BRENNTAG

Q3 2011

Global Market Leader in Chemical Distribution

Interim Report for the period from
January 1 to September 30, 2011

KEY FINANCIAL FIGURES AT A GLANCE

Consolidated income statement		Q3 2011	Q3 2010
Sales	EUR m	2,218.0	2,022.6
Gross profit	EUR m	445.5	429.7
Operating EBITDA	EUR m	166.6	160.3
Operating EBITDA / Gross profit	%	37.4	37.3
EBITDA	EUR m	164.6	159.9
Profit after tax	EUR m	66.7	43.3
Earnings per share	EUR	1.30	0.79

Consolidated balance sheet		Sep. 30, 2011	Dec. 31, 2010
Total assets	EUR m	5,367.2	4,970.2
Equity	EUR m	1,647.9	1,617.9
Working capital	EUR m	957.3	831.7
Net financial liabilities	EUR m	1,373.6	1,420.9

Consolidated cash flow		Q3 2011	Q3 2010
Cash provided by operating activities	EUR m	174.8	65.6
Investments in non-current assets (Capex)	EUR m	19.0	21.4
Free cash flow	EUR m	221.6	90.8

Key figures Brenntag share		Sep. 30, 2011	Dec. 31, 2010
Share price	EUR	65.50	76.30
No. of shares (unweighted)		51,500,000	51,500,000
Market capitalization	EUR m	3,373	3,929
Free float	%	63.98	50.39

Master Data on the Share	
Most important stock exchange	Xetra
Indices	MDAX®, MSCI, Stoxx Europe 600
ISIN	DE000A1DAHH0
WKN	A1DAHH
Trading symbol	BNR

PROFILE 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 world-class supplier base, Brenntag offers one-stop-shop solutions to about 160,000 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 nearly 70 countries.

EXTENSION OF PRODUCT PORTFOLIO THROUGH THE ACQUISITION OF THE SPECIALTY CHEMICAL DISTRIBUTOR, MULTISOL GROUP LIMITED

On September 2, 2011, Brenntag announced the signing of a contract for the acquisition of 100% of the shares in Multisol Group Limited, the holding company of the Multisol Group, a distributor of high-value specialty chemicals. With the planned acquisition, Brenntag is further developing its market position in the distribution of specialty chemicals with focus on lubricants and base oils including mixing and blending capabilities. Multisol's geographic presence in Europe and Africa complements Brenntag's existing infrastructure and logistics network to drive sales growth.

SUCCESSFUL REFINANCING OF EXISTING DEBT AND FIRST-TIME ISSUE OF A BOND

On July 19, 2011, Brenntag refinanced a large part of the Group's existing debt and replaced it by a new financing structure. With this transaction the company takes advantage of its continued successful track record and the attractive market environment. Brenntag achieves extended maturities, a high degree of financial flexibility and significant margin improvements. In July, too, Brenntag for the first time successfully placed a bond with a volume of EUR 400 million with investors. Thereby Brenntag was able to further diversify the financing mix.

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TO OUR SHAREHOLDERS

CEO LETTER

Steven Holland, CEO

Dear Shareholders,

The third quarter for many of our investors has been dominated by events outside of Brenntag with significant volatility in stock markets around the world, continuing issues around sovereign debt in the Euro zone and fluctuation in the value of the US dollar.

Within Brenntag we have continued to execute our strategy of positioning the company in higher-growth markets and industries whilst at the same time building in resilience, which allows the Group to balance its performance as a whole. In the third quarter, we were able to grow our gross profit by 7.7 % to EUR 445.5 million on a constant currency basis and grow our operating EBITDA by 8.6 % on the same basis to EUR 166.6 million. Our operating EBITDA/gross profit ratio therefore stood at 37.4 % for the quarter. Earnings per share grew from EUR 0.79 in previous year's quarter by 64.6 % to EUR 1.30 in the third quarter of 2011.

Furthermore, we were able to generate a free cash flow of EUR 221.6 million during the period, underscoring the Group's ability to make value accretive acquisitions. This free cash flow generation additionally proves the high level of resilience in more challenging economic environments inherent in Brenntag's business model.

All regions except Europe, which was flat to slightly weaker compared to the same quarter last year, contributed to the growth of 8.6 % in operating EBITDA on a constant currency basis. We expect Europe to return to growth in the last quarter of the financial year.

Despite the relative turbulence of the financial markets, we continue to deliver our promised acquisition strategy with the successful closing of Zhong Yung (International) Chemical Ltd., the long-expected and well-prepared market entry into China which positions Brenntag in three key business regions of China. Integration has already started and we are excited by the prospects the acquisition offers in terms of future growth.

During September we also signed an even larger acquisition following the successful completion of the negotiations to acquire Multisol Group, which provides a further expansion of our product portfolio in specialty additives and high-quality base oils for the lubricants sector. We will also significantly expand our capability and service in value added blends in an increasingly sophisticated market. We expect to close the transaction later this year.

In July, we refinanced a substantial part of the Group's debt and replaced it by a new financing structure. The transaction attracted a very strong level of interest that resulted in a significant over-subscription of the syndicated loan facilities. In connection with that process we also issued Brenntag's first bond. The new financing structure provides for a high level of diversification of our financing mix. In addition, we benefit from lower interest charges as well as more financial flexibility in many areas of our business and extended maturities. The full effect on our financial result will become visible next year.

Finally I come to the forecast for the full year 2011. It would be fair to say that the economic situation and outlook remain challenging. We recognize these challenges and feel we have the optimal level of diversity, operational levers and flexibility to face such challenging conditions. Taking out the cost of the recent successful refinancing and assuming no major change in the average US dollar exchange rate in the rest of the year, we continue to expect the group to meet the previously issued guidance of EUR 650 to 670 million operating EBITDA for 2011.

To all our stakeholders around the world, I would like to express on behalf of all my co-workers our thanks for your continued support and interest in our company.

