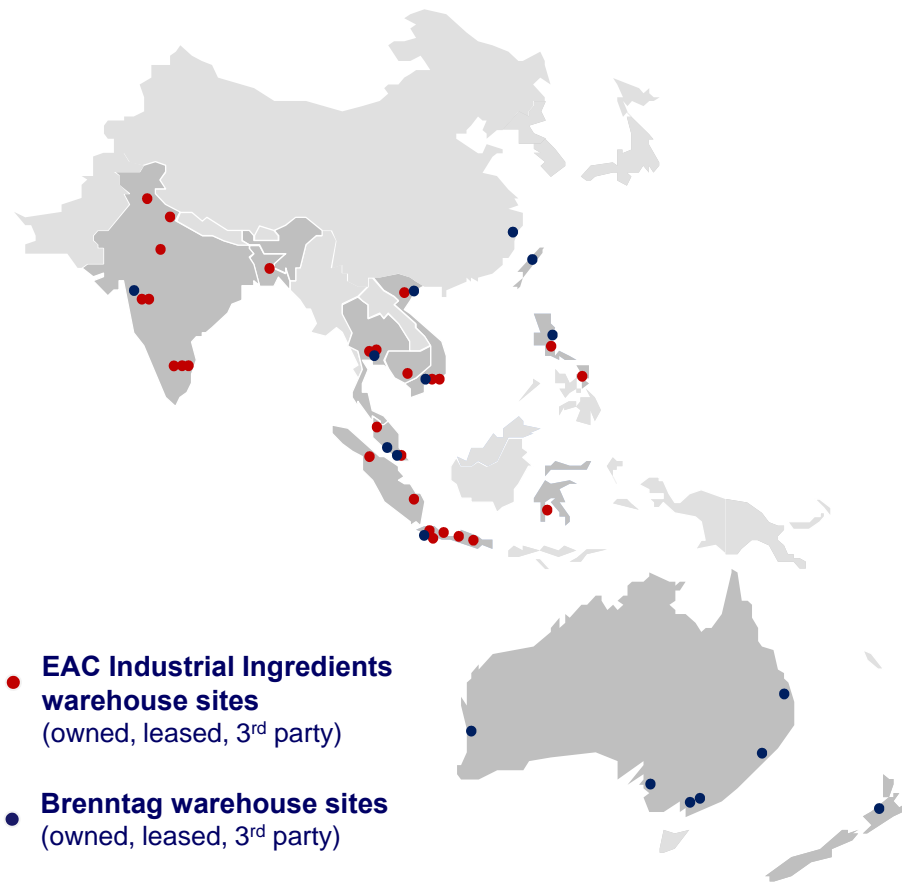
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Acquisition of EAC Industrial Ingredients



Fully in line with Brenntag's growth strategy to expand presence in emerging markets

Quantum leap from foothold in Asia Pacific to an established Asia Pacific Platform – market entry in two new Asian markets (Cambodia, Bangladesh)

Significant benefits with existing suppliers and customers and potential to further boost business

EUR 160m purchase price on a cash & debt free basis, implied

- 2010e multiple of 9.5x EV/EBITDA
- 2011e multiple of 6.6x EV/EBITDA

Acquisition of EAC Industrial Ingredients (continued)

in EUR m	2010e	Outlook 2011	Outlook 2012
External Sales	220	+ 15 – 20%	+ ~10%
Gross Profit	40	+ 15 – 20%	+ ~10%
EBITDA¹⁾	16.9	> 30%	+ ~15%

Closing of transaction on 13 July 2010

First time consolidation as of 01 July 2010

EUR 5m integration expenses expected in 2010 and EUR 1.5m in 2011, thereof EUR 1.5m already recognized in Q2 2010 in All Other Segments

Preliminary purchase price for the equity EUR 123.7m as well as EUR 11.5m debt redemption, paid from available cash on 13 July 2010

