BRENNTAG

Q2

GLOBAL MARKET LEADER IN CHEMICAL DISTRIBUTION

Interim Report for the period from January 1 to June 30, 2010

FINANCIAL FIGURES AT A GLANCE

Consolidated income statement		April 1 – June 30, 2010	April 1 – June 30, 2009
Sales	EUR m	1,953.8	1,583.7
Gross profit	EUR m	419.2	367.6
Operating EBITDA	EUR m	153.0	132.6
Operating EBITDA / gross profit	%	36.5	36.1
EBITDA	EUR m	152.8	132.3
Profit / loss after taxes	EUR m	38.7	16.3
Profit / loss per share	EUR	0.74	0.39

Balance sheet		June 30, 2010	Dec. 31, 2009
Balance sheet total	EUR m	4,985.0	4,653.8
Equity	EUR m	1,545.1	172.3
Working capital	EUR m	775.5	598.1
Net debt	EUR m	1,420.9	2,535.9

Cash flow		April 1 – June 30, 2010	April 1 – June 30, 2009
Cash provided by operating activities	EUR m	57.2	183.5
Investments in non-current assets (Capex)	EUR m	15.5	11.0
Free cash flow	EUR m	91.6	223.1

Key figures Brenntag share		June 30, 2010	Mar. 31, 2010
Share price	EUR	52.02	55.00
Number of shares (not weighted)		51,500,000	51,500,000
Market capitalization	EUR m	2,679	2,833
Free float	%	29.03	29.03

Data on the share	
Primary stock exchange	Xetra
ISIN	DE000A1DAHH0
WKN	A1DAHH
Stock symbol	BNR
Index	MDAX

PORTRAIT OF BRENNTAG

Brenntag is the global market leader in full-line 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 vast supplier base, Brenntag offers one-stop-shop solutions to more than 150,000 customers. The value-added services include just-in-time delivery, product mixing, formulation, repackaging, inventory management, drum return handling as well as extensive technical support. Headquartered in Mülheim an der Ruhr, Germany, the company operates a global network with more than 400 locations in over 60 countries.

INCLUSION OF THE BRENNTAG SHARE IN THE MDAX

The Brenntag share joined the MDAX effective June 21, 2010. The 50 companies listed in the MDAX directly follow the 30 companies listed in the DAX with regard to stock market turnover and free float market capitalization. The companies listed in the MDAX have sound, strong brand names or are highly specialized industry leaders. For Brenntag, inclusion in the MDAX marks an important milestone since the IPO and for the Brenntag shareholders increased visibility of their shares in the financial community.

CONTENT

TO OUR SHAREHOLDERS

CEO LETTER

Dear Shareholders,

Upon the successful completion of our IPO, Brenntag's management team turned its full attention to the development of our business and the preparation of the landmark acquisition in our Asia Pacific region which we announced shortly after the end of the second quarter. In a modestly recovering world economy, Brenntag's business continued its positive development as increasing demand for our services and products led to pleasing growth in gross profit and EBITDA.

In comparison to the second quarter of 2009, the Group gross profit increased by 14.0% to EUR 419.2 million (8.2% on a constant currency basis). As the operating expenses were held to a slower rate of increase, operating EBITDA grew by 15.4% (9.6% on a constant currency basis) to EUR 153.0 million for the quarter.

All regions contributed to this development. In the second quarter, we are especially pleased with the development in North America, which experienced much stronger growth rates than in the first quarter. Operating gross profit growth totaled 20.1% (10.8% on a constant currency basis) and the operating EBITDA increased by 24.2% (15.2% on a constant currency basis). Like in the first quarter, the Asia Pacific segment continued to show outstanding development.

In early July, we announced the acquisition of EAC Industrial Ingredients Ltd. A/S, a leading provider of chemical distribution solutions with operations in nine countries in South and Southeast Asia. This acquisition was a quantum leap for Brenntag, from a foothold in the Asia Pacific region to an established Asia Pacific platform with now 40 distribution sites and nearly 1,000 employees in the fast growing Asian market. Our sales in this region will nearly quadruple. We expect this acquisition to have a positive EBITDA contribution in 2010 and show high growth rates in the following years as well as provide the platform for accelerated future growth in this important geography.

While the majority of Brenntag's customer industries exhibited continuing recovery, the financial markets were in a period of high uncertainty. Especially in the second half of the quarter, this caused high volatility on the stock exchanges. With a share price of EUR 52.02 on June 30, 2010, the share advanced 4% against the issue price of EUR 50.00 and developed favorably against stock indices. Positive news for the Brenntag share came on June 4, 2010 when the Deutsche Börse announced that Brenntag would be included in the MDAX index beginning on June 21, 2010. The MDAX inclusion will clearly boost the visibility of your shares in the financial community.

Based on an assumption of continued growth of the world economy, we expect full-year 2010 positive earnings development to continue. According to our estimates, this could result in an operating EBITDA of EUR 570 million to EUR 600 million.

We are looking forward to continuing the fulfillment of our goals in your interest.

Mülheim an der Ruhr, August 6, 2010

Steve Clark

Stephen R. Clark
Chief Executive Officer

BRENNTAG ON THE STOCK MARKET

INCLUSION OF THE BRENNTAG SHARE IN THE MDAX

On June 4, 2010, Deutsche Börse decided to follow the suggestion of the Working Committee for Stock Indices and make an unscheduled adjustment in the MDAX. Since the debut of the Brenntag share on the stock exchange on March 29, 2010, it had become apparent that, according to the decisive criteria for index inclusion, “stock market turnover” and “free float market capitalization”, the Brenntag share was a candidate for fast entry into the MDAX. The MDAX is usually reviewed and adjusted every six months in March and September. However, if there are candidates which, for example as the result of an IPO, can enrich and stabilize the index because they are sound, strong brand names or are highly specialized industry leaders, unscheduled adjustments in the index can take place in June and December. However, stricter requirements with regard to the criteria stock market turnover and free float market capitalization have to be met for fast entry into the index than for regular entry. After an extraordinary meeting on June 4, 2010, Deutsche Börse announced that the new Brenntag share would be included in the MDAX effective June 21, 2010 and had thus not only fulfilled the regular criteria for inclusion in the MDAX but also the stricter criteria for fast entry.

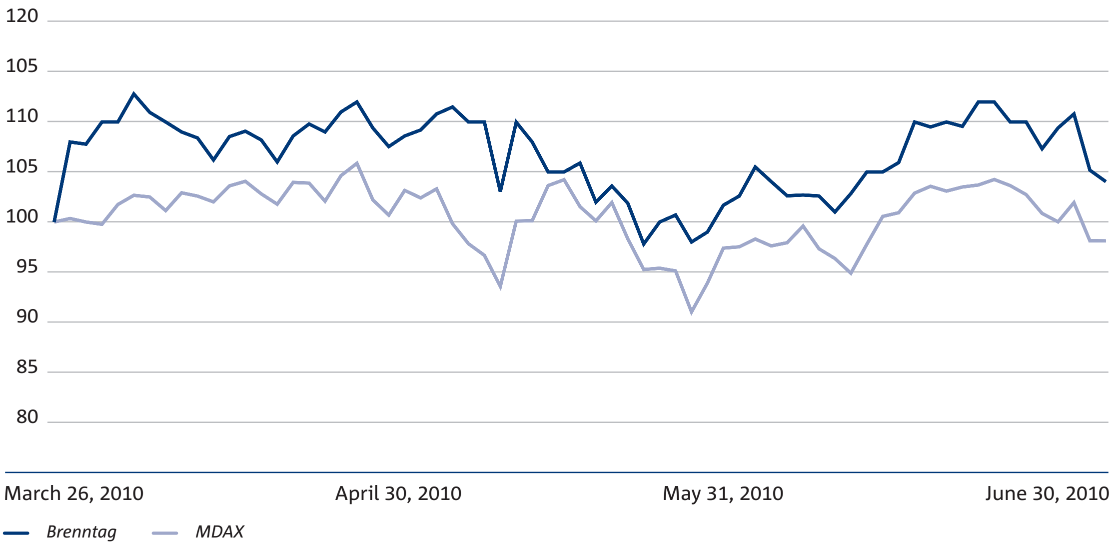
DEVELOPMENT OF THE SHARE PRICE

The Brenntag share lost 5.4% in the second quarter, closing the quarter at EUR 52.02. On June 30, 2010 it was therefore trading 4% above the issue price of EUR 50.00 set on March 27, 2010 while the MDAX lost 1.9% in the same period.

The second quarter was marked by high volatility on the German stock exchanges, particularly towards the middle of the quarter. April proved to be a relatively quiet stock market month. The difference between highs and lows on the German DAX was only 4%; on the MDAX it was also only 5%. In May, however, volatility jumped sharply, with differences between highs and lows on the DAX of 10%, on the MDAX of even 15%. The VDAX-NEW, which indicates in percentage points what degree of volatility is to be expected for the DAX for the following 30 days, rose from 17.85 at the beginning of the quarter to 39.31 in mid-May. Media reports fuelled the ongoing discussions about the stability of the eurozone and shook stock market players’ confidence. Fears grew that the global economic recovery might be jeopardized by financial problems, above all in Southern European countries. The DAX dropped below the psychologically important 6,000 mark, the MDAX below the 8,000 mark. In this climate, the Brenntag share was also not able to maintain the gains of the first trading days which it had successfully defended up to then. From its low, however, the share managed to gain 6.4% to finish the quarter at EUR 52.02, not least thanks to its inclusion in the MDAX. Both the DAX and the MDAX also recovered and gained 5.2% and 7.8% respectively from their lowest level.

The average number of Brenntag shares traded every day in the second quarter was approx. 61,500. Four designated sponsors ensure that there is adequate liquidity in the share and that buy and sell orders can be carried out.

SHARE PRICE DEVELOPMENT OF THE BRENNTAG SHARE (indexed)



SHAREHOLDER STRUCTURE

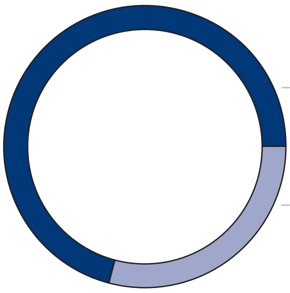
Brenntag AG has a free float of 29.03 %, which is 14.95 million shares of the total share capital of 51.5 million shares. 70.97 % or 36.55 million shares are held by Brachem Acquisition S.C.A., Luxembourg, who has given a commitment that it will not sell any shares without consent of the syndicate banks in the first six months after the IPO.

FURTHER INFORMATION:
www.brenntag.com

On May 25, 2010 Paulson & Co., Inc., USA, notified us that it holds 3.05 % or 1,573,203 shares in Brenntag AG. So far we have received no information that any other shareholder holds more than 3 % of the shares.

FURTHER INFORMATION:
www.brenntag.com

SHAREHOLDER STRUCTURE as of Juni 30, 2010 in %



70.97% Brachem Acquisition S.C.A.

29.03% Free float

Below you will find the most important information on the Brenntag share:

Key figures and master data on the share		IPO	Mar. 31, 2010	Mar. 31, 2010
Share price	EUR	50.00	55.00	52.02
Number of shares (unweighted)		51,500,000	51,500,000	51,500,000
Market capitalization	EUR m	2,575	2,833	2,679
Free float	%	29.03	29.03	29.03
Free float market capitalization	EUR m	748	822	778

Most important stock exchange	Xetra
ISIN	DE000A1DAHH0
WKN	A1DAHH
Trading symbol	BNR

GROUP INTERIM MANAGEMENT REPORT

from January 1 to June 30, 2010

BUSINESS AND ECONOMIC ENVIRONMENT

BUSINESS ACTIVITIES AND GROUP STRUCTURE

Brenntag's resilient business model and the growth opportunities are based on complete geographic coverage and high diversity across suppliers, customers and industries.