Mülheim an der Ruhr, November 8, 2011

Steven Holland
Chief Executive Officer

BRENNTAG ON THE STOCK MARKET

DEVELOPMENT OF THE SHARE PRICE

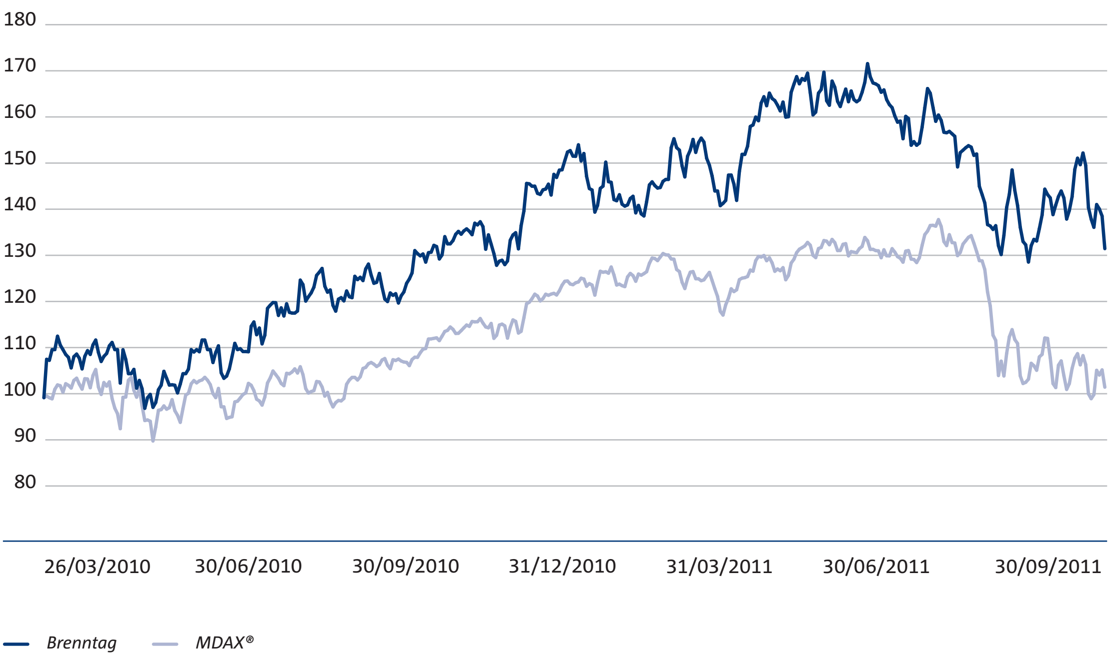
The Brenntag share finished the third quarter of 2011 at EUR 65.50. Thus, since the IPO in March 2010, the Brenntag share has rewarded investors who bought shares right at the beginning with a gain of 31.0 %, whilst the MDAX®, in which the Brenntag share has been included since June 21, 2010, only gained 2.2 % in the same period.

The third quarter of 2011 was no less turbulent than the first two quarters of this year. The VDAX-NEW®, which expresses in percentage points what degree of volatility is to be expected in the following 30 days for the DAX®, started the quarter at only 16.85 to peak at 49.96. The dominant issue and cause of uncertainty on the markets was and is the persistent sovereign debt crisis in Europe and the USA.

In this market environment, the DAX® fell by 25.4 % and the MDAX® by 23.7 % in the third quarter of 2011. The DAX® closed the quarter at 5,502.02 points and the MDAX® finished at 8,341.08 points. The Brenntag share could not entirely escape the market volatility. From its second-quarter closing rate of EUR 80.16, it lost 18.3 % and ended the quarter at EUR 65.50.

The average number of Brenntag shares traded every day in the third quarter of 2011 was approximately 170,000.

DEVELOPMENT OF THE BRENNTAG SHARE PRICE (INDEXED)



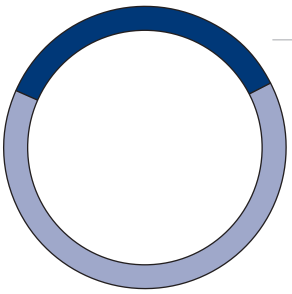
SHAREHOLDER STRUCTURE

Brachem Acquisition S.C.A., Luxembourg, remains the largest shareholder of Brenntag AG. After placing 7 million shares of Brenntag AG on January 19, 2011, Brachem Acquisition S.C.A., Luxembourg, holds 18,550,000 shares or 36.02 % of the total share capital of 51,500,000 shares.

On August 23, 2011, the T. Rowe Price Group, Inc., USA, notified us that it holds 3.003 % or 1,546,700 shares in Brenntag AG. On October 17, 2011, Artisan Partners Limited Partnership, USA, notified us that it holds 3.06 % or 1,575,322 shares in Brenntag AG. As of today, we have received no information that any other shareholder has exceeded the statutory notification threshold of 3 %.

As of today, Brenntag AG has a free float of 63.98 %, representing 32,950,000 shares in the total share capital.

SHAREHOLDER STRUCTURE



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

FURTHER INFORMATION:
www.brenntag.com

Key figures and master data on the share		IPO	Sep. 30, 2010	Dec. 31, 2010	Sep. 30, 2011
Share price	EUR	50.00	61.00	76.30	65.50
Number of shares (unweighted)		51,500,000	51,500,000	51,500,000	51,500,000
Market capitalization	EUR m	2,575	3,142	3,929	3,373
Free float	%	29.03	29.03	50.39	63.98
Free float market capitalization	EUR m	748	912	1,979	2,158

Most important stock exchange	Xetra
Indices	MDAX®, MSCI, Stoxx Europe 600
ISIN	DE000A1DAHH0
WKN	A1DAHH
Trading symbol	BNR

BOND

On July 19, 2011 Brenntag Finance B.V., Amsterdam, Netherlands, an indirectly held 100 % subsidiary of Brenntag AG, issued a corporate bond with a volume of EUR 400 million. The seven-year bond bears a coupon of 5.50 %. The issue price was at 99.321 %.

DEVELOPMENT OF THE PRICE OF THE BRENNTAG BOND

FURTHER INFORMATION:
www.brenntag.com

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

Key figures and master data on the bond		Jul. 19, 2011	Sep. 30, 2011
Bond price	%	99.321	98.742

Issuer	Brenntag Finance B.V.
Guarantors	Brenntag AG, certain subsidiaries of Brenntag AG
Listing	Luxembourg stock exchange
ISIN	XS0645941419

Aggregate principal amount	EUR m	400
Denomination		1,000
Minimum transferrable amount	EUR	50,000
Coupon	%	5.50
Interest payment		July 19
Maturity		July 19, 2018

GROUP INTERIM MANAGEMENT REPORT

for the period from January 1 to September 30, 2011

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BUSINESS AND ECONOMIC ENVIRONMENT

BUSINESS ACTIVITIES AND GROUP STRUCTURE

Business Activities

Brenntag's growth opportunities along with its resilient business services model are based on complete geographic coverage, wide product portfolio 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 some 160,000 customers a full-line range of chemical products. Brenntag is the strategic partner and service provider for manufacturers of industrial and specialty chemicals at the one end and chemical users at the other end of the value chain.