1) Not including integration expenses

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Outlook 2010

	Full Year 2009 H1 2010	Comments	Trend 2010 over 2009
Sales	EUR 6,365m EUR 3,688m	<ul style="list-style-type: none"> • Positive macroeconomic development assumed, alongside most forecasts, which will continue to support sales • No particularly strict view on development of chemicals prices • 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 796m	<ul style="list-style-type: none"> • Based on past experience, price changes are not seen as significant factor of influence on Gross Profit • Further positive development of Gross Profit is expected 	
Operating EBITDA	EUR 480m EUR 287m	<ul style="list-style-type: none"> • EUR 570m to EUR 600m • Operating EBITDA excludes IPO costs (EUR 5.7m net recorded in Q1) • Assumes that USD/EUR stays at 1.30 for the remainder of the year; weaker USD will have negative impact on the outlook • Impact of EAC Industrial Ingredients acquisition included 	
Net Income	EUR 0.5m EUR 40.9m	<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 2010

	Full Year 2009 H1 2010	Comments	Trend 2010 over 2009
Working Capital	EUR 598m EUR 776m	<ul style="list-style-type: none"> To a large extent a function of sales growth No significant further increase expected until year-end, if pricing is not trending upwards 	
Capex	EUR 72m EUR 26m	<ul style="list-style-type: none"> No significant changes 2009 impacted by cautious spending policy 	

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Operating highlights H1 2010

Gross Profit

EUR 796.2m
FX adjusted increase by 5.7% y-o-y (as reported increase of 8.3% y-o-y)

Operating EBITDA

EUR 287.3m
FX adjusted increase by 10.1% y-o-y (as reported increase of 13.0% y-o-y). Operating EBITDA excludes effects related to the IPO

Operating EBITDA / Gross Profit

36.1% (against 34.6% in H1 2009 and 32.9% FY2009)

Cash flow

Outflow for trade working capital increase of EUR 123.2m inline with sales increase and typical seasonality. Working Capital management further improved. Modest capital expenditures in line with previous year.

Income Statement H1 2010

in EUR m	H1 2010	H1 2009	Δ	Δ FX adjusted	FY 2009
Sales	3,687.6	3,203.4	15.1 %	12.1 %	6,364.6
Cost of Goods Sold	-2,891.4	-2,468.4	17.1 %		-4,905.1
Gross Profit	796.2	735.0	8.3 %	5.7 %	1,459.5
Expenses¹⁾	-514.9	-481.3	7.0 %		-982.9
EBITDA	281.3	253.7	10.9 %	8.1 %	476.6
Add back Transaction Expenses²⁾	6.0	0.6			3.7
Operating EBITDA	287.3	254.3	13.0 %	10.1 %	480.3
Operating EBITDA / Gross Profit	36.1 %	34.6 %			32.9%

1) Q1 2010 including IPO related expenses in the amount of EUR 5.7m net, Q2 2010 including expenses related to the acquisition of EAC Industrial Ingredients in the amount of EUR 1.5m

2) For H1 2010 IPO related expenses of EUR 5.7m net; Transaction Expenses are costs connected with restructuring and refinancing under company law.

Income Statement H1 2010 (continued)

in EUR m	H1 2010	H1 2009	Δ	FY 2009
EBITDA¹⁾	281.3	253.7	10.9 %	476.6
Depreciation	-41.1	-41.4	-0.7 %	-82.3
EBITA	240.2	212.3	13.1 %	394.3
Amortization²⁾	-63.8	-62.6	1.9 %	-123.6
EBIT	176.4	149.7	17.8 %	270.7
Financial Result³⁾	-108.7	-122.6	-11.3 %	-223.6
EBT	67.7	27.1	149.8 %	47.1
Net Profit	40.9	-1.6	nm	0.5

1) Including IPO related expenses of EUR 5.7m net for H1 2010

2) Including amortization of customer relationships totaling EUR 59.7m for H1 2010 (EUR 57.8m for H1 2009, EUR 114.4m for FY 2009). Of the amortization of customer relationships, EUR 52.8m for H1 2010 (EUR 51.6m for H1 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.

