

Connecting**Chemistry**



Full Year 2015 Results



■ 16 March 2016

Conference call on FY 2015 results

Corporate Finance & Investor Relations

AGENDA

FY 2015 results presentation

■ Highlights 2015

■ Financials 2015

■ Outlook 2016

■ Appendix

HIGHLIGHTS 2015**Introductory remarks to 2015 earnings**

Macro Economy	Moderately positive momentum in Europe. Ongoing weakness in North America. Latin America remains challenging and positive picture in Asia.
Gross profit	Gross profit of EUR 2,266.0m with a growth of 11.8% (2.4% fx adjusted)
EBITDA	Operating EBITDA of EUR 807.4m with growth of 11.1% (0.7% fx adjusted) is at upper end of guidance range of EUR 790m to 810m
Free Cash Flow	Strong free cash flow of EUR 764.3m (+46.5% vs. previous year)
EPS	Earnings per share of EUR 2.36 / adjusted earnings per share of EUR 2.68
Dividend	Proposed dividend payment of EUR 1.00 per share represents increase of 11.1%
Acquisitions	Execution of value accretive acquisitions with a total Enterprise Value of more than EUR 550m

HIGHLIGHTS 2015

Successful execution of M&A strategy in 2015

- **Total Enterprise Values acquired of > EUR 550m in 2015**

Main acquisitions:

- **J.A.M.** (USA) and **G.H. Berlin Windward** (USA): Strategic expansion of lubricants business in USA / both companies are TOP 5 players in that market
- **TAT Group** (Singapore): Strategic step within market for distribution of Industrial Chemicals in South East Asia
- Bolt-on acquisitions in Europe: **Fred Holmberg** (Sweden), **Quimicas Meroño** (Spain), **Parkoteks** (Turkey),
- **Lionheart** (South Africa): Expansion of Specialty Chemicals business in South Africa
- **Trychem** (Dubai): Strategic market entry into Middle East



Acquisitions enhance our product and services portfolio and improve our geographical coverage

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FINANCIALS 2015

Income statement

in EUR m	2015	2014	Δ	Δ FX adjusted
Sales	10,346.1	10,015.6	3.3%	-4.6%
Cost of goods sold	-8,080.1	-7,988.1	1.2%	
Gross profit	2,266.0	2,027.5	11.8%	2.4%
Expenses	-1,458.6	-1,300.6	12.1%	
EBITDA	807.4	726.9	11.1%	0.7%
Add back transaction costs ¹⁾	-	-0.2		
Operating EBITDA	807.4	726.7	11.1%	0.7%
Operating EBITDA/Gross profit	35.6%	35.8%		

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

FINANCIALS 2015

Income statement (continued)

in EUR m	2015	2014	Δ
EBITDA	807.4	726.9	11.1%
Depreciation	-108.7	-99.4	9.4%
EBITA	698.7	627.5	11.3%
Amortization ¹⁾	-36.9	-35.9	2.8%
EBIT	661.8	591.6	11.9%
Financial result ²⁾	-112.5	-83.8	34.2%
EBT	549.3	507.8	8.2%
Profit after tax	368.1	339.7	8.4%
EPS	2.36	2.20	7.3%
EPS excl. Amortization and Zhong Yung liability ³⁾	2.68	2.32	15.5%

1) This figure includes for 2015 scheduled amortization of customer relationships totalling EUR 27.7 million (2014: EUR 28.3m).

2) Thereof EUR -23.4m in 2015 are related to a change of the purchase price obligation for Zhong Yung (International) Chemical Ltd., which has to be recorded in the income statement according to IFRS (EUR 6.1m in 2014)

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 2015

Cash flow statement

in EUR m	2015	2014
Profit after tax	368.1	339.7
Depreciation & amortization	145.6	135.3
Income taxes	181.2	168.1
Income tax payments	-174.2	-164.8
Interest result	71.5	73.4
Interest payments (net)	-67.2	-70.2
Changes in current assets and liabilities	60.6	-90.4
Change in purchase price obligation/IAS 32	24.9	-4.0
Other	-16.8	-17.4
Cash provided by operating activities	593.7	369.7