Brenntag stores the products it purchases in its owned 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, oil & gas, food & beverages, water treatment, personal care and pharmaceuticals. In order to be able to react 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. Brenntag offers a broad range of over 10,000 products as well as extensive value-added services (such as just-in-time delivery, product mixing, formulation, repackaging, inventory management, drum return handling as well as technical services for specialty chemicals and laboratory support). High diversification means that Brenntag is largely independent from volatility in any specific market segments or regions.

Brenntag is the global market leader in full-line chemical distribution. We define market leader not just by business volume but also associate it with our philosophy of continually improving the safety standards at our sites. As a responsible service provider, we believe we have a commitment not only to our suppliers, customers and shareholders but also to society and the environment.

Group Structure

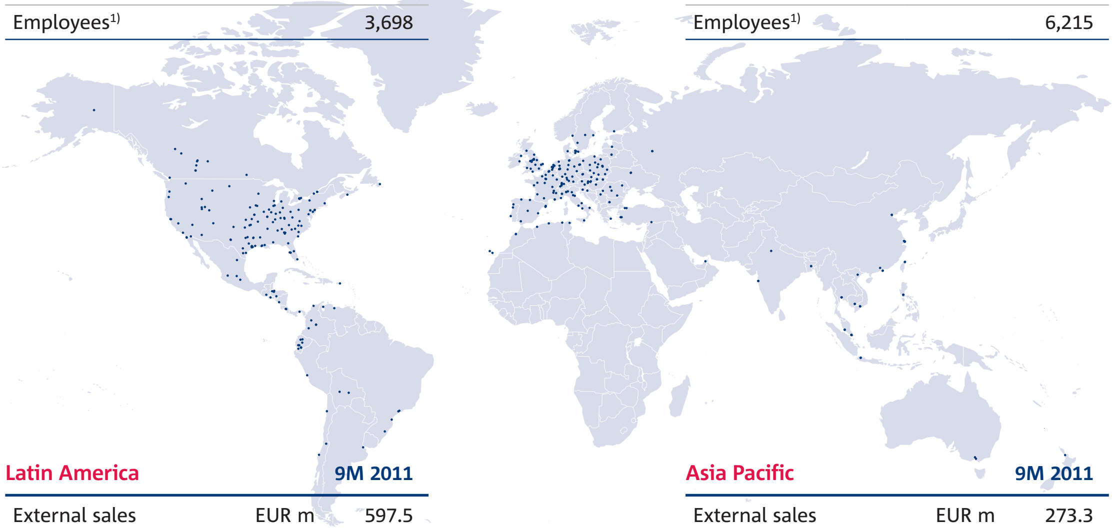
As the Group's ultimate holding company, Brenntag AG is responsible for the strategy of the Brenntag Group, risk management and central financing. Further central functions of Brenntag AG are Controlling, HSE (Health, Safety and Environment), Investor Relations, IT, Group Accounting, M & A, HR, Corporate Development, Corporate Communications, Legal, Corporate Internal Audit and Tax.

The consolidated financial statements include Brenntag AG, 26 domestic (December 31, 2010: 24) and 172 foreign (December 31, 2010: 169) fully consolidated subsidiaries (including special purpose entities). Six associates (December 31, 2010: eight) have been accounted for at equity.

The following graph gives an overview of the global network of the Brenntag Group, which is managed by the regionally structured segments Europe, North America, Latin America and Asia Pacific. Furthermore, All Other Segments cover the central functions for the entire Group, the sourcing activities in China and the international trading activities of Brenntag International Chemicals.

North America		9M 2011
External sales	EUR m	2,033.0
Operating gross profit	EUR m	487.1
Operating EBITDA	EUR m	207.6
Employees[1)]		3,698

Europe		9M 2011
External sales	EUR m	3,287.5
Operating gross profit	EUR m	681.4
Operating EBITDA	EUR m	235.8
Employees[1)]		6,215



Latin America		9M 2011
External sales	EUR m	597.5
Operating gross profit	EUR m	111.2
Operating EBITDA	EUR m	36.9
Employees[1)]		1,267

Asia Pacific		9M 2011
External sales	EUR m	273.3
Operating gross profit	EUR m	59.0
Operating EBITDA	EUR m	27.1
Employees[1)]		1,292

Figures exclude All Other Segments, which, in addition to various holding companies and our sourcing activities in China, cover the international activities of Brenntag International Chemicals.
[1)] Employees are defined as number of employees on the basis of full-time equivalents at the reporting date.

CORPORATE STRATEGY

Our goal remains to be the preferred full-line chemical distributor and partner of choice for our customers and suppliers and, at the same time, the industry leader in safety, growth and profitability. We aim to achieve this with a clear growth strategy geared to steadily expanding our leading market positions while continually improving profitability.

Organic growth and acquisitions

We strive to extend our market leadership by steadily enhancing our product and service offering capabilities in line with the requirements of the regional markets. In doing so, we benefit from leveraging our extensive global activities and key strengths. Our needs-based sales approach focuses on providing customers with total solutions rather than just products.

In addition, we continue to seek acquisition opportunities that assist us in implementing our overall strategy. Our strategic focus is on expanding our presence in emerging markets, particularly in the Asia Pacific region, in Latin America and Eastern Europe, to capture the expected strong growth in demand for chemicals in these regions. In the established markets of Europe and North America, we continue to further develop our product and service portfolio as well as to optimize our nationwide distribution network, also through acquisitions.

Improving profitability

A further element of our strategy is to systematically increase profitability. On the basis of our entrepreneurial culture, our operational excellence and our superior business model, we continuously strive to improve our operating gross profits, EBITDA, cash flows and return on assets. Extending the scope of our operations, both organically and through acquisitions, and achieving the resulting economies of scale are major levers for increasing our profitability and returns.

The systematic implementation of our strategy is backed up with global and regional initiatives. We seek to effectively leverage our capabilities through accelerated and targeted growth in the particularly attractive industries for industrial and specialty chemicals, water treatment, personal care, pharmaceuticals, food & beverages, oil & gas as well as in the adhesives, coatings, elastomers and sealants sector. We are also focusing on further expanding business with regional, panregional and global key accounts, sectors where our broad product offering and far-reaching geographic network provide unrivalled service capabilities. In addition, we will continue to actively realize the potential offered by the trend for chemical producers to outsource activities. Further initiatives focus on growing business with fuel additives which reduce road traffic emissions in Europe and North America. Improving the Group's operational efficiency by optimizing our warehouse and transport logistics and continually refining the procurement and sales processes are also points of constant focus.

These top initiatives are based on the guiding strategic principles:

- intense customer orientation
- full-line product portfolio focused on value-added services
- complete geographic coverage
- accelerated growth in target markets
- commercial and technical competence

We are committed to the principles of responsible care and responsible distribution. Safety and the protection of the environment are paramount in everything we do.