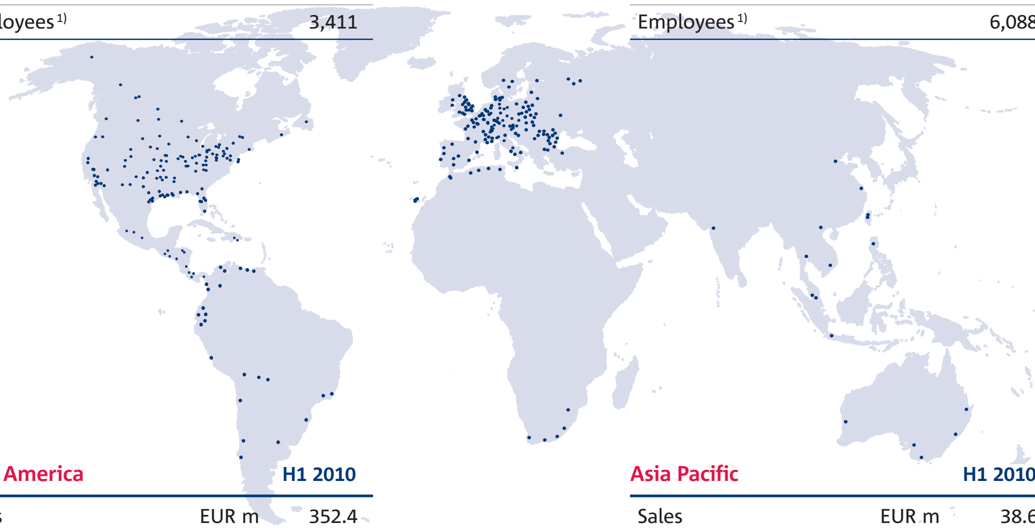
Linking chemical manufacturers (our suppliers) and chemical users (our customers), Brenntag provides complete distribution solutions rather than just chemical products. Brenntag purchases large-scale quantities of industrial and specialty chemicals from various suppliers, enabling the company to achieve economies of scale and offer its more than 150,000 customers a full-line range of chemical products. Brenntag stores the products it buys in its own and leased distribution facilities, packs them into quantities the customers require and delivers them, typically in less-than-truckloads. Brenntag's customers are active worldwide in diverse end-market industries such as adhesives, paints and the construction industry, oil & gas, food, water treatment, personal care and pharmaceuticals. In order to be able to react more quickly to the market and customers' and suppliers' requirements, Brenntag manages its business regionally from branches in Europe, North America, Latin America and Asia Pacific. This policy and the broad range of over 10,000 products in combination with extensive value-added services (such as just-in-time delivery, product mixing, formulation, repackaging, inventory management, drum return handling as well as technical services and support) make Brenntag to a large extent independent from specific market segments or regions.

As the Group's holding company, Brenntag AG is responsible for the strategy of the Brenntag Group, risk management and central financing. Further central departments attached to Brenntag AG are Controlling, Investor Relations, IT, Group Accounting, M & A, HR, Corporate Development, Corporate Communications, Legal Affairs, Corporate Audit and Tax.

In addition to Brenntag AG, the consolidated financial statements include 26 domestic (December 31, 2009: 29) and 145 foreign (December 31, 2009: 148) fully consolidated subsidiaries and special purpose entities. Four associates (December 31, 2009: five) are accounted for at equity.

Alongside the regionally structured segments Europe, North America, Latin America and Asia Pacific, All Other Segments covers the central functions for the entire Group as well as the activities of Brenntag International Chemicals.

The following graph gives an overview of the global network of the Brenntag Group:



North America		H1 2010
Sales	EUR m	1,190.7
Operating gross profit	EUR m	296.9
Operating EBITDA	EUR m	126.1
Employees [1]		3,411

Europe		H1 2010
Sales	EUR m	1,936.9
Operating gross profit	EUR m	431.5
Operating EBITDA	EUR m	144.4
Employees [1]		6,088

Latin America		H1 2010
Sales	EUR m	352.4
Operating gross profit	EUR m	69.0
Operating EBITDA	EUR m	22.6
Employees [1]		1,242

Asia Pacific		H1 2010
Sales	EUR m	38.6
Operating gross profit	EUR m	10.5
Operating EBITDA	EUR m	4.2
Employees [1]		188

Figures excluding All Other Segments, which, in addition to various holding companies, covers the international activities of Brenntag International Chemicals.
[1] Number of employees determined on the basis of full-time equivalents.

CORPORATE STRATEGY

We aim to be the preferred full-line chemical distributor and partner of choice for our strategic customers and suppliers while, at the same time, focusing on steady and profitable growth. Our strategy is geared to enhancing our products and service offering capabilities by systematically pursuing both organic and external growth opportunities and continually improving profitability and returns.

Enhancing our product and service offering capabilities through organic growth and acquisitions

Our extensive worldwide operations enable us to leverage our key strengths to further enhance our product and service offering capabilities through steady organic growth. In addition, we continue to seek acquisition opportunities that assist us in implementing our overall strategy.

Our strategic initiatives around the world follow the guiding principles:

- intense customer orientation
- full-line product portfolio focused on less-than-truckload deliveries
- complete geographic coverage
- accelerated growth in target markets
- continued commitment to the principles of responsible care and responsible distribution

Improving profitability and returns

On the basis of our entrepreneurial culture, excellence in execution and our superior business model, we also strive to continuously improve gross profits, EBITDA, cash flow and return on assets. Extending the scope of our operations, both organically and through acquisitions, is a major lever for increasing our profitability and returns. In doing so, we systematically pursue our strategic initiatives and implement specific cost-saving measures.

OVERALL ECONOMY

On the basis of the economic data currently available for the second quarter, the global economy continued to recover in the spring of 2010. According to the IMF, global indicators of real economic activity were strong in the first two months of the second quarter. This is also confirmed by the latest data for industrial output and world trade. Global industrial output rose by 12.1% in April and May in a year-on-year comparison, while international trade increased by 20.6%. However, the pace of expansion continued to vary from region to region: whilst the macroeconomic data in the first five months indicate a moderate but steady recovery in the industrialized countries, the emerging economies of Asia and Latin America showed much stronger growth.

In the European Union (EU), the industrial sector picked up increasingly. The production index of total industry (excluding construction) rose by 7.6% in April/May compared with the same pre-year period, growth in the east European EU countries being slightly stronger at 8.3% than in the other EU economies (7.5%). According to the latest purchasing managers index (PMI) and the indicators for production, the US economy is also continuing to recover. For example, at 65.0 points the PMI in the second quarter was well above the figure for the first quarter (61.9) and thus reflects the positive economic development. Industrial output in the second quarter increased by 7.2% compared to the same pre-year period.

The economic indicators available for Latin America show strong expansion of economic activity in the second quarter of 2010. With the exception of Venezuela, industrial production rose by slightly over 10% in the major economies of the region in April and May compared with the respective pre-year figure.

As in the first quarter, the economy in Asia benefited from strong foreign demand and the positive effects of an expansive financial and monetary policy. Largely driven by strongly expanding industrial activity in China and India, industrial output in the emerging Asian economies grew in April by 18% after 18.8% in March in a year-on-year comparison.

BUSINESS PERFORMANCE

MAJOR EVENTS IMPACTING ON BUSINESS

In the second quarter of 2010, the business operations of the Brenntag Group continued to show an encouraging development.

With the IPO in the first quarter of 2010, we had reduced the gross debt of the Brenntag Group by repaying in full the borrowings under the Mezzanine Facility Agreement and by converting the shareholder loan from Brachem Acquisition S.C.A., Luxembourg, into equity. In the second quarter 2010, we further reduced the gross debt as planned by early repayment of borrowings under the Second Lien Facility Agreement of the syndicated loan in an amount of EUR 69.0 million.

Furthermore, borrowings of EUR 227.3 million under the Senior Facility Agreements of the syndicated loan were repaid ahead of schedule as part of the so-called cash sweep. This early repayment was agreed in the terms of the Senior Facility Agreements, the amount depending on the net cash inflow of the previous year.

Due to the strengthening of the company's equity base as a result of the IPO and the continued positive result prospects, Standard & Poor's raised the Brenntag Group's rating from B+ to BB+ and Moody's from B2 to Ba2.

STATEMENT BY THE MANAGEMENT ON BUSINESS PERFORMANCE

The business environment of the Brenntag Group continued to show an encouragingly positive development in all regions in the second quarter of 2010, although the extent of this trend varied.

With the aid of this positive background, sales revenues and operating gross profit of the Brenntag Group increased significantly compared with the second quarter of 2009, predominantly driven by significantly higher volumes. This positive development of sales and operating gross profit even accelerated compared with the first quarter of 2010.

By contrast, operating costs, particularly volume-related expenses, rose in the second quarter. However, thanks to the cost-cutting measures implemented in 2009, we managed to limit this increase.

Overall, we managed to translate market growth into higher results and well exceed the pre-year operating EBITDA in the second quarter of 2010. This resulted in a continuation and even acceleration of the positive development of operating EBITDA seen in the first quarter of 2010, thus also enjoying significant growth for the first half of 2010 as a whole.

Trade working capital rose compared with the low level in the second quarter of 2009 and at the end of 2009, mainly due to the growth of sales. However, the working capital turnover increased due to further improvements in working capital management.

Investment in property, plant and equipment increased slightly compared with the same pre-year quarter. Due to our business model the investment level is low and highly flexible.

Given the overall economic environment, our business performance and thus the development of the results of operations and the financial condition of the company were highly positive.

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Business performance of the Brenntag Group

in EUR m	Q2 2010	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)[2]
Sales	1,953.8	1.583.7	370.1	23.4	17.3
Operating gross profit	428.9	374.7	54.2	14.5	8.6
Operating expenses	−275.9	−242.1	−33.8	14.0	8.1
Operating EBITDA	**153.0**	**132.6**	**20.4**	**15.4**	**9.6**
Transaction costs/ Holding charges	*−0.2*	*−0.3*	*0.1*	–	–
EBITDA (incl. transaction costs)	**152.8**	**132.3**	**20.5**	**15.5**	**9.7**
Depreciation of property, plant and quipment	−20.9	−21.1	0.2	−0.9	−4.2
EBITA[1]	131.9	111.2	20.7	18.6	12.3
Amortization of intangible assets	−32.8	−31.5	−1.3	4.1	−1.2
Financial result	−35.1	−50.8	15.7	−30.9	–
Profit before tax	64.0	28.9	35.1	121.5	–
Income taxes	−25.3	−12.6	−12.7	100.8	–
Profit after tax	38.7	16.3	22.4	137.4	–

in EUR m	H1 2010	H1 2009	Change abs.	Change in %	Change in % (fx adj.)[2]
Sales	3,687.6	3.203.4	484.2	15.1	12.1
Operating gross profit	814.6	749.2	65.4	8.7	6.1
Operating expenses	−527.3	−494.9	−32.4	6.5	4.0
Operating EBITDA	**287.3**	**254.3**	**33.0**	**13.0**	**10.1**
Transaction costs/ Holding charges	*−6.0*	*−0.6*	*−5.4*	–	–
EBITDA (incl. transaction costs)	**281.3**	**253.7**	**27.6**	**10.9**	**8.1**
Depreciation of property, plant and equipment	−41.1	−41.4	0.3	−0.7	−2.8
EBITA[1]	240.2	212.3	27.9	13.1	10.2
Amortization of intangible assets	−63.8	−62.6	−1.2	1.9	−0.6
Financial result	−108.7	−122.6	13.9	−11.3	–
Profit before tax	67.7	27.1	40.6	149.8	–
Income taxes	−26.8	−28.7	1.9	−6.6	–
Profit/loss after tax	40.9	−1.6	42.5	–	–

[1] EBITA is defined as EBITDA less depreciation of property, plant and equipment.
[2] Change in % (fx adj.) is the percentual change on a constant currency basis.