FINANCIALS 2015

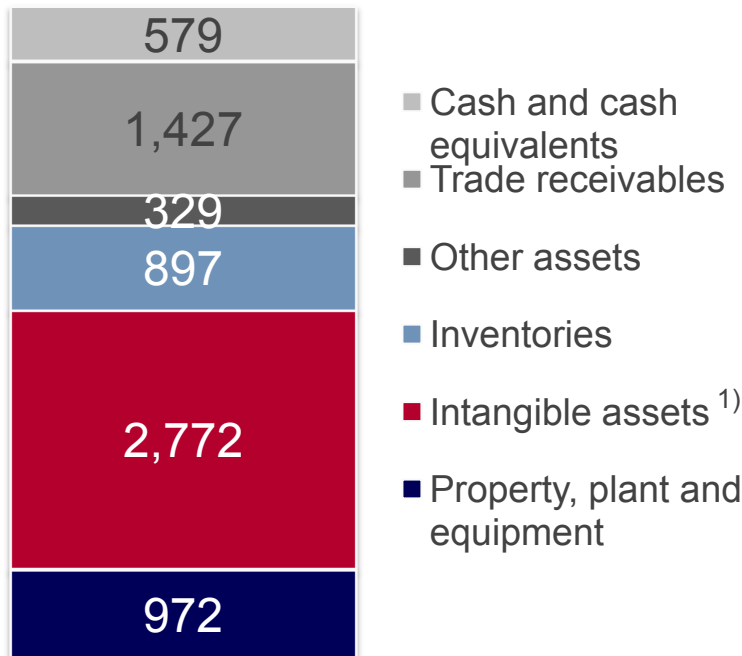
Cash flow statement (continued)

in EUR m	2015	2014
Purchases of intangible assets and property, plant & equipment	-126.7	-103.0
Purchases of consolidated subsidiaries and other business units	-500.8	-82.0
Other	5.9	6.8
Cash used for investing activities	-621.6	-178.2
Capital increase	-	-
Payments in connection with the capital increase	34.3	-
Purchases of shares in companies already consolidated	-	-
Dividends paid to minority shareholders	-1.9	-1.8
Dividends paid to Brenntag shareholders	-139.1	-133.9
Repayment of (-)/proceeds from (+) borrowings (net)	218.7	-13.6
Cash used for financing activities	112.0	-149.3
Change in cash & cash equivalents	84.1	42.2

FINANCIALS 2015

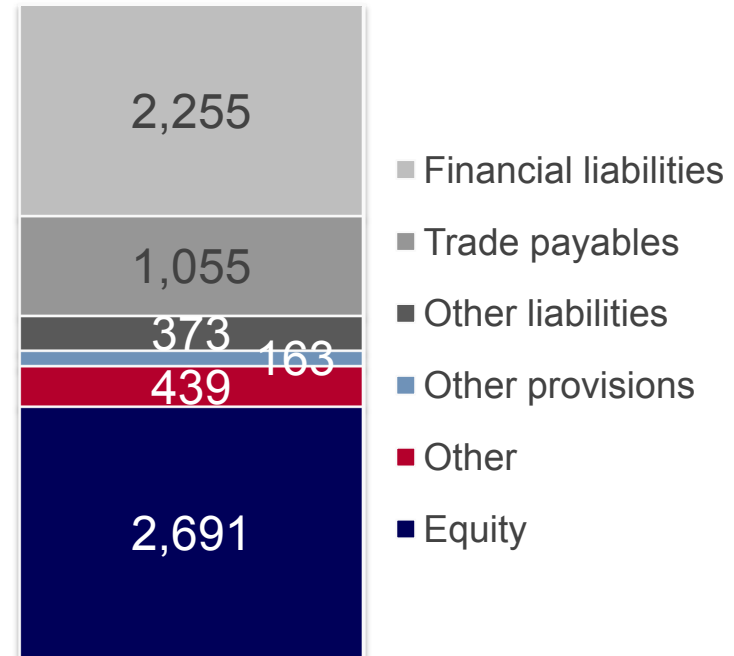
Balance Sheet as of 31 December 2015

in EUR m **6,976**



Assets

6,976



Liabilities and Equity

1) Of the intangible assets as of December 31, 2015, some EUR 1,275 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 2015