OVERALL ECONOMY

Global economic growth clearly lost momentum in recent months. The main reasons for this were continued volatility on international financial markets and signs of weakening economies, which led to a loss of confidence among private households and business. Rising energy and raw material prices were further factors impacting negatively the economy. The slowdown in the third quarter of 2011 is also evident in the early indicators available. At 49.9 points, the global manufacturing PMI (Purchasing Managers' Index) fell in September to a 27-month low, dropping below the expansion-contraction threshold for the first time. At an average of 50.3 points, the PMI in the third quarter of 2011 was 8.6% below the prior-year level. Regional differences in the pace of growth continued to persist.

The slackening of global demand and declining confidence among companies and consumers had a negative impact on the European economy so the overall economy only grew slightly at the beginning of the third quarter of 2011. Industrial production rose by 4.0% in the European Union in the first two months of the third quarter of 2011 compared with the prior-year period; thus expansion was lower than in the second quarter (4.3%). At 3.9%, growth in the western part of Europe was lower than in Eastern Europe where industrial production increased by 4.8%.

The US economy only grew moderately in the third quarter of 2011 due to the loss of purchasing power as a result of rising energy prices and the expiry of government economic stimulus programmes as well as the continued difficult labour market and lower consumer confidence. In the third quarter of 2011, industrial output rose by only 3.3 % compared with the same prior-year period; thus the increase was smaller than in the second quarter of 2011 (3.7 %).

In Latin America, there are indications of a slight slowing of overall economic momentum as a result of weaker international growth stimuli in the third quarter of 2011. Compared with the prior-year period, industrial output grew by 2.4 % in the first two months of the third quarter of 2011 and thus slightly less than in the previous quarter (2.8 %).

In the Asian economic region, overall economic growth continued in the first months of the third quarter, albeit at a slightly slower pace due to the somewhat weaker economy in China and increasingly restrictive economic policies in the countries of Southeast Asia. By contrast, compared with the prior-year period, industrial output in the region continued to grow robustly at 11.2 % in the first two months of the third quarter of 2011, expanding somewhat more strongly than in the second quarter of 2011 (10.3 %).

BUSINESS PERFORMANCE

MAJOR EVENTS IMPACTING BUSINESS IN THE THIRD QUARTER

With the acquisition agreed in September 2011 of Multisol Group Limited, the holding company of the Multisol Group headquartered in Nantwich, UK, a distributor of high-quality specialty chemicals, Brenntag intends to expand its product portfolio into lubricant additives and high-quality base oils and, at the same time, increase its capabilities in mixing and blending. Multisol operates in Europe and Africa, complementing Brenntag's existing infrastructure and logistics network. The company is expected to generate sales of EUR 264 million in 2012. Closing of the transaction is expected in the fourth quarter of 2011 subject to obtaining necessary approvals.

Furthermore, in August 2011 Brenntag closed the acquisition of the first 51 % of Zhong Yung (International) Chemical Ltd., Hong Kong. The Zhong Yung Group is focused on the distribution of solvents with an infrastructure in the key economic regions in China. Through this acquisition, Brenntag has gained access to China, the world's fastest-growing chemical market, and can strengthen its growth strategy in the Asia Pacific region. The company has been included in the consolidated financial statements of the Brenntag Group since September 2011 and is expected to generate sales of EUR 255 million in 2011 as a whole. The remaining stake will be acquired in 2016 as agreed.

On July 19, 2011, a large part of the Group's debt was refinanced and replaced by a new financing structure. In addition to a new syndicated loan, a bond was issued for the first time in July, which further diversified our financing mix. Brenntag was able to take advantage of the positive market environment at the time the loan agreement was signed. For details, we refer to the "Financing" section of this report (page 22).

STATEMENT BY THE BOARD OF MANAGEMENT ON BUSINESS PERFORMANCE

The Brenntag Group continued its course of growth in the third quarter of 2011 although overall economic momentum slowed. Both sales and the gross profit of the Group rose significantly again in the third quarter of 2011 compared with the prior-year period on a constant currency basis.

The operating expenses of the Brenntag Group also rose in the third quarter of 2011 compared with the prior-year quarter, mainly as a result of higher business volumes.

Nevertheless, the Brenntag Group boosted operating EBITDA appreciably compared with the third quarter of 2010 on a constant currency basis. This growth was largely organic. The Zhong Yung Group acquisition, which enabled Brenntag to enter the Chinese market, also contributed to the increase in earnings although the company has only been included in the consolidated financial statements since September 2011.

As a result, the trend observed in the previous quarter continued for all the main drivers behind the development of results. Thus, related to the first nine months of 2011, key indicators of the Brenntag Group also increased considerably compared with the same period of 2010.

At the end of the third quarter of 2011, working capital (inventories plus trade receivables less trade payables) was higher than on September 30, 2010 due to the growth in sales. The working capital turnover rate decreased slightly, as expected, but remained at a high level.

In the third quarter of 2011, investment in property, plant and equipment was roughly at the level of the third quarter of the previous year.

Overall, the results of operations and financial condition of the company in the third quarter of 2011 again showed a pleasing development. In particular, we considerably increased the free cash flow in this period as we not only grew operating EBITDA but also significantly reduced working capital compared with the end of the second quarter of 2011.

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

RESULTS OF OPERATIONS

Business Performance of the Brenntag Group

			Change		
in EUR m	Q3 2011	Q3 2010	abs.	in %	in % (fx adj.)[2]
Sales	2,218.0	2,022.6	195.4	9.7	13.6
Operating gross profit	454.6	438.7	15.9	3.6	7.6
Operating expenses	−288.0	−278.4	−9.6	3.4	7.0
Operating EBITDA	**166.6**	**160.3**	**6.3**	**3.9**	**8.6**
Transaction costs/Holding charges	*−2.0*	*−0.4*	*−1.6*	–	–
EBITDA (incl. transaction costs/ holding charges)	**164.6**	**159.9**	**4.7**	**2.9**	**7.6**
Depreciation of property, plant and equipment	−23.1	−21.2	−1.9	9.0	11.6
EBITA[1]	141.5	138.7	2.8	2.0	6.9
Amortization of intangible assets	−6.0	−33.9	27.9	−82.3	−81.8
Financial result	−28.6	−32.7	4.1	−12.5	–
Profit before tax	106.9	72.1	34.8	48.3	–
Income taxes	−40.2	−28.8	−11.4	39.6	–
Profit after tax	66.7	43.3	23.4	54.0	–