I. Sales, volumes and prices

In the second quarter of 2010, the Group recorded sales of EUR 1,953.8 million, an increase of 23.4% compared with the same pre-year period or 17.3% on a constant currency basis. This growth in sales is due to both higher volumes and higher selling prices and could be seen in all segments.

In the first half of 2010, sales rose overall by 15.1% or 12.1% on a constant currency basis.

II. Operating gross profit

In the second quarter of 2010, the Group recorded an operating gross profit of EUR 428.9 million, which was 14.5% higher than in the pre-year period or 8.6% on a constant currency basis. This increase is also due to higher volumes in all segments.

Thus we managed to boost operating gross profit in the first half of 2010 by 8.7% or by 6.1% on a constant currency basis.

III. Operating expenses

In the second quarter of 2010, operating expenses (excluding interest, the result from investments, taxes, depreciation, amortization and transaction costs) were 14.0% higher than in the same pre-year period and 8.1% on a constant currency basis. We particularly saw a rise in volume-related expenses, such as transport costs. Furthermore, the headcount rose in some of our companies as business increased, which led to higher personnel expenses. The second quarter of 2010 was also impacted by costs for the acquisition of EAC Industrial Ingredients Ltd. A/S, Copenhagen, amounting to EUR 1.5 million.

Related to the first half of 2010, the increase in operating expenses was a moderate 6.5% or on a constant currency basis 4.0%.

IV. EBITDA

The measure of our results mainly used for control of the Brenntag Group is EBITDA. The segments are controlled on the basis of operating EBITDA, which is the operating profit/loss as recorded in the consolidated income statement plus amortization of intangible assets and depreciation of property, plant and equipment, adjusted for the following items:

- **Transaction costs:** Costs connected with restructuring and refinancing under company law, particularly the IPO in 2010. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level.

- **Holding charges:** Costs of certain holding activities charged to the operating companies. On Group level they net to zero.

The global economic climate brightened further in the second quarter of 2010, which was reflected particularly in higher volumes. In this business environment the Brenntag Group posted EBITDA of EUR 152.8 million in the second quarter of 2010. This is an increase of 15.5% compared with the previous year or 9.7% on a constant currency basis. Adjusted for transaction costs and holding charges, the operating EBITDA was EUR 153.0 million. This is an increase of 15.4% compared with the previous year or 9.6% on a constant currency basis.

V. Depreciation, amortization and financial result

In the second quarter of 2010, depreciation of property, plant and equipment and amortization of intangible assets amounted to EUR 53.7 million and therefore remained roughly constant compared with the previous year. Of this figure, EUR 32.8 million relate to amortization of intangible assets, including in particular the amortization of the customer base, which was capitalized as part of the purchase price allocation following the acquisition of the Brenntag Group by the equity funds advised by BC Partners, Bain Capital and Goldman (EUR 27.0 million). Depreciation of property, plant and equipment totaled EUR 20.9 million.

Due to the sharp drop in base rates for floating-rate loans, finance costs were much lower in the second quarter of 2010 than in the same period of 2009. Furthermore, as the shareholder loan was contributed to the additional paid-in capital of Brenntag AG effective March 28, 2010, there was no interest expense on this sum.

In the prior period, the result from investments accounted for at equity included the loss of EUR 12.7 million from the sale of our share in Staub & Co. Chemiehandelsgesellschaft mbH, Nuremberg. By contrast, the first half of 2010 included no special influences.

VI. Profit before tax

Profit before tax amounted to EUR 64.0 million in the second quarter and more than doubled compared with the prior period. This is due to the good operating performance and a much improved financial result.

Furthermore, with regard to the result for the first half of the year (2010: EUR 67.7 million; 2009: EUR 27.1 million), it must be remembered that in the first half of 2010 costs of the IPO of EUR 5.7 million net (i.e. after the pro-rata charging of costs to Brachem Acquisition S.C.A., Luxembourg) as well as one-off costs in connection with the restructuring of the syndicated loan amounting to EUR 20.8 million and EUR 5.4 million as a result of the early termination of the hedge accounting for certain interest rate swaps are included as expense. Moreover, the result in the first half of 2010 was impacted by the interest expense of EUR 17.0 million on the shareholder loan contributed to the additional paid-in capital of Brenntag AG with effect from March 28, 2010. Adjusted for these items, profit before tax was EUR 116.6 million.

VII. Income taxes and profit after tax

At EUR 25.3 million, the income tax expense in the second quarter was higher than in the same pre-year period as a result of the increase in pre-tax profit. The planned Group tax rate for 2010 was applied when determining tax expense in the second quarter of 2010.

Profit after tax totaled EUR 38.7 million in the second quarter and EUR 40.9 million in the first half of 2010.

Business performance in the segments

The picture for the second quarter of 2010 and the first half of 2010 by segment is as follows:

Brenntag Group

2nd quarter 2010 in EUR m	**Total**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	1,953.8	1.009.5	645.5	188.3	20.1	90.4
Operating gross profit	428.9	220.0	162.2	37.2	5.6	3.9
Operating expenses	−275.9	−146.0	−92.5	−24.7	−3.5	−9.2
Operating EBITDA	**153.0**	**74.0**	**69.7**	**12.5**	**2.1**	**−5.3**

1st half 2010 in EUR m	**Total**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	3,687.6	1.936.9	1.190.7	352.4	38.6	169.0
Operating gross profit	814.6	431.5	296.9	69.0	10.5	6.7
Operating expenses	−527.3	−287.1	−170.8	−46.4	−6.3	−16.7
Operating EBITDA	**287.3**	**144.4**	**126.1**	**22.6**	**4.2**	**−10.0**

Europe

in EUR m	**Q2 2010**	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	1,009.5	858.8	150.7	17.5	15.1
Operating gross profit	220.0	203.0	17.0	8.4	5.7
Operating expenses	−146.0	−137.1	−8.9	6.5	3.5
Operating EBITDA	**74.0**	**65.9**	**8.1**	**12.3**	**10.3**

in EUR m	**H1 2010**	H1 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	1,936.9	1.705.4	231.5	13.6	11.4
Operating gross profit	431.5	401.3	30.2	7.5	5.8
Operating expenses	−287.1	−277.4	−9.7	3.5	2.0
Operating EBITDA	**144.4**	**123.9**	**20.5**	**16.5**	**14.3**

I. External sales, volumes and prices

External sales in Europe rose in the second quarter of 2010 compared with the same period of 2009 by 17.5% to EUR 1,009.5 million, which is an increase of 15.1% on a constant currency basis. This development was driven by a significant increase in both volumes and the average selling price.

Thus, compared with the first half of 2009, external sales increased in the first half of 2010 by 13.6% or 11.4% on a constant currency basis.

II. Operating gross profit

The operating gross profit in the second quarter of 2010 was EUR 220.0 million, which is an increase over the same period of 2009 of 8.4 % or 5.7 % on a constant currency basis.

In the first half of 2010, operating gross profit thus rose by 7.5 % or 5.8 % on a constant currency basis.

III. Operating expenses

Operating expenses rose by 6.5 % to EUR 146.0 million, which is an increase of 3.5 % on a constant currency basis compared with the second quarter of 2009. This rise was mainly due to higher volumes, which impacted transport costs and other volume-related costs. On the other hand, personnel expenses were kept at roughly the same level as the second quarter of 2009. Here, the result of restructuring measures implemented in 2009 had a beneficial effect, enabling us to handle a higher volume of business with roughly the same number of staff as in the same quarter of 2009.

Related to the first half of 2010, operating expenses were 3.5 % higher than in the same period of 2009 and 2.0 % higher on a constant currency basis.

IV. Operating EBITDA

In the second quarter of 2010, the European companies posted operating EBITDA of EUR 74.0 million. Thus operating EBITDA rose compared with the same period of 2009 by 12.3 %. On a constant currency basis, the increase was 10.3 %. This result was achieved in an overall economic environment where industrial output grew compared with the previous year. The efforts of many European governments and central banks to stimulate aggregate demand made some contribution to this development.

Together with the already strong results posted in the first quarter, the European companies thus recorded operating EBITDA of EUR 144.4 million in the first half of 2010, exceeding the result for the first half of 2009 by 16.5 % or 14.3 % on a constant currency basis.

North America

in EUR m	**Q2 2010**	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	645.5	513.0	132.5	25.8	15.9
Operating gross profit	162.2	135.1	27.1	20.1	10.8
Operating expenses	−92.5	−79.0	−13.5	17.1	7.7
Operating EBITDA	**69.7**	**56.1**	**13.6**	**24.2**	**15.2**

in EUR m	**H1 2010**	H1 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	1,190.7	1.077.6	113.1	10.5	7.7
Operating gross profit	296.9	276.3	20.6	7.5	4.8
Operating expenses	−170.8	−162.3	−8.5	5.2	2.3
Operating EBITDA	**126.1**	**114.0**	**12.1**	**10.6**	**8.2**

I. External sales, volumes and prices

In the North America segment, we posted external sales of EUR 645.5 million in the second quarter of 2010 as a result of significantly higher volumes. Compared with the second quarter of 2009, this is a growth rate of 25.8% and 15.9% on a constant currency basis. The average selling price was, however, slightly lower than in the second quarter of 2009.

Thus compared with the first half of 2009, external sales for the first half of 2010 increased by 10.5% or 7.7% on a constant currency basis.

II. Operating gross profit

The operating gross profit of the North American companies totaled EUR 162.2 million in the second quarter of 2010, an increase of 20.1% compared with the same period in 2009. On a constant currency basis, operating gross profit rose by 10.8%.

Related to the first half of 2010, the increase in the operating gross profit was 7.5% or 4.8% on a constant currency basis.

III. Operating expenses

At EUR 92.5 million, operating expenses in the second quarter of 2010 increased by 17.1% compared with expenses in the second quarter of 2009. On a constant currency basis, operating costs rose by 7.7%. This rise was mainly driven by an increase in the volume of business that was reflected in particular in higher personnel costs as more staff were taken on.

In the first half of 2010, operating expenses were 5.2% up on the figure for the previous year and only 2.3% higher on a constant currency basis.

IV. Operating EBITDA

The North American companies posted excellent operating EBITDA of EUR 69.7 million in the second quarter of 2010, exceeding the previous year's results by 24.2% or 15.2% on a constant currency basis. Compared with the first quarter of 2010, this is a much stronger growth in results, mainly due to the development of operating gross profit.

Overall, we recorded operating EBITDA of EUR 126.1 million in the first half of 2010. That is an increase of 10.6% or 8.2% on a constant currency basis compared with the first half of 2009.

Latin America

in EUR m	Q2 2010	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	188.3	145.3	43.0	29.6	15.3
Operating gross profit	37.2	29.7	7.5	25.3	12.9
Operating expenses	−24.7	−18.9	−5.8	30.7	18.4
Operating EBITDA	**12.5**	**10.8**	**1.7**	**15.7**	**3.4**

in EUR m	H1 2010	H1 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	352.4	306.9	45.5	14.8	7.2
Operating gross profit	69.0	59.2	9.8	16.6	9.2
Operating expenses	−46.4	−38.8	−7.6	19.6	12.6
Operating EBITDA	**22.6**	**20.4**	**2.2**	**10.8**	**2.7**

I. External sales, volumes and prices

The Latin American companies posted external sales of EUR 188.3 million in the second quarter of 2010, well exceeding the figure for the same period of 2009 by 29.6 % or 15.3 % on a constant currency basis. They managed to significantly increase both volumes and the average selling price.

Thus external sales grew by 14.8 % in the first half of 2010, which corresponds to an increase of 7.2 % on a constant currency basis.