Balance Sheet and leverage

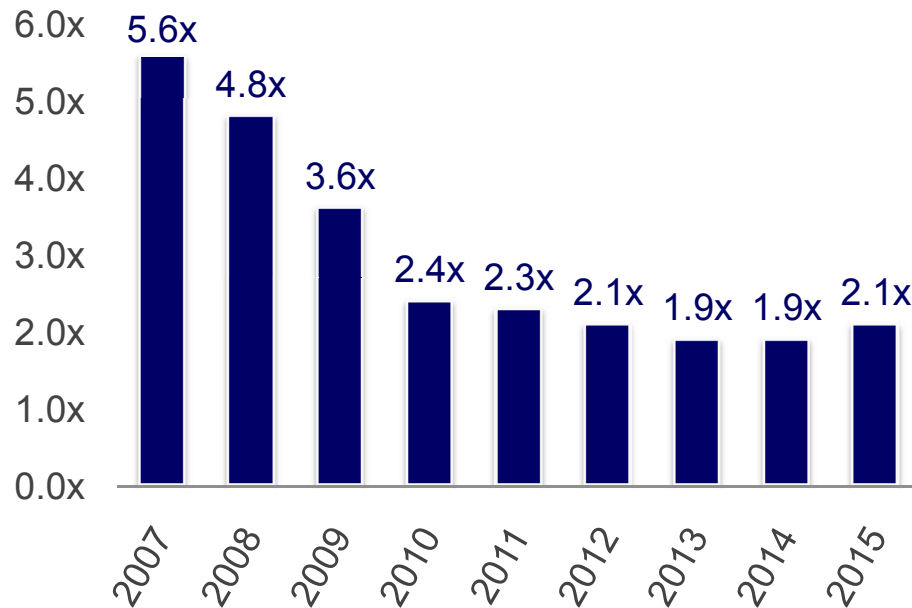
in EUR m	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010
Financial liabilities	2,255.2	1,901.6	1,768.5	1,829.5	1,952.4	1,783.8
./. Cash and cash equivalents	579.1	491.9	426.8	346.6	458.8	362.9
Net Debt	1,676.1	1,409.7	1,341.7	1,482.9	1,493.6	1,420.9
Net Debt/ Operating EBITDA	2.1x	1.9x	1.9x	2.1x	2.3x	2.4x
Equity ¹⁾	2,690.5	2,356.9	2,093.7	1,944.2	1,737.6	1,617.9

1) The values of 31 December 2012 and 31 December 2011 were revised due to the initial application of the revised version of IAS 19 (Employee Benefits (revised 2011)).

FINANCIALS

Financial stability of Brenntag Group

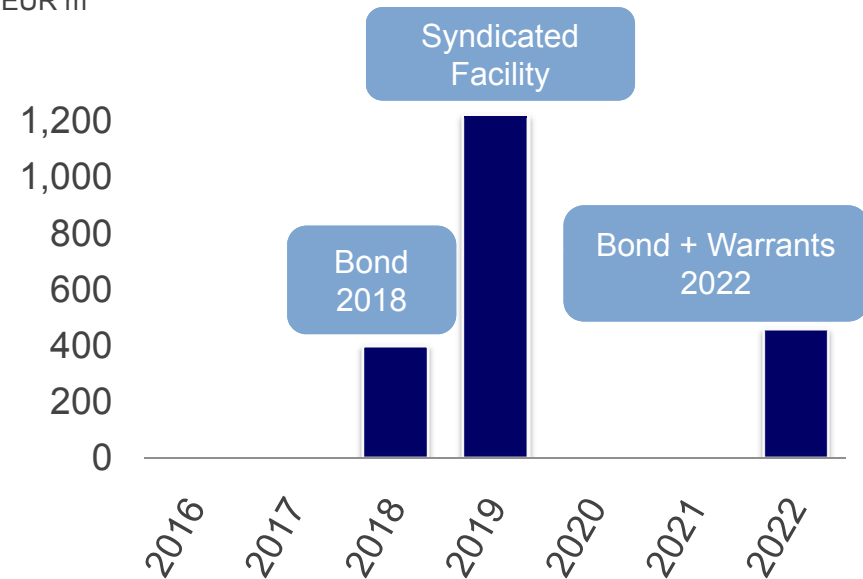
Leverage: Net debt/Operating EBITDA ¹⁾



- Business demonstrates ability to de-leverage constantly
- Investment-grade ratings from Standard & Poor's ("BBB") and Moody's ("Baa3")

Maturity profile as of Dec. 31, 2015

in EUR m



- Balanced and long-term maturity profile
- High flexibility due to undrawn revolving credit facility of EUR 600m

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

FINANCIALS 2015

Working capital

in EUR m	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012	31 Dec 2011	31 Dec 2010
Inventories	897.1	865.8	757.1	760.4	696.8	606.1
+ Trade receivables	1,426.5	1,407.2	1,248.8	1,266.4	1,220.9	1,059.7
./. Trade payables	1,055.5	1,046.2	961.5	1,008.2	956.6	834.1
Working capital (end of period)	1,268.1	1,226.8	1,044.4	1,018.6	961.1	831.7
Working capital turnover (year-to-date) ¹⁾	8.0x	8.6x	9.0x	9.2x	9.3x	10.2x