			Change		
in EUR m	9M 2011	9M 2010	abs.	in %	in % (fx adj.)[2]
Sales	6,518.5	5,710.2	808.3	14.2	16.5
Operating gross profit	1,351.7	1,253.3	98.4	7.9	10.3
Operating expenses	−859.3	−805.7	53.6	6.7	8.7
Operating EBITDA	**492.4**	**447.6**	**44.8**	**10.0**	**13.2**
Transaction costs/Holding charges	*−2.8*	*−6.4*	*3.6*	–	–
EBITDA (incl. transaction costs/ holding charges)	**489.6**	**441.2**	**48.4**	**11.0**	**14.2**
Depreciation of property, plant and equipment	−65.9	−62.3	−3.6	5.8	7.0
EBITA[1]	423.7	378.9	44.8	11.8	15.4
Amortization of intangible assets	−17.4	−97.7	80.3	−82.2	−81.9
Financial result	−93.7	−141.4	47.7	−33.7	–
Profit before tax	312.6	139.8	172.8	123.6	–
Income taxes	−111.4	−55.6	−55.8	100.4	–
Profit after tax	201.2	84.2	117.0	139.0	–

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

External sales, volumes and prices

In the third quarter of 2011, the Brenntag Group recorded external sales of EUR 2,218.0 million, an increase of 9.7 % compared with the same period of 2010 or 13.6 % on a constant currency basis. This growth in external sales is mainly attributable to a higher average selling price whilst volumes only increased slightly.

In the first nine months of 2011, the Group increased sales by 14.2 % or by 16.5 % on a constant currency basis. The contributions made by the recently acquired companies, G.S. Robins (June 2011), the Zhong Yung Group (September 2011) and the EAC Group (July 2010), had a positive impact on sales.

Operating gross profit

In the third quarter of 2011, operating gross profit rose by 3.6 % or 7.6 % on a constant currency basis to EUR 454.6 million. This growth is mainly organic and mainly due to higher operating gross profit per unit.

Related to the first nine months of 2011, operating gross profit grew by 7.9 % or 10.3 % on a constant currency basis.

Operating expenses

In the third quarter of 2011, operating expenses rose to EUR 288.0 million. That is growth of 3.4 % (7.0 % on a constant currency basis) compared with the same prior-year period and was mainly due to the larger business volumes, which also pushed up volume-related costs such as personnel and energy costs as well as rents.

In the first nine months of 2011, operating expenses increased by 6.7 % (8.7 % on a constant currency basis). This figure was also influenced by the acquisitions of G.S. Robins, the Zhong Yung Group and the EAC Group.

EBITDA

The key indicator and measure for the financial performance of the Brenntag Group is EBITDA. The segments are primarily 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 and the refinancing in 2011. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level.
- **Holding charges:** Certain costs charged between holding companies and operating companies. On Group level they net to zero.

The Brenntag Group posted EBITDA of EUR 164.6 million in the third quarter of 2011 in a weaker economic climate. That is growth of 2.9% or 7.6% on a constant currency basis over the figure for the same period of 2010. Adjusted for transaction costs and holding charges, operating EBITDA was EUR 166.6 million, which is an increase of 3.9% over the third quarter of 2010 or 8.6% on a constant currency basis.

In the first nine months of 2011, the Brenntag Group grew EBITDA by 11.0% or 14.2% on a constant currency basis. Operating EBITDA totalled EUR 492.4 million in this period, exceeding the result recorded in the first nine months of 2010 by 10.0% or 13.2% on a constant currency basis. This was also influenced by the acquisitions of G.S. Robins, the Zhong Yung Group and the EAC Group.

Depreciation, amortization and financial result

Depreciation and amortization of fixed assets amounted to EUR 29.1 million in the third quarter of 2011. Of this figure, EUR 23.1 million relates to depreciation of property, plant and equipment and EUR 6.0 million to amortization of intangible assets. Overall, depreciation and amortization fell by EUR 26.0 million compared with the third quarter of 2010. The main reason for this decrease is that, in the third quarter of 2010, amortization of EUR 26.8 million was still performed on the customer relationships which were capitalized as part of the purchase price allocation on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International.

Related to the first nine months of 2011, depreciation and amortization of fixed assets amounted to EUR 83.3 million and was thus EUR 76.7 million less than in the same period of the previous year.

The financial result totalled EUR –28.6 million in the third quarter of 2011 and is therefore a clear improvement on the prior-year period (EUR –32.7 million). The decisive factor in this improved financial result was the refinancing of the Group completed in July (also see “Financing“), which had a very positive effect on the interest result, which increased by some EUR 8 million compared with the same prior-year period.

By contrast, changes in the liabilities for outstanding purchase price payments from the acquisition of the first tranche (51%) and the second tranche (49%) of Zhong Yung (International) Chemical Ltd. due to exchange rate and unwinding of discounting effects as well as the change in the liabilities under IAS 32 to minorities totalling EUR –6.2 million had a negative impact. The purchase price obligation for the second tranche of Zhong Yung (49%) is a liability arising from the obligation to acquire the remaining shares in Zhong Yung (International) Chemical Ltd. in 2016. In accordance with IAS 32, on initial recognition at the end of August the purchase price expected to be paid for the remaining shares in 2016 was to be recognized as a liability in equity at its present value. On subsequent measurement, any difference resulting from unwinding of discounting, changes in the estimate of the future purchase price and changes in the Euro/Renminbi exchange rate on the reporting date is recognized in profit or loss.

The appreciable improvement in the financial result in the first nine months of 2011 compared with the same period of 2010 is above all the result of reduced debt since the IPO in March 2010 as well as the much lower interest since the recent refinancing. Furthermore, the first nine months of 2010 were negatively impacted by one-off expenses in connection with the amendments to loan agreements.

Profit before tax

In the third quarter of 2011, the profit before tax amounted to EUR 106.9 million (2010: EUR 72.1 million) and in the first nine months of 2011 to EUR 312.6 million (2010: EUR 139.8 million). The significant increase in the profit before tax is due to the good operating performance as well as the fact that the customer relationships which had been capitalized as part of the purchase price allocation on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International, were no longer amortized.

Income taxes and profit after tax

At EUR 40.2 million in the third quarter of 2011 and EUR 111.4 million in the first nine months of 2011, income tax expense was higher than in the same prior-year periods as a result of the increase in pre-tax profit.

The expected corporate income tax rate for 2011 was applied when determining tax expense in the first nine months of 2011.

The effects of changes in the purchase price obligations and liabilities under IAS 32 to minorities which cannot be planned with sufficient accuracy have not been taken into consideration when determining the expected corporate income tax rate and calculating the income taxes for the reporting period as there will be no tax effects therefrom. In the first nine months of 2011, the above effects reduced the profit before tax by EUR 6.2 million with no corresponding reduction in taxes.