II. Operating gross profit

In the second quarter, operating gross profit increased by 25.3 % (12.9 % on a constant currency basis) to EUR 37.2 million. The main reason for this development was higher volumes compared with the previous year.

Related to the first half of 2010, operating gross profit rose by 16.6 % and 9.2 % on a constant currency basis.

III. Operating expenses

Operating expenses amounted to EUR 24.7 million in the second quarter of 2010, an increase of 30.7 % or 18.4 % on a constant currency basis. This rise was mainly driven by higher volume-related expenses, in particular transport costs and warehouse rents. Furthermore, some companies increased their headcount as business expanded which in turn led to higher personnel expenses overall.

IV. Operating EBITDA

Our companies in the Latin America segment posted operating EBITDA of EUR 12.5 million in the second quarter of 2010. Therefore, they managed to record an increase of 15.7 % compared with the same period of 2009, or 3.4 % on a constant currency basis. Measured by industrial output, the Latin American economies expanded significantly in the second quarter of 2010.

Against this overall economic backdrop, our Latin American companies increased operating EBITDA in the first half of 2010 by 10.8 % or 2.7 % on a constant currency basis compared with the same period of 2009.

Asia Pacific

in EUR m	Q2 2010	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	20.1	14.2	5.9	41.5	21.4
Operating gross profit	5.6	3.5	2.1	60.0	38.5
Operating expenses	−3.5	−3.0	−0.5	16.7	0.0
Operating EBITDA	**2.1**	**0.5**	**1.6**	**320.0**	**250.0**

in EUR m	H1 2010	H1 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	38.6	28.0	10.6	37.9	21.4
Operating gross profit	10.5	6.6	3.9	59.1	41.9
Operating expenses	−6.3	−5.3	−1.0	18.9	5.0
Operating EBITDA	**4.2**	**1.3**	**2.9**	**223.1**	**200.0**

The Asia Pacific segment established with effect from September 30, 2008 developed very positively in the reporting period. Following the takeover of the distribution activities of the Rhodia Group, Brenntag now operates in eleven countries in the region. Since then the new segment has been delivering a convincing performance with steady growth.

External sales amounted to EUR 20.1 million in the second quarter and thus increased by 41.5 % or 21.4 % on a constant currency basis compared with the second quarter of 2009. This development was mainly driven by higher volumes.

Operating gross profit rose by 60.0 % (38.5 % on a constant currency basis) to EUR 5.6 million. Despite the positive volume-driven development of external sales, operating expenses only increased moderately compared with the second quarter of 2009.

In the second quarter of 2010, we posted operating EBITDA of EUR 2.1 million and thus more than tripled the second-quarter 2009 result (320.0 %). On a constant currency basis, operating EBITDA rose by 250.0 %. Together with the already high-growth first quarter, operating EBITDA increased in the first half of 2010 by 223.1 % (200.0 % on a constant currency basis) compared with the same period in 2009. These figures do not include any effects of the acquisition of EAC Industrial Ingredients Ltd. A/S, Copenhagen, on the result.

All other segments

in EUR m	Q2 2010	Q2 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	90.4	52.4	38.0	72.5	72.5
Operating gross profit	3.9	3.4	0.5	14.7	14.7
Operating expenses	−9.2	−4.1	−5.1	124.4	124.4
Operating EBITDA	**−5.3**	**−0.7**	**−4.6**	**657.1**	**657.1**

in EUR m	H1 2010	H1 2009	Change abs.	Change in %	Change in % (fx adj.)
External sales	169.0	85.5	83.5	97.7	97.7
Operating gross profit	6.7	5.8	0.9	15.5	15.5
Operating expenses	−16.7	−11.1	−5.6	50.5	50.5
Operating EBITDA	**−10.0**	**−5.3**	**−4.7**	**88.7**	**88.7**

In addition to various holding companies and our sourcing activities in China, All Other Segments contains the operations of Brenntag International Chemicals, which buys and sells chemicals in bulk on an international scale without regional boundaries.

In the second quarter of 2010, Brenntag International Chemicals GmbH, Mülheim an der Ruhr, almost reached the operating EBITDA recorded in the previous year. In the holding companies including the sourcing activities in China, which we have expanded since the second quarter of 2009, costs were higher than in the pre-year second quarter. In addition, this includes costs for the acquisition of EAC Industrial Ingredients Ltd. A/S, Copenhagen, as well as the running costs connected with the listing of Brenntag AG.

Operating EBITDA in the second quarter of 2010 amounted to EUR −5.3 million, thus falling by EUR −4.6 million compared with the second quarter of 2009. Operating EBITDA in the first half of 2010 amounted to EUR −10.0 million and thus dropped by EUR −4.7 million compared with the result for the same period of 2009.

DEVELOPMENT OF FREE CASH FLOW

in EUR m	H1 2010	H1 2009	Change abs.	Change in %
EBITDA (incl. transaction costs)	281.3	253.7	27.6	10.9
Investments in non-current assets (Capex)	−25.8	−19.5	−6.3	32.3
Change in working capital[1)]	−123.2	194.1	−317.3	−163.5
Free cash flow	**132.3**	**428.3**	**−296.0**	**−69.1**

[1)] *See information on the cash flow statement on page 45.*

Free cash flow is defined as EBITDA less other additions to property, plant and equipment less other additions to acquired software, licenses and similar rights (Capex) plus / less changes in working capital; working capital is defined as trade receivables plus inventories less trade payables.

The Group's free cash flow amounted to EUR 132.3 million in the reporting period and thus decreased by 69.1 % compared with the previous year (EUR 428.3 million). The main reason for this decrease was the increase in working capital, which had fallen sharply in the prior period as a result of declining business activity; however, working capital was held to a slower rate of increase than sales so that the annualized working capital turnover rate rose from 8.6 in the first half of 2009 to 10.7 in the reporting period.

FINANCIAL POSITION

Financing

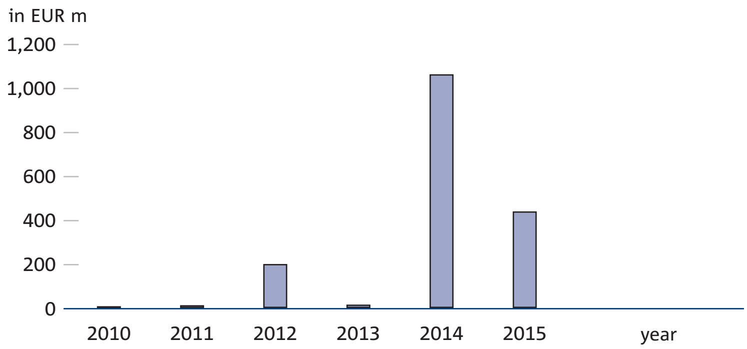
The most important component in Brenntag's financing structure is Group-wide loan agreements that we have concluded with a consortium of international banks. This syndicated loan entered into effect on January 18, 2006, was amended in important points with effect from March 31, 2010 and adjusted to the changed conditions following the company's IPO. As at June 30, 2010, liabilities under this loan (excluding accrued interest and transaction costs) totaled EUR 1,527.6 million. As contractually required, we repaid EUR 227.3 million in the second quarter of 2010 under the syndicated loan. We also took the opportunity to use cash inflow of EUR 69.0 million from the IPO to make capital repayments under the so-called Second Lien Facility of the syndicated loan.

Our financing is largely provided by long-term financing instruments which are broken down into various tranches with different maturity dates. Our plans provide for the capital requirements for operating activities and investments in property, plant and equipment to be covered by the cash provided by operating activities so that no further loans are necessary for the operating business. As part of the syndicated loan, we also have a revolving credit facility available to provide periodic liquidity.

Some of our subsidiaries are direct borrowers under the syndicated loan. Other subsidiaries obtain their financing from intra-Group loans provided by other Brenntag companies. Two companies in Luxembourg, which are borrowers under the loan agreement, exist specifically for this purpose. All major Group companies are liable for the liabilities under the syndicated loan and have pledged substantial parts of their assets as security in favor of the lenders.

Alongside the syndicated loan, an international accounts receivable securitization programme is an important component of Group funding. Eleven Brenntag companies in five countries regularly sell trade receivables as part of this programme. We have financial liabilities of some EUR 182.1 million (excluding transaction costs) pursuant to this accounts receivable securitization programme. Towards the end of 2009, an agreement was reached with the banks involved to extend the maturity date by two years so the programme will continue until January 2012. Furthermore, some of our companies make use of credit lines with local banks on a minor scale in consultation with the Group Treasury department.

MATURITY DATE PROFILE OF OUR LOAN PORTFOLIO as at June 30, 2010



In our opinion, the credit lines and liquid funds available are adequate to cover the future liquidity needs of our Group, even if requirements should change unexpectedly.

Cash Flow

in EUR m	H1 2010	H1 2009
Cash flow used for / provided by operating activities	**−15.1**	**340.1**
Cash used for investing activities	**−31.2**	**−26.3**
Purchases of consolidated subsidiaries, other business units and other financial assets	*−4.2*	*−13.3*
Purchases of other investments	*−30.3*	*−22.6*
Proceeds from divestments	*3.3*	*9.6*
Cash used for financing activities	**−168.3**	**−54.8**
Change in cash and cash equivalents	**−214.6**	**259.0**

The cash of the Group used for operating activities totaled EUR 15.1 million in the reporting period. The decrease compared with the previous year is mainly a result of the build-up of working capital, which had fallen significantly in the previous year due to a decline in business activities. However, it was possible to keep the increase in working capital at a relatively low level compared with the development of sales so that the annualized working capital turnover rate rose from 8.6 in the first half of 2009 to 10.7 in the reporting period. In addition, interest payments on the Mezzanine Facilities repaid in full as part of the IPO also reduced the operating cash flow by EUR 64.2 million.

Cash used for investing activities totaled EUR 31.2 million. The funds were used for the purchase of consolidated subsidiaries and other business units (EUR 2.9 million) and financial assets (EUR 1.3 million) as well as for investments in intangible assets and property, plant and equipment (EUR 30.3 million).

The cash used for financing activities includes cash inflows from the IPO (EUR 525.0 million less charges of EUR 12.9 million) and cash outflows above all for the repayment of financial liabilities (EUR 686.1 million). Of this figure, EUR 451.9 million was used for early repayments in connection with the IPO and EUR 227.3 million for capital repayments from cash surplus generated in the prior period in line with the terms of the syndicated loan.

Investments

In the first half of 2010, investment in property, plant and equipment and intangible assets (excluding additions from company acquisitions) led to a total cash outflow of EUR 30.3 million (June 30, 2009: EUR 22.6 million).

We regularly invest in the maintenance and replacement of the infrastructure we require to perform our services such as warehouses, offices, trucks and vehicles of our field service as well as IT hardware for various systems.

As a market leader and a responsible chemicals distributor, we attach the greatest importance to ensuring that our property, plant and equipment meet or exceed all health, safety and environmental requirements.

Major investment projects in the reporting period were:

- Modernization of Loire Bretagne, France (EUR 1.0 million): The acids and lyes facilities at the site near Nantes are being modernized. The investment will ensure that the facility meets the latest environmental and safety requirements.

- Warehouse in Swansea, UK (EUR 0.5 million): The warehouse is part of the development of a successful base in the region and will promote growth of volumes and margins in strategically important markets.

- Bentivoglio site, Italy (EUR 1.0 million): Merger of two sites for the acids and lyes business into one. The investment is to strengthen existing business and permit growth through efficiency improvements.

- Coastal, USA (EUR 0.6 million): The company sells products and provides services for the oil and gas industry. In view of the positive development of business, investments were made in storage tanks.