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

FINANCIALS 2015

Free cash flow

in EUR m	2015	2014	Δ	Δ
EBITDA	807.4	726.9	80.5	11.1%
CAPEX	-130.1	-104.8	-25.3	24.1%
Δ Working capital	87.0	-100.5	-187.5	-186.6%
Free cash flow	764.3	521.6	242.7	46.5%

FINANCIALS 2015

Dividend proposal

in EUR m	2015	2014	Δ
Profit after tax	368.1	339.7	8.4%
Less minority interest	3.1	0.4	
Profit after tax (consolidated) attributable to shareholders of Brenntag AG	365.0	339.3	7.6%
Proposed dividend payment	154.5	139.1	
Proposed Dividend per share in EUR	1.00	0.90	11.1%
Payout ratio	42.3%	41.0%	



FINANCIALS 2015

Segments FY 2015

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	2015	1,024.2	942.6	201.2	140.0	13.7	2,321.7
	2014	972.0	802.2	169.5	120.7	13.8	2,078.2
	Δ	5.4%	17.5%	18.7%	16.0%	-0.7%	11.7%
	Δ FX adjusted	3.6%	-0.5%	9.8%	2.3%	-0.7%	2.3%
Operating EBITDA	2015	353.0	365.6	64.7	50.3	-26.2	807.4
	2014	335.9	323.6	46.8	41.2	-20.8	726.7
	Δ	5.1%	13.0%	38.2%	22.1%	26.0%	11.1%
	Δ FX adjusted	3.2%	-4.6%	29.1%	7.0%	26.0%	0.7%

FINANCIALS 2015

Segments Q4

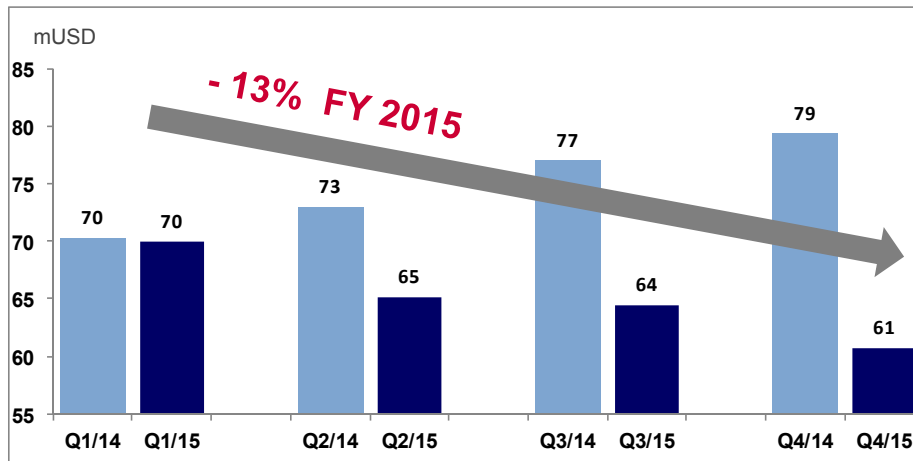
in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	Q4 2015	248.9	230.0	50.5	35.3	2.3	567.0
	Q4 2014	238.4	214.3	48.5	32.3	2.7	536.2
	Δ	4.4%	7.3%	4.1%	9.3%	-14.8%	5.7%
	Δ FX adjusted	3.4%	-5.0%	3.2%	2.0%	-14.8%	-0.3%
Operating EBITDA	Q4 2015	84.7	83.6	17.8	13.4	-6.9	192.6
	Q4 2014 ¹⁾	84.4	90.2	14.9	12.4	-3.4	198.5
	Δ	0.4%	-7.3%	19.5%	8.1%	102.9%	-3.0%
	Δ FX adjusted	-0.6%	-18.5%	15.7%	-0.7%	102.9%	-9.6%

1) The figures for 2014 have been adjusted owing to the first-time application of IFRIC 21 (Levies).