The profit after tax totalled EUR 66.7 million in the third quarter and EUR 201.2 million in the first nine months of 2011.

Business Performance in the Segments

The picture for the third quarter and first nine months of 2011 by segment is as follows:

3rd quarter 2011 in EUR m	**Brenntag Group**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	2,218.0	1,066.5	715.9	210.2	104.3	121.1
Operating gross profit	454.6	221.5	170.8	37.4	20.4	4.5
Operating expenses	−288.0	−146.4	−96.0	−25.3	−11.5	−8.8
Operating EBITDA	**166.6**	**75.1**	**74.8**	**12.1**	**8.9**	**−4.3**

Nine months 2011 in EUR m	**Brenntag Group**	Europe	North America	Latin America	Asia Pacific	All Other Segments
External sales	6,518.5	3,287.5	2,033.0	597.5	273.3	327.2
Operating gross profit	1,351.7	681.4	487.1	111.2	59.0	13.0
Operating expenses	−859.3	−445.6	−279.5	−74.3	−31.9	−28.0
Operating EBITDA	**492.4**	**235.8**	**207.6**	**36.9**	**27.1**	**−15.0**

Europe

in EUR m	Q3 2011	Q3 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	1,066.5	1,011.3	55.2	5.5	5.8
Operating gross profit	221.5	218.2	3.3	1.5	1.7
Operating expenses	−146.4	−142.5	−3.9	2.7	2.7
Operating EBITDA	**75.1**	**75.7**	**−0.6**	**−0.8**	**−0.3**

in EUR m	9M 2011	9M 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	3,287.5	2,948.2	339.3	11.5	11.0
Operating gross profit	681.4	649.7	31.7	4.9	4.3
Operating expenses	−445.6	−429.6	−16.0	3.7	3.0
Operating EBITDA	**235.8**	**220.1**	**15.7**	**7.1**	**6.7**

External sales, volumes and prices

In the third quarter of 2011, the Europe segment generated external sales of EUR 1,066.5 million. That is growth of 5.5% or 5.8% on a constant currency basis and is mainly due to a higher average selling price.

Thus, compared with the previous year, external sales increased in the first nine months of 2011 by 11.5% (11.0% on a constant currency basis).

Operating gross profit

In the third quarter of 2011, operating gross profit rose by 1.5% (1.7% on a constant currency basis) to EUR 221.5 million compared with the prior-year quarter. This increase was mainly attributable to higher operating gross profit per unit.

In the first nine months of 2011, operating gross profit rose by 4.9% or 4.3% on a constant currency basis.

Operating expenses

In the third quarter of 2011, operating expenses rose by 2.7% (also 2.7% on a constant currency basis) to EUR 146.4 million compared with the prior-year quarter, mainly as a result of higher personnel costs.

Related to the first nine months of 2011, operating expenses were 3.7% higher than in the same period of 2010 and a 3.0% higher on a constant currency basis.

Operating EBITDA

In the third quarter of 2011, the European companies posted operating EBITDA of EUR 75.1 million. This is a slight decrease of 0.8% or 0.3% on a constant currency basis compared with the prior-year quarter. On the demand side, uncertainty about the further development of the economy and thus a decline of consumer confidence are evident. Some customers were more cautious in their purchasing behavior.

Overall, we recorded operating EBITDA of EUR 235.8 million in the first nine months of 2011. In a year-on-year comparison, this is an increase of 7.1% or 6.7% on a constant currency basis.

North America

in EUR m	Q3 2011	Q3 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	715.9	653.1	62.8	9.6	19.0
Operating gross profit	170.8	165.6	5.2	3.1	11.8
Operating expenses	−96.0	−93.4	−2.6	2.8	11.4
Operating EBITDA	**74.8**	**72.2**	**2.6**	**3.6**	**12.3**

in EUR m	9M 2011	9M 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	2,033.0	1,843.8	189.2	10.3	17.1
Operating gross profit	487.1	462.5	24.6	5.3	11.8
Operating expenses	−279.5	−264.2	−15.3	5.8	12.2
Operating EBITDA	**207.6**	**198.3**	**9.3**	**4.7**	**11.3**

External sales, volumes and prices

The North American companies recorded external sales of EUR 715.9 million in the third quarter of 2011. This was a pleasing increase of 9.6 % (19.0 % on a constant currency basis), which was mainly driven by a higher average selling price but also by higher volumes. Furthermore, the acquisition of G.S. Robins in June 2011 contributed to this increase.

In the first nine months of 2011, external sales grew by 10.3 %, which was an increase of 17.1 % on a constant currency basis.

Operating gross profit

In the third quarter of 2011, operating gross profit totalled EUR 170.8 million and was thus 3.1 % up on the figure for the same period of 2010. On a constant currency basis, operating gross profit rose by 11.8 %, well exceeding growth in volumes.

Related to the first nine months of 2011, operating gross profit grew by 5.3 % or 11.8 % on a constant currency basis.

Operating expenses

In the third quarter of 2011, operating expenses rose by 2.8 % to EUR 96.0 million compared with the prior-year quarter. On a constant currency basis, operating expenses were up 11.4 %. This increase was due to higher business volumes which led to higher volume-related costs such as rents, personnel and energy costs. The acquisition of G.S. Robins also resulted in additional costs.

In the first nine months of 2011, operating expenses increased by 5.8 % (12.2 % on a constant currency basis) compared with the previous year.

Operating EBITDA

The North American companies posted operating EBITDA of EUR 74.8 million in the third quarter of 2011, an increase of 3.6 % (12.3 % on a constant currency basis) compared with the third quarter of 2010. This strong performance was achieved against a more challenging economic environment.

Overall, the North America segment recorded operating EBITDA of EUR 207.6 million in the first nine months of 2011. This is an increase of 4.7 % or 11.3 % on a constant currency basis compared with the prior-year period.

Latin America

in EUR m	Q3 2011	Q3 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	210.2	190.6	19.6	10.3	17.8
Operating gross profit	37.4	34.7	2.7	7.8	15.7
Operating expenses	−25.3	−23.7	−1.6	6.8	14.3
Operating EBITDA	**12.1**	**11.0**	**1.1**	**10.0**	**18.6**

in EUR m	9M 2011	9M 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	597.5	543.0	54.5	10.0	14.5
Operating gross profit	111.2	103.7	7.5	7.2	11.8
Operating expenses	−74.3	−70.1	−4.2	6.0	10.1
Operating EBITDA	**36.9**	**33.6**	**3.3**	**9.8**	**15.3**

External sales, volumes and prices

In the third quarter of 2011, the Latin America segment increased external sales by 10.3 % to EUR 210.2 million. On a constant currency basis, that is growth of 17.8 %, which is due to a significantly higher average selling price.