FINANCIAL AND ASSETS POSITION

in EUR m	June 30, 2010	in %	Dec. 31, 2009	in %
Assets				
Current assets	**2,179.3**	**43.7**	**1,966.3**	**42.3**
Cash and cash equivalents	411.3	8.2	602.6	12.9
Trade receivables	1.124.7	22.6	831.4	17.9
Other receivables and assets	114.8	2.3	110.0	2.4
Inventories	528.5	10.6	422.3	9.1
Non-current assets	**2,805.7**	**56.3**	**2,687.5**	**57.7**
Intangible assets [1)]	1,875.2	37.6	1,785.9	38.4
Other fixed assets	839.0	16.9	802.7	17.2
Receivables and other assets	91.5	1.8	98.9	2.1
Total assets	**4,985.0**	**100.0**	**4,653.8**	**100.0**
Liabilities and Equity				
Current liabilities	**1,357.5**	**27.2**	**1,084.7**	**23.3**
Borrowings	1,357.5	27.2	1,084.7	23.3
Provisions	58.8	1.2	56.1	1.2
Trade payables	877.7	17.6	655.6	14.1
Financial liabilities	78.2	1.5	61.5	1.3
Miscellaneous liabilities	342.8	6.9	311.5	6.7
Equity and non-current liabilities	**3,627.5**	**72.8**	**3,569.1**	**76.7**
Equity	1,545.1	31.0	172.3	3.7
Borrowings	2,082.4	41.8	3,396.8	73.0
Provisions	212.1	4.3	193.9	4.2
Financial liabilities	1,754.0	35.2	3,077.0	66.1
Miscellaneous liabilities	116.3	2.3	125.9	2.7
Total liabilities and equity	**4,985.0**	**100.0**	**4,653.8**	**100.0**

[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.*

As of June 30, 2010, total assets had increased by 7.1 % to EUR 4,985.0 million (December 31, 2009: EUR 4,653.8 million).

Cash and cash equivalents fell by 31.8 % to EUR 411.3 million (December 31, 2009: EUR 602.6 million). This decrease is mainly due to repayments of EUR 227.3 million under the Senior Facility Agreements in April and May in line with the terms of the syndicated loan and to repayments of EUR 69.0 million under the Second Lien Facility Agreement of the syndicated loan.

Working capital, defined as trade receivables plus inventories less trade payables, developed as follows in the reporting period:

- Trade receivables increased in the reporting period by 35.3 % to EUR 1,124.7 million (December 31, 2009: EUR 831.4 million). This rise is due to higher sales revenue and exchange rate effects. The increase was partly offset by systematic receivables management.

- Inventories rose by 25.1 % to EUR 528.5 million in the 2010 reporting period (December 31, 2009: EUR 422.3 million). This was mainly due to higher sales. However, thanks to improved warehouse logistics, we also managed to increase our inventory turnover rate.

- By contrast, trade payables increased by 33.9 % to EUR 877.7 million (December 31, 2009: EUR 655.6 million) also as a result of higher sales and exchange rate effects.

However, overall it was possible to keep the increase in working capital, which had fallen sharply in the prior period as a result of declining business activity, at a relatively low level compared with the development of sales so that the annualized working capital turnover rate rose from 8.6 in the first half of 2009 to 10.7 in the reporting period.

Other current receivables and assets increased by 4.4 % to EUR 114.8 million in the reporting period (December 31, 2009: EUR 110.0 million).

The intangible assets and other fixed assets of the Brenntag Group rose by 4.9 % or EUR 125.6 million to EUR 2,714.2 million (December 31, 2009: EUR 2,588.6 million). The change was mainly a result of investments in non-current assets (Capex) of EUR 25.8 million, depreciation and amortization of EUR 104.9 million and positive exchange rate effects of EUR 190.4 million.

Non-current receivables and other assets decreased in the 2010 reporting period by 7.5 % to EUR 91.5 million (December 31, 2009: EUR 98.9 million). This development is mainly due to the offsetting of the receivables from Brachem Acquisition S.C.A., Luxembourg, against the shareholder loan granted to Brenntag AG by its parent company.

Current financial liabilities increased by EUR 16.7 million to EUR 78.2 million (December 31, 2009: EUR 61.5 million).

The non-current financial liabilities fell in the reporting period by EUR 1,323.0 million or 43.0 % to EUR 1,754.0 million (December 31, 2009: EUR 3,077.0 million). This decrease resulted, on the one hand, mainly from the contribution of the shareholder loan granted by Brachem Acquisition S.C.A., Luxembourg, (December 31, 2009: EUR 702.2 million) including interest accrued up to March 28, 2010 to the additional paid-in capital of Brenntag AG. On the other hand, the decrease was due to the repayment in full of borrowings under the Mezzanine Facility Agreement (EUR 438.6 million including accrued interest as at March 31, 2010) as well as repayments under the Senior Facility Agreements (EUR 227.3 million) and the Second Lien Facility Agreement (EUR 69.0 million).

Current and non-current provisions total EUR 270.9 million (December 31, 2009: EUR 250.0 million). This figure includes pension provisions of EUR 57.8 million (December 31, 2009: EUR 54.4 million).

As of June 30, 2010, the equity of the Brenntag Group totaled EUR 1,545.1 million (December 31, 2009: EUR 172.3 million). The increase in equity is mainly due to the contribution of the shareholder loan of EUR 714.9 million to the additional paid-in capital by the parent company, Brachem Acquisition S.C.A., Luxembourg, and the issuance of 10.5 million new shares.

EMPLOYEES

As of June 30, 2010, Brenntag had 11,059 employees worldwide (June 30, 2009: 10,938). The number of employees is determined on the basis of full-time equivalents, i.e. part-time jobs are weighted according to the number of hours worked.

The following table shows the number of employees per segment:

Full Time Equivalents (FTE)	**June 30, 2010**	in %	Dec. 31, 2009	in %
Europe	6,088	55.1	6,050	55.6
North America	3,411	30.8	3,321	30.6
Latin America	1,242	11.2	1,199	11.0
Asia Pacific	188	1.7	182	1.7
All Other Segments	130	1.2	124	1.1
Brenntag Group	**11,059**	**100.0**	**10,876**	**100.0**

SUBSEQUENT EVENTS

In July 2010, all the shares in the Danish company, EAC Industrial Ingredients Ltd. A/S were acquired. The company is headquartered in Copenhagen and operates in the Asia Pacific area with a total of 20 subsidiaries in nine countries and 27 distribution sites. The purchase price is some EUR 160 million including the net borrowings taken over. This acquisition strengthens Brenntag's strategic position and local presence in the Asia Pacific growth region.

Furthermore, the industrial chemicals business of the US chemical distributor, Houghton Chemical Corporation, was taken over at the beginning of August for a purchase price of USD 7.1 million. This acquisition enables Brenntag to increase its market share, primarily in the New England states, and to improve its position in focused industries such as pharmaceuticals, personal care and ACES (Adhesives, Coatings, Elastomers, Sealants).

RISK REPORT

Our business policy is geared to steadily improving the efficiency and earning power of our Group. The companies of the Brenntag Group are faced with a large number of risks which may arise from their chemical distribution and related business activities. At the same time, these business activities not only lead to risks but also to many opportunities to safeguard and enhance the company's competitiveness.

The Brenntag Group monitors these risks using its risk management system which is an integral part of the planning, control and reporting processes of all operational and legal units as well as the central functions.

In the second quarter of 2010, there were no significant changes in the opportunities and risks for the Brenntag Group described in detail in the interim report for the first quarter of 2010. From today's point of view, there are no indications of any risks which may jeopardize the continued existence of the company.

FORECAST REPORT

According to most forecasts, the majority of industrialized countries have now returned to a path of growth, albeit at a low level, whilst the strong growth of the emerging economies is having a positive impact on the global economy and global industrial output. There are, however, a number of macroeconomic risks that could impair this development. Increasing cuts in public-sector budgets and an uncertain situation on the labor markets may have a negative impact on domestic demand. Persistent uncertainty with regard to default risks on national debt may lead to renewed tension on the financial markets with consequent effects on the real economy. Therefore, we are expecting a positive, but rather subdued, development of the global economy in the coming months.

Given the development of results in the first six months of 2010, the trends observed in our business performance as well as the overall economic situation, we are expecting operating EBITDA, which in particular does not include the cost of the IPO, to be between EUR 570 million and EUR 600 million for 2010 as a whole. Here we have assumed that the US-dollar exchange rate will stay more or less at the current level. The improved overall economic environment should continue to have a positive effect on sales revenue and operating gross profit. Furthermore, we are expecting operating costs to increase moderately, largely as a result of expanding business. We believe that the acquisition of EAC Industrial Ingredients Ltd. A/S, Copenhagen, will also have a positive impact on the development of results in the Asia Pacific segment; however, the integration costs expected for this year will eat up a substantial part of the contribution made by EAC Industrial Ingredients Ltd. A/S to results.

The IPO has enabled Brenntag to strengthen its equity base and reduce net borrowings. This will have a positive effect on the financial result and thus on profit before tax. Amortization of intangible assets will also fall significantly from the fourth quarter 2010 on. This is due to the fact that the customer base capitalized as part of the purchase price allocation following the acquisition of the Brenntag Group by the equity funds advised by BC Partners, Bain Capital and Goldman will then be fully amortized.

As regards the development of working capital, we do not expect to see any significant increase at year-end over the level on June 30, 2010. This is, on the one hand, due to the fact that working capital is higher at the middle of the year than at the end because of seasonal influences. We do not anticipate that the expected increase in the volume of business will overcompensate this seasonal effect. On the other hand, the development of working capital should be positively affected by the fact that we are further optimizing the maturity terms of our trade receivables and payables and our inventory levels. Moreover, we are expecting investments in property, plant and equipment to be slightly lower than the level of depreciation.

We will also continue to develop our product portfolio to suit the demands of the regional markets and focus on access to new products and markets as well as growth segments. This includes the attractive customer industries of oil and gas, water treatment, personal care, food and pharmaceuticals as well as the fields of adhesives, coatings, paints and elastomers.

We are also aiming to expand business with global and multi-regional key accounts, which benefit particularly from our broad geographical presence and our extensive product portfolio. Furthermore, we are currently concentrating particularly on optimizing our warehouse and transportation logistics to improve our cost structure.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

from January 1 to June 30, 2010

CONSOLIDATED INCOME STATEMENT (IFRS)

from January 1 to June 30, 2010

in EUR m	Note	Jan. 1 – June 30, 2010	Jan. 1 – June 30, 2009	April 1 – June 30, 2010	April 1 – June 30, 2009
Sales		3,687.6	3,203.4	1,953.8	1,583.7
Cost of goods sold		−2,891.4	−2,468.4	−1,534.6	−1,216.1
Gross profit		**796.2**	**735.0**	**419.2**	**367.6**
Selling expenses		−565.7	−531.9	−293.0	−263.7
Administrative expenses		−62.0	−57.2	−33.0	−26.6
Other operating income	1	25.8	19.6	11.3	9.9
Other operating expenses	2	−17.9	−15.8	−5.4	−7.5
Operating profit		**176.4**	**149.7**	**99.1**	**79.7**
Result of investments accounted for at equity		2.4	−11.7	1.2	1.6
Finance income	3	5.7	5.2	2.3	2.5
Finance costs	4	−114.5	−117.4	−36.5	−57.5
Distribution to minorities under IAS 32		−0.6	−0.5	−0.2	−0.4
Other financial result		−1.7	1.8	−1.9	3.0
Financial result		**−108.7**	**−122.6**	**−35.1**	**−50.8**
Profit before tax		**67.7**	**27.1**	**64.0**	**28.9**
Income taxes	5	−26.8	−28.7	−25.3	−12.6
Profit / loss after tax		**40.9**	**−1.6**	**38.7**	**16.3**
Attributable to:					
Shareholders of Brenntag AG		*39.8*	*−2.0*	*38.2*	*15.9*
Minority shareholders		*1.1*	*0.4*	*0.5*	*0.4*
Undiluted earnings per share in EUR	6	**0.86**	**−0.05**	**0.74**	**0.39**
Diluted earnings per share in EUR	6	**0.86**	**−0.05**	**0.74**	**0.39**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

from January 1 to June 30, 2010

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009	**April 1 – June 30, 2010**	April 1 – June 30, 2009
Profit / loss after tax	**40.9**	**−1.6**	**38.7**	**16.3**
Change in exchange rate differences	102.2	−1.3	50.3	−9.9
Change in cash flow hedge reserve	9.1	−4.8	4.7	2.4
Deferred tax on components of other comprehensive income	−3.0	1.0	−1.6	−0.8
Other comprehensive income	**108.3**	**−5.1**	**53.4**	**−8.3**
Total comprehensive income	**149.2**	**−6.7**	**92.1**	**8.0**
Attributable to:				
Shareholders of Brenntag AG	*148.2*	*−6.1*	*92.7*	*6.8*
Minority shareholders	*1.0*	*−0.6*	*−0.6*	*1.2*