FINANCIALS 2015

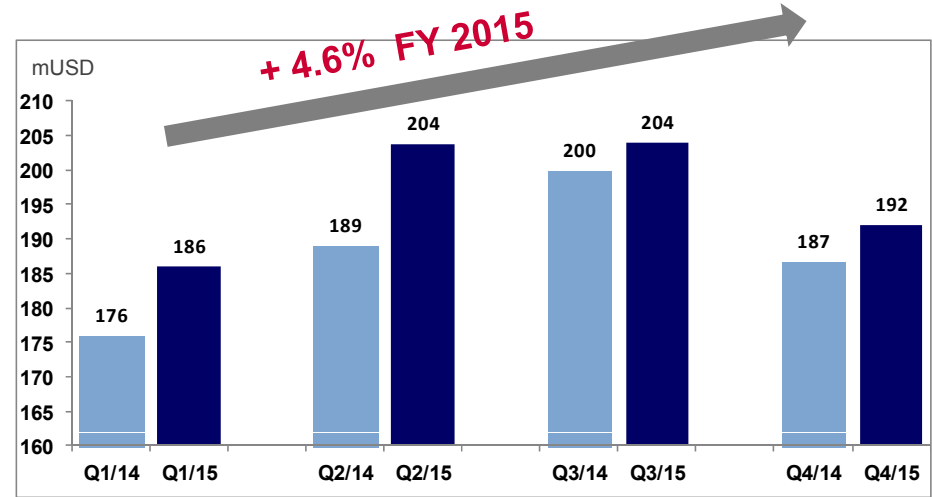
Update North America: Reduction in Gross Profit with Oil & Gas customers – other industries growing

2015: O&G Gross Profit



Total 2014 = USD 299m Total 2015 = USD 260m

2015: Ex O&G Gross Profit



Total 2014 = USD 752m Total 2015 = USD 786m

- Full review of the Oil & Gas business
- Headcount reduction executed with positive effect for cost base in 2016

At constant FX Rates

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OUTLOOK

	2015	Comments	Trend 2016
Sales	EUR 10,346m	<ul style="list-style-type: none"> ▪ Growth in the global economy is expected to remain at a low level ▪ Structural growth trends for chemical distributors and Brenntag's strong competitive position in particular are expected to provide growth potential 	
Gross profit	EUR 2,266m	<ul style="list-style-type: none"> ▪ Meaningful increase due to the acquisitions carried out in 2015 and higher volumes in the existing business. ▪ All regions are expected to support this performance, albeit to different degrees 	
Operating EBITDA	EUR 807m	<ul style="list-style-type: none"> ▪ Operating EBITDA expected to benefit from gross profit development and internal efficiency measures 	
Profit after tax	EUR 368m	<ul style="list-style-type: none"> ▪ Profit after tax is expected to grow in-line with EBITDA 	

OUTLOOK

	2015	Comments	Trend 2016
Working capital	EUR 1,268m	<ul style="list-style-type: none"> To a large extent a function of sales growth Expected to grow significantly in 2016 	
Capex	EUR 130m	<ul style="list-style-type: none"> Capex spending increase to ca. EUR 150m driven by projects for expanding our business operations 	
Free Cash Flow	EUR 764m	<ul style="list-style-type: none"> As the reduction in working capital is not expected to be repeated in 2016, we expect a reduction in free cash flow of more than 10% despite the positive development of EBITDA. 	

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



**Georg Müller,
CFO**

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

 **We are ready to answer your questions!**

AGENDA
2015 Presentation

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FINANCIALS Q4 2015

Income statement

in EUR m	Q4 2015	Q4 2014 ¹⁾	Δ	Δ FX adjusted	2015
Sales	2,473.3	2,511.0	-1.5%	-6.6%	10,346.1
Cost of goods sold	-1,920.4	-1,989.6	3.5%		-8,080.1
Gross profit	552.9	521.4	6.0%	0.0%	2,266.0
Expenses	-360.3	-322.9	11.6%		-1,458.6
EBITDA	192.6	198.5	-3.0%	-9.6%	807.4
Add back transaction costs ²⁾	-	-			-
Operating EBITDA	192.6	198.5	-3.0%	-9.6%	807.4
Operating EBITDA / Gross profit	34.8%	38.1%			35.6%

1) The figures for 2014 have been adjusted owing to the first-time application of IFRIC 21 (Levies).