In the first nine months of 2011, external sales rose by 10.0 %, which is 14.5 % on a constant currency basis.

Operating gross profit

In a year-on-year comparison, operating gross profit increased in the third quarter of 2011 by 7.8 % (15.7 % on a constant currency basis) to EUR 37.4 million. This growth is due to higher operating gross profit per unit.

Related to the first nine months of 2011, the Latin American companies grew operating gross profit by 7.2 % (11.8 % on a constant currency basis).

Operating expenses

Compared with the prior-year period, operating expenses increased in the third quarter of 2011 by 6.8 % or 14.3 % on a constant currency basis to EUR 25.3 million. This rise was mainly a result of higher personnel expenses.

In the first nine months of 2011, operating expenses rose by 6.0 % compared with the prior-year period and by some 10.1 % on a constant currency basis.

Operating EBITDA

In the third quarter of 2011, the Latin American companies posted operating EBITDA of EUR 12.1 million and therefore grew earnings by a pleasing 10.0 % (18.6 % on a constant currency basis) despite the slower pace of general economic expansion.

Therefore, in the first nine months of 2011 the Latin America segment posted operating EBITDA which exceeded the level of the previous year by 9.8 % or 15.3 % on a constant currency basis.

Asia Pacific

in EUR m	Q3 2011	Q3 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	104.3	83.3	21.0	25.2	29.8
Operating gross profit	20.4	16.2	4.2	25.9	29.9
Operating expenses	−11.5	−10.2	−1.3	12.7	17.3
Operating EBITDA	**8.9**	**6.0**	**2.9**	**48.3**	**50.8**

in EUR m	9M 2011	9M 2010	Change abs.	Change in %	Change in % (fx adj.)
External sales	273.3	121.9	151.4	124.2	126.6
Operating gross profit	59.0	26.7	32.3	121.0	122.6
Operating expenses	−31.9	−16.5	−15.4	93.3	95.7
Operating EBITDA	**27.1**	**10.2**	**16.9**	**165.7**	**165.7**

External sales, volumes and prices

With external sales of EUR 104.3 million, the Asia Pacific segment recorded growth of 25.2% in the third quarter of 2011, or 29.8% on a constant currency basis compared with the prior-year period. This growth is attributable to both higher volumes and a higher average selling price as well as to the contribution made by the Zhong Yung Group acquisition, which has been consolidated since September 2011.

Thus external sales rose in the first nine months of 2011 by 124.2% or 126.6% on a constant currency basis in a year-on-year comparison. In addition to the acquisition of the Zhong Yung Group, external sales were influenced above all by the acquisition of the EAC Group in July 2010.

Operating gross profit

In the third quarter of 2011, operating gross profit rose by 25.9% (29.9% on a constant currency basis) to EUR 20.4 million. Growth in the operating gross profit was supported by the Zhong Yung Group acquisition and was stronger than the increase in volumes.

In the first nine months, operating gross profit in the Asia Pacific segment increased by 121.0% and by 122.6% on a constant currency basis compared with the prior-year period, also as a result of the Zhong Yung Group and EAC Group acquisitions.

Operating expenses

Operating expenses rose compared with the third quarter of 2010 by 12.7% (17.3% on a constant currency basis) to EUR 11.5 million. This increase was mainly due to higher business volumes, on the one hand, through organic growth and, on the other hand, as a result of the acquisition of the Zhong Yung Group.

Therefore, in the first nine months of 2011, operating expenses rose by 93.3% or by 95.7% on a constant currency basis, also due to the acquisition of the Zhong Yung Group and the EAC Group.

Operating EBITDA

Together the companies of the Asia Pacific segment posted EBITDA of EUR 8.9 million in the third quarter of 2011, clearly exceeding the figure for the prior-year quarter by 48.3% or 50.8% on a constant currency basis. This figure includes the contribution to results generated by the Zhong Yung Group acquisition in the month of September. This development of earnings was achieved in an overall economic environment characterized by continued strong growth although momentum also slackened slightly in this region.

Together with the already strong first and second quarters, the Asia Pacific segment recorded growth of 165.7% (also 165.7% on a constant currency basis) in the first nine months of 2011, including the contributions to earnings delivered by the Zhong Yung Group and the EAC Group.

All Other Segments

			Change		
in EUR m	Q3 2011	Q3 2010	abs.	in%	in % (fx adj.)
External sales	121.1	84.3	36.8	43.7	43.7
Operating gross profit	4.5	4.0	0.5	12.5	12.5
Operating expenses	−8.8	−8.6	−0.2	2.3	2.3
Operating EBITDA	**−4.3**	**−4.6**	**0.3**	**−6.5**	**−6.5**

			Change		
in EUR m	9M 2011	9M 2010	abs.	in%	in % (fx adj.)
External sales	327.2	253.3	73.9	29.2	29.2
Operating gross profit	13.0	10.7	2.3	21.5	21.5
Operating expenses	−28.0	−25.3	−2.7	10.7	10.7
Operating EBITDA	**−15.0**	**−14.6**	**−0.4**	**2.7**	**2.7**

In the third quarter of 2011, Brenntag International Chemicals GmbH, Mülheim an der Ruhr, slightly exceeded the operating EBITDA recorded in the same period of 2010. The increase in operating expenses was exceeded by higher operating gross profit.

In the holding companies, operating EBITDA in the third quarter of 2011 was slightly lower than in the third quarter of 2010 due to a moderate increase in costs.

Overall, the operating EBITDA of the Other Segments amounted to EUR −4.3 million in the third quarter of 2011 and was therefore up 6.5% on the prior-year quarter figure.

Operating EBITDA fell slightly by EUR 0.4 million in the first nine months of 2011.

DEVELOPMENT OF FREE CASH FLOW

			Change	
in EUR m	9M 2011	9M 2010	abs.	in%
EBITDA (incl. transaction costs)	489.6	441.2	48.4	11.0
Investments in non-current assets (Capex)	−48.0	−47.2	−0.8	1.7
Change in working capital [1]	−104.8	−170.9	66.1	−38.7
Free cash flow	**336.8**	**223.1**	**113.7**	**51.0**

[1] *See information on the cash flow statement on page 48.*

Free cash flow is defined as EBITDA less other additions to property, plant and equipment as well as 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 336.8 million in the reporting period and thus increased by 51.0% compared with the same period of 2010 (EUR 223.1 million).

This is, on the one hand, due to the clear growth of EBITDA by 11.0% and, on the other hand, to the fact that working capital increased by 38.7% less in a year-on-year comparison, particularly because of the development in the third quarter of 2011. Capex remained roughly at the prior-year level.