CONSOLIDATED BALANCE SHEET (IFRS)

as of June 30, 2010

ASSETS

in EUR m	June 30, 2010	Dec. 31, 2009
Current Assets		
Cash and cash equivalents	411.3	602.6
Trade receivables	1,124.7	831.4
Other receivables	86.0	85.2
Other financial assets	10.5	6.3
Current tax assets	15.7	15.3
Inventories	528.5	422.3
Non-current assets held for sale	2.6	3.2
	2,179.3	**1,966.3**
Non-current Assets		
Property, plant and equipment	815.9	784.1
Intangible assets	1,875.2	1,785.9
Investments accounted for at equity	23.1	18.6
Other receivables	23.0	21.3
Other financial assets	6.6	10.6
Deferred tax assets	61.9	67.0
	2,805.7	**2,687.5**
Total assets	**4,985.0**	**4,653.8**

LIABILITIES AND EQUITY

in EUR m	Note	June 30, 2010	Dec. 31, 2009
Current Liabilities			
Trade payables		877.7	655.6
Financial liabilities	7	78.2	61.5
Other liabilities		337.7	309.0
Other provisions	8	58.8	56.1
Current tax liabilities		5.1	2.5
		1,357.5	**1,084.7**
Non-current Liabilities			
Financial liabilities	7	1,754.0	3,077.0
Other liabilities		2.0	1.7
Other provisions	8	154.3	139.5
Provisions for pensions and similar obligations		57.8	54.4
Liabilities to minorities under IAS 32		1.4	2.1
Deferred tax liabilities		112.9	122.1
		2,082.4	**3,396.8**
Equity	9		
Subscribed capital [1)]		51.5	–
Additional paid-in capital		1,557.4	381.6
Retained earnings		−103.7	−143.5
Other comprehensive income		34.4	−74.0
Equity attributable to Brenntag shareholders		**1,539.6**	**164.1**
Equity attributable to minority shareholders		5.5	8.2
		1,545.1	**172.3**
Total liabilities and equity		**4,985.0**	**4,653.8**

[1)] *Prior period EUR 25.0 k.*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

from January 1 to June 30, 2010

in EUR m	Subscribed capital [1]	Additional paid-in capital	Retained earnings
December 31, 2009	**–**	**381.6**	**−143.5**
Capital increases	51.5	1,175.8	–
Dividends	–	–	–
Profit/loss after tax	–	–	39.8
Income and expenses recognized directly in equity	–	–	–
Total income and expense for the period	**–**	**–**	**39.8**
June 30, 2010	**51.5**	**1,557.4**	**−103.7**

[1] *Prior period: EUR 25.0 k.*
[2] *Exchange rate differences.*

from January 1 to June 30, 2009

in EUR m	Subscribed capital [1]	Additional paid-in capital	Retained earnings
December 31, 2008	**–**	**341.6**	**−142.1**
Capital increases	–	40.0	–
Dividends	–	–	–
Profit/loss after tax	–	–	−2.0
Income and expenses recognized directly in equity	–	–	–
Total income and expense for the period		**–**	**−2.0**
June 30, 2009	**–**	**381.6**	**−144.1**

[1] *Prior period: EUR 25.0 k.*
[2] *Exchange rate differences.*

Exchange rate differences	Cash flow hedge reserve	Deferred tax	Equity attributable to Brenntag shareholders	Minority interests	Equity
−56.5	**−26.7**	**9.2**	**164.1**	**8.2**	**172.3**
–	–	–	1,227.3	–	1,227.3
–	–	–	–	−3.7	−3.7
–	–	–	39.8	1.1	40.9
102.3	9.1	−3.0	108.4	−0.1[2)]	108.3
102.3	**9.1**	**−3.0**	**148.2**	**1.0**	**149.2**
45.8	**−17.6**	**6.2**	**1,539.6**	**5.5**	**1,545.1**

Exchange rate differences	Cash flow hedge reserve	Deferred tax	Equity attributable to Brenntag shareholders	Minority interests	Equity
−63.7	**−25.3**	**8.4**	**118.9**	**9.4**	**128.3**
–	–	–	40.0	–	40.0
–	–	–	–	−1.7	−1.7
–	–	–	−2.0	0.4	−1.6
−0.3	−4.8	1.0	−4.1	−1.0[2)]	−5.1
−0.3	**−4.8**	**1.0**	**−6.1**	**−0.6**	**−6.7**
−64.0	**−30.1**	**9.4**	**152.8**	**7.1**	**159.9**

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

from January 1 to June 30, 2010

in EUR m	Note 10	Jan. 1 – June 30, 2010	Jan. 1 – June 30, 2009	April 1 – June 30, 2010	April 1 – June 30, 2009
Profit/loss after tax		**40.9**	**−1.6**	**38.7**	**16.3**
Depreciation and amortization		104.9	104.0	53.7	52.5
Income taxes	5	26.8	28.7	25.3	12.6
Income tax payments		−25.2	−48.7	−15.2	−34.4
Interest result	3, 4	108.8	112.2	34.2	55.0
Interest payments (netted against interest received)		−134.5	−86.6	−30.4	−16.4
Dividends received		–	0.8	–	0.8
Changes in provisions		−2.8	−5.5	1.7	0.2
Changes in current assets and liabilities					
Inventories		−64.6	133.3	−38.4	48.3
Receivables		−234.9	65.1	−85.9	17.4
Liabilities		189.7	3.6	78.6	28.9
Non-cash distribution under IAS 32		0.6	0.5	0.2	0.4
Other non-cash items		−24.8	34.3	−5.3	1.9
Cash used for/provided by operating activities		**−15.1**	**340.1**	**57.2**	**183.5**
Proceeds from disposals of investments accounted for at equity		–	7.4	–	7.4
Proceeds from disposals of other financial assets		0.7	0.1	0.7	−0.1
Proceeds from disposals of intangible assets as well as property, plant and equipment		2.6	2.1	2.1	1.3
Purchases of consolidated subsidiaries and other business units		−2.9	−12.1	−0.6	−0.5
Purchases of other financial assets		−1.3	−1.2	−0.1	−0.4
Purchases of intangible assets as well as property, plant and equipment		−30.3	−22.6	−15.3	−10.6
Cash used for investing activities		**−31.2**	**−26.3**	**−13.2**	**−2.9**
Capital increases		525.0	40.0	–	–
Payments in connection with the capital increase		−12.9	–	−6.3	–
Dividends paid to minority shareholders		−1.4	−2.0	−1.3	−1.4
Proceeds from borrowings		7.1	–	−1.0	–
Repayments of borrowings		−686.1	−92.8	−297.9	−78.1
Cash used for financing activities		**−168.3**	**−54.8**	**−306.5**	**−79.5**
Change in cash and cash equivalents		**−214.6**	**259.0**	**−262.5**	**101.1**
Change in cash and cash equivalents due to currency gains/losses		23.3	−1.3	9.8	−2.8
Cash and cash equivalents at beginning of period/beginning of quarter		602.6	298.7	664.0	458.1
Cash and cash equivalents at end of quarter		**411.3**	**556.4**	**411.3**	**556.4**

CONDENSED NOTES

as of June 30, 2010

KEY FINANCIAL FIGURES BY SEGMENT

Segment reporting in accordance with IFRS 8 for the period from January 1 to June 30 in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Consoli-dation	**Group**
External sales	2010	1,936.9	1,190.7	352.4	38.6	169.0	–	3,687.6
	2009	1,705.4	1,077.6	306.9	28.0	85.5	–	3,203.4
	Change in %	13.6	10.5	14.8	37.9	97.7	–	15.1
	fx adjusted change in %	11.4	7.7	7.2	21.4	97.7	–	12.1
Inter-segment sales	2010	2.3	1.9	8.1	–	0.9	−13.2	–
	2009	1.4	1.7	10.4	–	0.3	−13.8	–
Operating gross profit [1]	2010	431.5	296.9	69.0	10.5	6.7	–	814.6
	2009	401.3	276.3	59.2	6.6	5.8	–	749.2
	Change in %	7.5	7.5	16.6	59.1	15.5	–	8.7
	fx adjusted change in %	5.8	4.8	9.2	41.9	15.5	–	6.1
Gross profit	2010	–	–	–	–	–	–	796.2
	2009	–	–	–	–	–	–	735.0
	Change in %	–	–	–	–	–	–	8.3
	fx adjusted change in %	–	–	–	–	–	–	5.7
Operating EBITDA	2010	144.4	126.1	22.6	4.2	−10.0	–	287.3
	2009	123.9	114.0	20.4	1.3	−5.3	–	254.3
	Change in %	16.5	10.6	10.8	223.1	88.7	–	13.0
	fx adjusted change in %	14.3	8.2	2.7	200.0	88.7	–	10.1
EBITDA	2010	–	–	–	–	–	–	281.3
	2009	–	–	–	–	–	–	253.7
	Change in %	–	–	–	–	–	–	10.9
	fx adjusted change in %	–	–	–	–	–	–	8.1
Operating EBITDA / Operating gross profit [1]	2010 in %	33.5	42.5	32.8	40.0	−149.3	–	35.3
	2009 in %	30.9	41.3	34.5	19.7	−91.4	–	33.9
Investments in non-current assets (Capex) [2]	2010	17.0	6.5	2.1	0.1	0.1	–	25.8
	2009	14.2	3.6	1.4	0.3	–	–	19.5

[1] *External sales less cost of materials.*
[2] *Investments in non-current assets are other additions to property, plant and equipment and intangible assets.*

KEY FINANCIAL FIGURES BY SEGMENT

Segment reporting in accordance with IFRS 8 for the period from April 1 to June 30 in EUR m		Europe	North America	Latin America	Asia Pacific	All other segments	Consoli-dation	**Group**
External sales	2010	1,009.5	645.5	188.3	20.1	90.4	–	1,953.8
	2009	858.8	513.0	145.3	14.2	52.4	–	1,583.7
	Change in %	17.5	25.8	29.6	41.5	72.5	–	23.4
	fx adjusted change in %	15.1	15.9	15.3	21.4	72.5	–	17.3
Inter-segment sales	2010	1.3	1.0	4.4	–	0.8	−7.5	–
	2009	0.7	0.7	4.1	–	0.1	−5.6	–
Operating gross profit [1]	2010	220.0	162.2	37.2	5.6	3.9	–	428.9
	2009	203.0	135.1	29.7	3.5	3.4	–	374.7
	Change in %	8.4	20.1	25.3	60.0	14.7	–	14.5
	fx adjusted change in %	5.7	10.8	12.9	38.5	14.7	–	8.6
Gross profit	2010	–	–	–	–	–	–	419.2
	2009	–	–	–	–	–	–	367.6
	Change in %	–	–	–	–	–	–	14.0
	fx adjusted change in %	–	–	–	–	–	–	8.2
Operating EBITDA	2010	74.0	69.7	12.5	2.1	−5.3	–	153.0
	2009	65.9	56.1	10.8	0.5	−0.7	–	132.6
	Change in %	12.3	24.2	15.7	320.0	657.1	–	15.4
	fx adjusted change in %	10.3	15.2	3.4	250.0	657.1	–	9.6
EBITDA	2010	–	–	–	–	–	–	152.8
	2009	–	–	–	–	–	–	132.3
	Change in %	–	–	–	–	–	–	15.5
	fx adjusted change in %	–	–	–	–	–	–	9.7
Operating EBITDA / Operating gross profit [1]	2010 in %	33.6	43.0	33.6	37.5	−135.9	–	35.7
	2009 in %	32.5	41.5	36.4	14.3	−20.6	–	35.4
Investments in non-current assets (Capex) [2]	2010	10.3	4.0	1.2	–	–	–	15.5
	2009	7.9	2.2	0.7	0.2	–	–	11.0

[1] External sales less cost of materials.
[2] Investments in non-current assets are other additions to property, plant and equipment and intangible assets.