3) Including IPO-related effects in the amount of EUR 43.2m for H1 2010

IPO-related effects on Income Statement

in EUR m	Q1 2010	Q2 2010	H1 2010
Effects above EBITDA			
IPO costs passed on to Brachem Acquisition S.C.A.	+2.5	0.0	+2.5
IPO costs	-8.2	0.0	-8.2
Total effect above EBITDA	-5.7	0.0	-5.7
Effects in Financial result			
Waiver related	-20.8	0.0	-20.8
Discontinuation of hedge accounting for certain interest swaps	-5.4	0.0	-5.4
Interest expenses on subordinated shareholder loan	-17.0	0.0	-17.0
Total effects in Financial result	-43.2	0.0	-43.2
Total IPO-related effects on Income Statement	-48.9	0.0	-48.9

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 52.8m for H1 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	Q2 2010	H1 2010
EBITDA	128.5	152.8	281.3
Adjustment for IPO-related effects	5.7	0.0	5.7
EBITDA adjusted	134.2	152.8	287.0
Financial result	-73.6	-35.1	-108.7
Adjustment for IPO-related effects	43.2	0.0	43.2
Financial result adjusted	-30.4	-35.1	-65.5
EBT	3.7	64.0	67.7
Adjustment for IPO-related effects	48.9	0.0	48.9
EBT adjusted	52.6	64.0	116.6

No adjustment made for the amortization of customer relationships in the amount of EUR 52.8m in H1 2010 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 H1 2010

in EUR m	H1 2010	H1 2009	FY 2009
Net Profit	40.9	-1.6	0.5
Depreciation & Amortization	104.9	104.0	205.9
Income taxes	26.8	28.7	46.6
Income tax payments	-25.2	-48.7	-84.4
Interest result	108.8	112.2	211.5
Interest payments (net)	-134.5	-86.6	-158.9
Changes in current assets and liabilities	-109.8	202.0	245.7
Other	-27.0	30.1	23.4
Cash used for / provided by operating activities	-15.1	340.1	490.3

Cash Flow Statement H1 2010 (continued)

in EUR m	H1 2010	H1 2009	FY 2009
Purchases of intangible assets and PPE	-30.3	-22.6	-67.9
Purchases of consolidated subsidiaries and other business units	-2.9	-12.1	-17.8
Other	2.0	8.4	9.6
Cash used for investing activities	-31.2	-26.3	-76.1
Capital increase	525.0	40.0	40.0
Payments in connection with the capital increase	-12.9	0.0	0.0
Dividends paid to minority shareholders	-1.4	-2.0	-4.5
Repayment of borrowings (net)	-679.0	-92.8	-148.5
Cash used for financing activities	-168.3	-54.8	-113.0
Change in cash & cash equivalents	-214.6	259.0	301.2

IPO related effects on equity in H1 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 reserve¹⁾	-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

1) Gross EUR 15.2m less EUR 2.6m tax effect.

Free Cash Flow H1 2010

in EUR m	H1 2010	H1 2009	FY 2009
EBITDA¹⁾	281.3	253.7	476.6
Capex	-25.8	-19.5	-71.8
Δ Working Capital	-123.2	194.1	242.0
Free Cash Flow	132.3	428.3	646.8

1) After IPO related expenses of EUR 5.7m net and costs related to the EAC Industrial Ingredients acquisition of EUR 1.5m

Segments H1 2010

in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Group
External Sales	H1 2010	1,936.9	1,190.7	352.4	38.6	169.0	3,687.6
	H1 2009	1,705.4	1,077.6	306.9	28.0	85.5	3,203.4
	Δ	13.6 %	10.5 %	14.8 %	37.9 %	97.7 %	15.1 %
	Δ FX adjusted	11.4 %	7.7 %	7.2 %	21.4 %	97.7 %	12.1 %
Operating Gross Profit	H1 2010	431.5	296.9	69.0	10.5	6.7	814.6
	H1 2009	401.3	276.3	59.2	6.6	5.8	749.2
	Δ	7.5 %	7.5 %	16.6 %	59.1 %	15.5 %	8.7 %
	Δ FX adjusted	5.8 %	4.8 %	9.2 %	41.9 %	15.5 %	6.1 %
Operating EBITDA	H1 2010	144.4	126.1	22.6	4.2	-10.0	287.3
	H1 2009	123.9	114.0	20.4	1.3	-5.3	254.3
	Δ	16.5 %	10.6 %	10.8 %	223.1 %	88.7 %	13.0 %
	Δ FX adjusted	14.3 %	8.2 %	2.7 %	200.0 %	88.7 %	10.1 %