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

FINANCIALS Q4 2015

Income statement (continued)

in EUR m	Q4 2015	Q4 2014 ¹⁾	Δ	2015
EBITDA	192.6	198.5	-3.0%	807.4
Depreciation	-28.2	-25.8	9.3%	-108.7
EBITA	164.4	172.7	-4.8%	698.7
Amortization ²⁾	-8.5	-9.0	-5.6%	-36.9
EBIT	155.9	163.7	-4.8%	661.8
Financial result ³⁾	-43.7	-19.6	123.0%	-112.5
EBT	112.2	144.1	-22.1%	549.3
Profit after tax	74.1	101.6	-27.1%	368.1
EPS	0.47	0.66	-28.8%	2.36
EPS excl. Amortization and Zhong Yung liability ⁴⁾	0.66	0.65	1.5%	2.68

1) The figures for 2014 have been adjusted owing to the first-time application of IFRIC 21 (Levies).

2) Includes for the period October to December 2015 scheduled amortization of customer relationships totaling (Q4 2015: EUR -5.8m; Q4 2014: EUR -6.9m).

3) Thereof EUR -23.4m in FY 2015, EUR -21.5m in Q4 2015 and EUR 7.9m in Q4 2014 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.

4) 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 Q4 2015

Cash flow statement

in EUR m	Q4 2015	Q4 2014 ¹⁾	2015
Profit after tax	74.1	101.6	368.1
Depreciation & amortization	36.7	34.8	145.6
Income taxes	38.1	42.5	181.2
Income tax payments	-32.2	-54.3	-174.2
Interest result	17.7	18.4	71.5
Interest payments (net)	-11.7	-8.9	-67.2
Changes in current assets and liabilities	114.2	42.7	60.6
Change in purchase price obligation/IAS 32	22.1	-7.0	24.9
Other	1.1	-2.4	-16.8
Cash provided by operating activities	260.1	167.4	593.7

1) The figures for 2014 have been adjusted owing to the first-time application of IFRIC 21 (Levies).

FINANCIALS Q4 2015

Cash flow statement (continued)

in EUR m	Q4 2015	Q4 2014	2015
Purchases of intangible assets and property, plant & equipment (PPE)	-60.0	-36.9	-126.7
Purchases of consolidated subsidiaries and other business units	-453.1	-24.4	-500.8
Other	1.9	4.5	5.9
Cash used for investing activities	-511.2	-56.8	-621.6
Capital increase	-	-	-
Payments in connection with the capital increase	34.3	-	34.3
Purchases of shares in companies already consolidated	-	-	-
Dividends paid to minority shareholders	-0.6	-0.9	-1.9
Dividends paid to Brenntag shareholders	-	-	-139.1
Repayment of (-)/proceeds from (+) borrowings (net)	415.4	2.2	218.7
Cash used for financing activities	449.1	1.3	112.0
Change in cash & cash equivalents	198.0	111.9	84.1

FINANCIALS 2015

Free cash flow

in EUR m	Q4 2015	Q4 2014 ¹⁾	Δ	Δ	2015
EBITDA	192.6	198.5	-5.9	-3.0%	807.4
CAPEX	-67.2	-40.4	-26.8	66.3%	-130.1
Δ Working capital	119.8	40.9	78.9	192.9%	87.0
Free cash flow	245.2	199.0	46.2	23.2%	764.3

1) The figures for 2014 have been adjusted owing to the first-time application of IFRIC 21 (Levies).

FINANCIALS Q4 2015

IFRIC 21 – Retroactive adjustment of 2014 operating EBITDA

in EUR m	Group	Europe	North America	Latin America	Asia Pacific	All other segments
Q1/2014	-4.4	-2.0	-2.2	-0.2	-	-
Q2/2014	1.8	0.7	1.1	-	-	-
Q3/2014	1.0	0.7	0.2	0.1	-	-
Q4/2014	1.6	0.6	0.9	0.1	-	-
Full Year 2014	-	-	-	-	-	-

- New interpretation of accounting for levies imposed by a government (IFRIC 21) are applied for the first time in 2015
- Profit & Loss Statement: timing of recognition of expenses will change
- Retroactive adjustment of 2014 results in order to ensure comparability
- Effects to be seen in the quarters – no effect on a full year basis

FINANCIAL CALENDAR

Date	Event
April 7, 2016	Mainfirst Corporate Conference, Kopenhagen
May 9, 2016	Interim Report Q1 2016
May 11, 2016	JP Morgan Business Services Conference, London
June 8 - 9, 2016	Deutsche Bank German/Austrian Corporate Conference, Berlin
June 14, 2016	General Shareholders' Meeting, Duesseldorf
August 10, 2016	Interim Report Q2 2016
November 9, 2016	Interim Report Q3 2016

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