GROUP KEY FINANCIAL FIGURES

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009	**Apr. 1 – June 30, 2010**	Apr. 1 – June 30, 2009
EBITDA	**281.3**	**253.7**	**152.8**	**132.3**
Investments in non-current assets (Capex)[1]	–25.8	–19.5	–15.5	–11.0
Changes in working capital[2]	–123.2	194.1	–45.7	101.8
Free cash flow	**132.3**	**428.3**	**91.6**	**223.1**

[1] Investments in non-current assets are other additions to property, plant and equipment and intangible assets.
[2] Definition of working capital: Trade receivables plus inventories less trade payables.

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009	**Apr. 1 – June 30, 2010**	Apr. 1 – June 30, 2009
Operating EBITDA	**287.3**	**254.3**	**153.0**	**132.6**
Transaction costs/holding charges[1]	–6.0	–0.6	–0.2	–0.3
EBITDA	**281.3**	**253.7**	**152.8**	**132.3**
Scheduled depreciation of property, plant and equipment	–41.1	–41.4	–20.9	–21.1
Impairment of property, plant and equipment	–	–	–	–
EBITA	**240.2**	**212.3**	**131.9**	**111.2**
Scheduled amortization of intangible assets[2]	–63.8	–62.6	–32.8	–31.5
Impairment of intangible assets	–	–	–	–
EBIT	**176.4**	**149.7**	**99.1**	**79.7**
Financial result	–108.7	–122.6	–35.1	–50.8
Profit before tax	**67.7**	**27.1**	**64.0**	**28.9**

[1] Transaction costs: Costs connected with restructuring and refinancing under company law, particularly the IPO in 2010. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level. Holding charges: Costs of certain holding activities charged to the operating companies. On Group level they net to zero.
[2] This figure includes in the first half of 2010 scheduled amortization of customer relationships totaling EUR 59.7 million (prior period: EUR 57.8 million). Of the amortization of customer relationships, EUR 52.8 million (prior period: EUR 51.6 million) results 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.

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009	**Apr. 1 – June 30, 2010**	Apr. 1 – June 30, 2009
Operating gross profit	**814.6**	**749.2**	**428.9**	**374.7**
Production/mixing & blending costs	18.4	14.2	9.7	7.1
Gross profit	**796.2**	**735.0**	**419.2**	**367.6**

PRELIMINARY REMARKS

At the shareholders' meeting of Brenntag Management GmbH on March 3, 2010, the shareholders passed a resolution to convert Brenntag Management GmbH into a stock corporation (Aktiengesellschaft) with the name Brenntag AG. The conversion was entered in the commercial register of the local court of Duisburg (HRB 22178) on March 11, 2010. On March 29, 2010, the capital of the company was increased by the issuance of 10.5 million new shares in connection with the first listing of Brenntag AG on the regulated market of the Frankfurt stock exchange (Prime Standard section).

CONSOLIDATION POLICIES AND METHODS

Standards applied

These interim consolidated financial statements for the period from January 1 to June 30, 2010 have been prepared in accordance with the requirements of IAS 34 (Interim Financial Reporting). The Notes are presented in condensed form compared to the Notes to the consolidated financial statements at December 31, 2009.

With the exception of the Standards and Interpretations to be applied for the first time in the financial year starting January 1, 2010, the same consolidation policies and methods have been applied as for the consolidated financial statements at December 31, 2009. The provisions for the virtual stock programme set up for the first time in the 2010 financial year for the members of the Management Board have been measured in accordance with IFRS 2 (Share-based Payment) on the basis of the fair value and taking the remaining term of the programme into account. They are shown under other provisions for personnel expenses.

Income taxes are recorded on the basis of the latest estimate of the corporate income tax rate expected for the 2010 financial year.

The first-time application of the revised IFRS 3 (Business Combinations) leads to material changes in the accounting of business combinations. The new IFRS 3 does not allow the capitalization of costs directly attributable to the business combination and introduces clearer requirements for the separation of a business combination from other transactions. Furthermore, any subsequent changes in estimates of a contingent purchase price payable are in principle not to be recognized by adjusting goodwill but directly recognized as expense or income. In the case of successive share acquisitions which lead to the control of an entity or in the case of the sale of shares with the loss of control, the Standard requires the remeasurement of the shares already held in the first case and the remaining shares in the second case at their fair value to affect net income.

The revised IAS 27 (Consolidated and Separate Financial Statements) stipulates that share acquisitions and sales which have no influence on existing control are to be recognized directly in equity (economic entity approach).

Depending on the respective future transaction, the aforementioned revised IFRS 3 and revised IAS 27 may have different effects on the Brenntag Group.

The other Standards and Interpretations applied for the first time do not have any material effect on the presentation of the net assets, financial position and results of operations of the Brenntag Group.

Scope of consolidation

The table below shows the changes in the number of fully consolidated companies and special purpose entities since January 1, 2010:

in EUR m	Jan. 1, 2010	Additions	Disposals	June 30, 2010
Domestic consolidated companies	30	–	3	27
Foreign consolidated companies	148	–	3	145
Total consolidated companies	**178**	**–**	**6**	**172**

The disposals relate exclusively to mergers.

Four associates (December 31, 2009: five) are accounted for at equity.

Business combinations in accordance with IFRS 3

The distribution business of Metausel S.A.S, Reichstett, in France was taken over in the first quarter of 2010. Measurement of the assets and liabilities taken over has not yet been completed. At the balance-sheet date, June 30, 2010, provisional goodwill of EUR 2.0 million was recognized.

Currency translation

The euro exchange rates for major currencies developed as follows:

	Closing rate		Average rate	
EUR 1 = currencies	June 30, 2010	Dec. 31, 2009	Jan. 1 – June 30, 2010	Jan. 1 – June 30, 2009
Canadian dollar (CAD)	1.2890	1.5128	1.3719	1.6054
Swiss franc (CHF)	1.3283	1.4836	1.4359	1.5057
Danish crown (DKK)	7.4488	7.4418	7.4421	7.4493
Pound sterling (GBP)	0.8175	0.8881	0.8700	0.8939
Polish zloty (PLN)	4.1470	4.1045	4.0020	4.4757
Swedish crown (SEK)	9.5259	10.2520	9.7888	10.8614
US dollar (USD)	1.2271	1.4406	1.3268	1.3328

INFORMATION ON THE CONSOLIDATED INCOME STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT

1. Other operating income

The other operating income includes in the first half of 2010 income from IPO costs to be charged to Brachem Acquisition S.C.A., Luxembourg, amounting to EUR 2.5 million.

2. Other operating expenses

The other operating expenses include in the first half of 2010 costs of the IPO amounting to EUR 8.2 million as well as costs of EUR 1.5 million in connection with the acquisition of the Danish company, EAC Industrial Ingredients Ltd. A/S, Copenhagen, in July 2010.

3. Finance income

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009
Interest income from third parties	2.8	2.4
Expected income from plan assets	2.9	2.8
Total	**5.7**	**5.2**

4. Finance costs

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009
Interest expense on liabilities to third parties	−69.8	−73.3
Interest expense on liabilities to related parties	−17.0	−32.1
Expense from the measurement of interest rate swaps and interest caps at fair value	−21.0	−4.6
Interest cost on the unwinding of discounting for provisions for pensions and similar obligations	−4.3	−4.2
Interest cost on other provisions	−1.5	−2.2
Interest expense on finance leases	−0.9	−1.0
Total	**−114.5**	**−117.4**

The interest expense on liabilities to third parties includes one-off costs amounting to EUR 20.8 million in connection with the restructuring of the syndicated loan. Due to the repayment of the Mezzanine Facility Agreement as well as parts of the Second Lien and the Senior Facility Agreements, the hedge accounting for the interest rate swaps and interest caps used to hedge the interest payments on these loans that originally ran until January and July 2011 respectively was terminated prematurely in relation to the parts repaid. As a result, an expense of EUR 9.1 million was reclassified from the cash flow hedge reserve to expense from the measurement of interest rate swaps and interest caps at fair value.

5. Income taxes

Income taxes include current tax expenses of EUR 30.6 million (prior period: current tax expenses of EUR 42.1 million) as well as deferred tax income of EUR 3.8 million (prior period: deferred tax income of EUR 13.4 million).

6. Earnings per share

The earnings per share are determined by dividing the share in income after tax due to the shareholders of Brenntag AG by the average number of shares in circulation. The 41 million shares resulting from the conversion of the company into a stock corporation on March 11, 2010 have already been included from January 1, 2009 in the calculation of the earnings per share. The 10.5 million shares issued as part of the capital increase on March 29, 2010 have been taken into consideration on a pro-rata basis for the period January 1 to June 30, 2010. The average number of shares in circulation for the period April 1 to June 30, 2010 is 51.5 million.

Thus the number of shares in circulation developed as follows:

	Date	No. of shares (unweighted)	Weighting in days	No. of shares (weighted)
	01.01.2009	**41,000,000**	**181**	**41,000,000**
	01.01.2010	**41,000,000**	**181**	**41,000,000**
Capital increase through the issuance of new shares	29.03.2010	10,500,000	94	5,453,039
	30.06.2010	**51,500,000**		**46,453,039**

7. Financial liabilities

in EUR m	June 30, 2010	Dec. 31, 2009
Liabilities under syndicated loan	1,537.8	2,160.4
Other liabilities to banks	216.0	198.8
Liabilities under finance leases	20.0	20.1
Financial liabilities to related parties	–	702.2
Derivative financial instruments	38.5	39.9
Other financial liabilities	19.9	17.1
Financial liabilities as per Balance Sheet	**1,832.2**	**3,138.5**
Cash and cash equivalents	411.3	602.6
Net financial liabilities	**1,420.9**	**2,535.9**

The liabilities of EUR 438.6 million existing at December 31, 2009 under the Mezzanine Facility Agreement were repaid in full with effect from March 31, 2010 including accrued interest up to that date. Furthermore, liabilities of EUR 69.0 million under the Second Lien Facility Agreement were repaid in April 2010 and liabilities under the Senior Facility Agreements of EUR 227.3 million were repaid in April und May 2010.

The loan of EUR 702.2 million granted by Brachem Acquisition S.C.A., Luxembourg, existing at December 31, 2009 was contributed to the additional paid-in capital of Brenntag AG including interest accrued up to March 28, 2010 after netting against receivables from Brachem Acquisition S.C.A., Luxembourg. The additional paid-in capital thus increased by EUR 714.9 million.

Of the other liabilities to banks, EUR 180.9 million (December 31, 2009: EUR 171.9 million) are amounts owed to banks by the consolidated special purpose entity Brenntag Funding Ltd., Dublin.

8. Other provisions

in EUR m	June 30, 2010	Dec. 31, 2009
Environmental provisions	137.0	122.7
Provisions for personnel expenses	18.5	17.2
Miscellaneous provisions	57.6	55.7
Total	**213.1**	**195.6**

9. Equity

Subscribed capital

In connection with the conversion of Brenntag Management GmbH into a stock corporation, the subscribed capital of EUR 25,000.00 was increased by a capital increase from company funds of EUR 40,975,000.00.

Through the issuance of new shares as part of the IPO (capital increase through issuance of new shares), the subscribed capital of Brenntag AG increased by a further EUR 10,500,000.00. The subscribed capital thus totals EUR 51,500,000.00 and is divided into 51.5 million no-par value shares.

Additional paid-in capital

As a result of the capital increase from company funds, the additional paid-in capital of Brenntag AG was reduced by EUR 40,975,000.00.

It increased by EUR 501,884,200.25 through the issuance of the new shares. The costs connected with the issuance of the new shares amounting to EUR 15,186,151.75 were directly offset against the additional paid-in capital, taking the relevant tax effects of EUR 2,570,352.00 into account.

Furthermore, the loan granted by Brachem Acquisition S.C.A., Luxembourg including interest accrued up to March 28, 2010 (after netting against receivables from Brachem Acquisition S.C.A., Luxembourg) was contributed to the additional paid-in capital of Brenntag AG. The additional paid-in capital thus increased by a further EUR 714,942,243.36 to EUR 1,557,426,443.61.

10. Information on the cash flow statement

The net cash outflow from operating activities amounted to EUR 15.1 million. This outflow was mainly a result of an increase in gross trade receivables of EUR 231.2 million (prior period: decrease in gross trade receivables of EUR 68.0 million) and in inventories of EUR 64.6 million (prior period: decrease in inventories of EUR 133.3 million) despite the counter-effect of an increase in trade payables of EUR 170.0 million (prior period: decrease in trade payables of EUR 15.6 million). The other non-cash items include write-downs on trade receivables and on inventories totaling EUR 2.6 million (prior period: EUR 8.4 million).

in EUR m	**Jan. 1 – June 30, 2010**	Jan. 1 – June 30, 2009
Increase / decrease in inventories	−64.6	133.3
Increase / decrease in gross trade receivables	−231.2	68.0
Increase / decrease in trade payables	170.0	−15.6
Write-downs on trade receivables and on inventories	2.6	8.4
Change in working capital	**−123.2**	**194.1**

However, overall it was possible to keep the increase in working capital, which had fallen sharply in the prior period as a result of declining business activity, at a relatively low level compared with the development of sales so that the annualized working capital turnover rate rose from 8.6 in the first half of 2009 to 10.7 in the reporting period.

The interest payments include both interest of EUR 64.2 million on the Mezzanine Facility Agreement repaid early as part of the IPO as well as payments of EUR 21.1 million for the restructuring of the syndicated loan. In addition, balancing payments under interest-rate hedging are also taken into consideration in the interest payments.

Of the cash used for financing activities, EUR 525.0 million (less withheld charges of EUR 12.9 million) is proceeds from the IPO. At the same time, repayments of EUR 683.5 million were made on the syndicated loan. Of this figure, EUR 451.9 million related to the early repayment of the borrowings under the Mezzanine Facility Agreement (EUR 382.9 million) and parts of the Second Lien Facility Agreement (EUR 69.0 million) as part of the IPO. EUR 227.3 million relate to capital repayments from cash surplus generated in the prior period in line with the terms of the syndicated loan. In the first half of 2009 repayments totaled EUR 44.7 million.

SUBSEQUENT EVENTS

In July 2010, all the shares in the Danish company, EAC Industrial Ingredients Ltd. A/S, were acquired. The company is headquartered in Copenhagen and operates in the Asia Pacific area with a total of 20 subsidiaries in nine countries and 27 distribution sites. This acquisition has strengthened Brenntag's strategic position and local presence in the Asia Pacific growth region.

The acquisition costs for the net assets of the Group acquired amounted to EUR 135.2 million (including EUR 123.7 million for the equity acquired and EUR 11.5 million for the repayment of financial liabilities towards the old shareholders). Costs of EUR 1.5 million in connection with the acquisition were recognized directly in other operating expenses in the first half of 2010.

The net assets acquired break down as follows:

in EUR m	Carrying amount according to IFRS
Assets	
Cash and cash equivalents	6.1
Trade receivables	58.3
Other receivables	5.0
Inventories	37.1
Property, plant and equipment	10.0
Intangible assets	3.6
Investments accounted for at equity	1.8
Deferred tax assets	1.8
Liabilities and Equity	
Liabilities to banks	–28.6
Other financial liabilities	–3.0
Trade payables	–26.0
Other provisions	–2.5
Other liabilities	–5.8
Income tax liabilities	–2.8
Net assets	**55.0**

The measurement of the assets and liabilities acquired at fair value on the date of acquisition has not yet been completed. There are no material deviations between the gross value and the carrying amount of the receivables. Additional intangible assets (in particular customer relationships and similar rights) and uncertain liabilities that were not recognized in the balance sheets of the companies acquired have yet to be determined or measured. The final purchase price settlement may still lead to changes in the acquisition costs for the net assets acquired. On the basis of the carrying amounts of the net asset acquired and thus subject to the effects of the purchase price allocation still to be performed, the provisional goodwill which cannot be amortized for tax purposes amounts to EUR 80.2 million.

The companies acquired posted sales of EUR 116.9 million and profit after income tax of EUR 6.0 million in 2010 in the period before their acquisition by Brenntag. If the initial consolidation of the companies acquired had taken place with effect from January 1, 2010, sales of EUR 3,804.5 million for the Brenntag Group would have been shown for the period from January 1 to June 30, 2010. Profit after tax for this period would have been EUR 46.9 million excluding the effects of the purchase price allocation.

Furthermore, the industrial chemicals business of the US chemical distributor, Houghton Chemical Corporation, was taken over at the beginning of August for a purchase price of USD 7.1 million. This acquisition enables Brenntag to increase its market share, primarily in the New England states, and to improve its position in focused industries such as pharmaceuticals, personal care and ACES (Adhesives, Coatings, Elastomers, Sealants). This newly acquired business unit is expected to generate sales of more than USD 30 million in 2010.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Mülheim an der Ruhr, August 6, 2010

Brenntag AG
THE MANAGEMENT BOARD

Stephen R. Clark Jürgen Buchsteiner Steven E. Holland

REVIEW REPORT

TO BRENNTAG AG

We have reviewed the condensed consolidated interim financial statements – comprising the statement of financial position, income statement and statement of comprehensive income, cash flow statement, statement of changes in equity and selected explanatory notes – and the interim group management report of Brenntag AG for the period from January 1, 2010 to June 30, 2010 which are part of the half-year financial report pursuant to § (Article) 37w WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's Board of Managing Directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW) and additionally observed the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Düsseldorf, August 6, 2010
PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Klaus-Dieter Ruske	Frank Hübner
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

FINANCIAL CALENDAR

August 25, 2010	Commerzbank General Industries Conference, Frankfurt am Main
September 27, 2010	Merck Finck & Co. Investor Conference, Munich
November 11, 2010	Interim Report Q3 2010
June 20/21, 2011	7th Bank of America Merrill Lynch Annual European Business Services Conference, London

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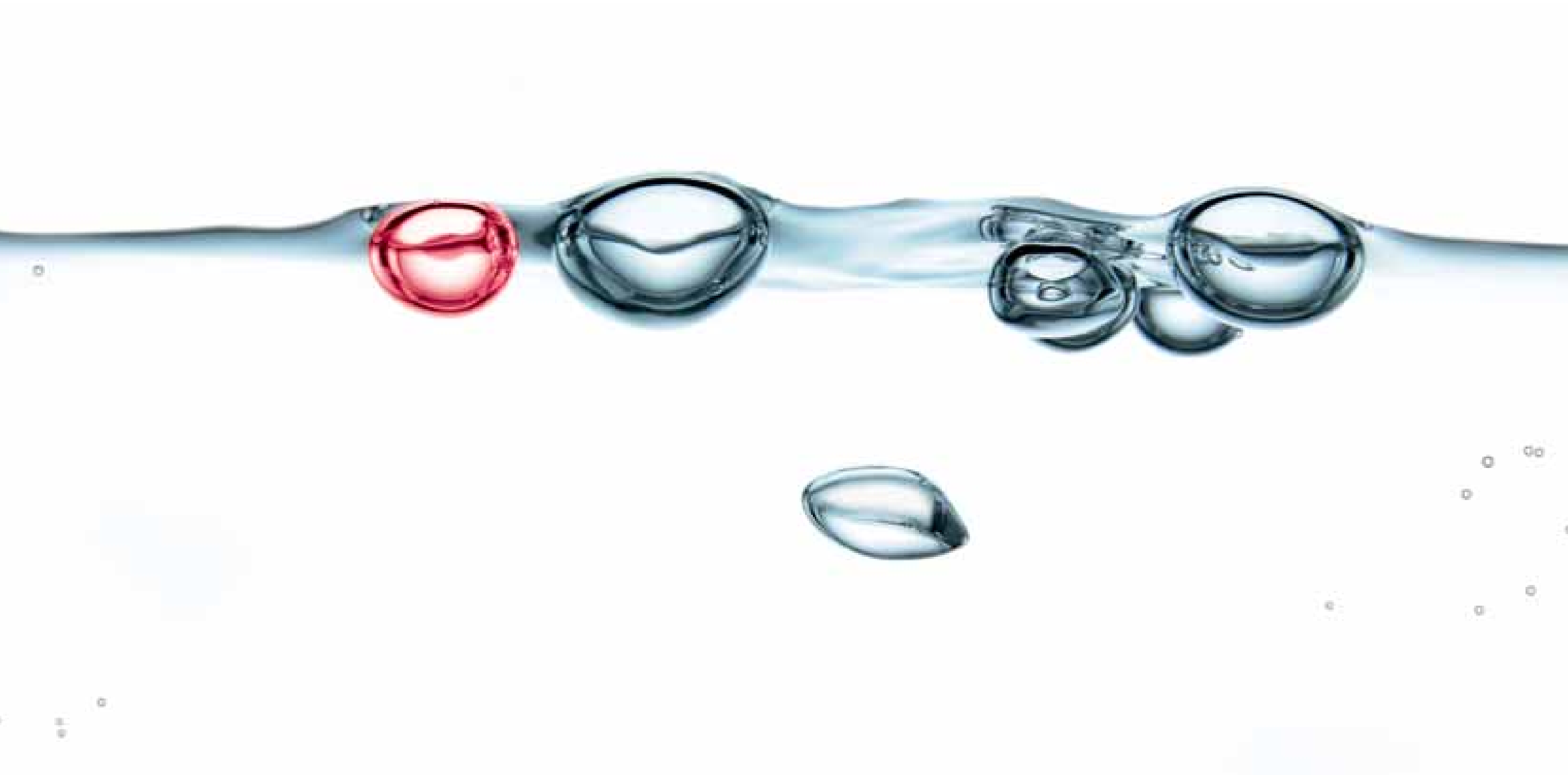
Information on the Interim Report
This translation is only a convenience translation. In case of any differences only the German version is binding.

Information on rounding
Due to the commercial rounding minor differences may occur when using rounded amounts or rounded percentages.

Disclaimer
This report 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 Asian economies, a continuation of the tense situation in the credit and financial markets and other risks and uncertainties.

If any of these risks and uncertainties materialize or if the assumptions underlying any of our forward-looking statements are proving to be incorrect, our actual results may be materially different from those expressed or implied by such forward-looking statements. We do not intend or assume any obligation to update these forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made.



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