GROUP FINANCING

Financing

The most important component in Brenntag's financing structure is a Group-wide loan agreement that we concluded with a syndicate of international banks on June 27, 2011. It was paid out on July 19, 2011, the funds received being largely used for the full repayment of the existing liabilities under the old loan agreement (of January 18, 2006).

The highly favourable market environment at the time the loan agreement was concluded and the steadily improved credit ratings of the Group have enabled us to obtain the loan with attractive interest conditions. We will have considerably lower interest costs in future, particularly in comparison to the repaid loan. Furthermore, the new loan offers us a significantly extended maturity and greater flexibility in many areas.

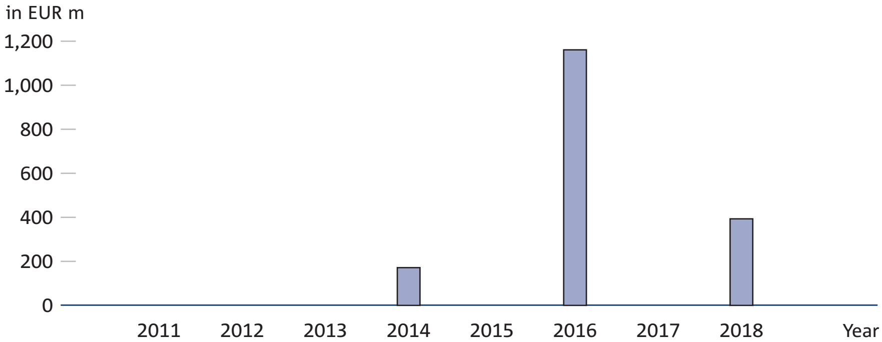
The syndicated bullet loan matures in July 2016 and is divided into different tranches with different currencies. While some of our subsidiaries are direct borrowers under the loan, others obtain their financing from intra-Group loans. Major Group companies are liable for the debt under the syndicated loan. Total liabilities (excluding accrued interest and transaction costs) under the existing loan amounted to EUR 1,161.6 million as at September 30, 2011. This figure includes EUR 106.2 million under the revolving credit facility of EUR 500 million, which is part of the loan agreement.

Parallel to the payout of the syndicated loan, in July 2011 we also successfully placed a bond with a volume of EUR 400 million, maturing in mid-2018 with institutional investors. At an issue price of 99.321%, the bond bears a coupon of 5.50% with interest paid annually. The bond was issued by our Group company Brenntag Finance B.V., Amsterdam, Netherlands, and is guaranteed by Brenntag AG and other Brenntag companies. In view of the identical network of guarantors, the bond has the same ranking as the syndicated loan.

Alongside the syndicated loan and the bond, an international accounts receivable securitization programme is an important component of Group funding. Under this programme, eleven Brenntag companies in five countries regularly transfer trade receivables to the consolidated special-purpose entity Brenntag Funding Ltd., Dublin, Ireland. The receivables are still shown in the consolidated balance sheet until payment by the customers. The financial liabilities under this accounts receivable securitization programme total the equivalent of EUR 176.8 million (excluding transaction costs). In June 2011, the programme was extended until June 2014 with slightly improved conditions. Furthermore, some of our companies make use of credit lines with local banks on a minor scale in consultation with the Group Treasury department.

According to our financial planning, the capital requirements for operating activities, investments in property, plant and equipment as well as dividends and acquisitions are expected to be covered by the cash provided by operating activities so that no further loans are necessary for these purposes. Under the syndicated loan, we also have a revolving credit facility available to cover short-term liquidity requirements.

MATURITY PROFILE OF OUR CREDIT PORTFOLIO[1)]
as per September 30, 2011



[1)] Syndicated loan, bond and liabilities under the international accounts receivable securitization programme excluding accrued interest and transaction costs (on the basis of exchange rates on September 30, 2011).

Cash Flow

in EUR m	**9M 2011**	9M 2010
Cash provided by operating activities	**215.0**	**50.5**
Cash used for investing activities	**−69.2**	**−183.8**
(thereof purchases of consolidated subsidiaries, other business units and other financial assets)	*(−25.3)*	*(−139.0)*
(thereof purchases of other investments)	*(−51.2)*	*(−49.4)*
(thereof proceeds from divestments)	*(7.3)*	*(4.6)*
Cash used for financing activities	**−16.6**	**−179.0**
Change in cash and cash equivalents	**129.2**	**−312.3**

The cash of the Group provided by operating activities totalled EUR 215.0 million in the reporting period. The increase compared with the first nine months of 2010 is mainly due to the fact that net income rose from EUR 84.2 million to EUR 201.2 million. Moreover, in the prior-year period 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. The increase in working capital as a result of the larger business volume had an opposite effect. The annualized working capital turnover rate[1)] fell from 10.4 in the first nine months of 2010 to 9.4 in the reporting period. One of the reasons for this is that the turnover rate of the EAC acquisition is below the Group average due to the higher proportion of specialty chemicals in its business.

[1)] Ratio of annual sales to average working capital; annual sales is defined as the sales for the first nine months projected onto the full year (sales for the first nine months divided by three and multiplied by four); average working capital is defined for the first nine months as the mean average of the values for working capital at the following four times: at the beginning of the year as well as at the end of the first, second and third quarters.

The cash used for investing activities totalling EUR 69.2 million mainly resulted from investments in intangible assets and property, plant and equipment (EUR 51.2 million) as well as the acquisition of all shares in G.S. Robins (EUR 29.8 million purchase price less cash and cash equivalents). 51% of the shares in the Zhong Yung Group were acquired for a total purchase price of EUR 36.3 million. Of this figure, EUR 7.6 million was paid in the third quarter. After allowance for cash and cash equivalents acquired of EUR 10.5 million, there was a net cash inflow of EUR 2.9 million from this acquisition in the reporting period. Furthermore, purchase price refunds of EUR 1.7 million for investments acquired in previous years were offset against cash outflows in the reporting period.

The cash used for financing activities totalled EUR 16.6 million in the reporting period. The main transactions contained in this figure are the dividend payment to the Brenntag shareholders (EUR 72.1 million) and the refinancing. EUR 1,437.3 million was used for early repayment of the old syndicated loan whilst the newly concluded syndicated loan and the bond issue provided cash of EUR 1,532.0 million. The decrease compared with the first nine months of 2010 is mainly due to special effects in the prior-year period with cash inflows from the IPO (EUR 525.0 million less withheld bank fees of EUR 12.9 million) and cash outflows above all for the repayment of financial liabilities (EUR 686.1 million, including EUR 451.9 million for early repayments in connection with the IPO).

Investments

In the first nine months of 2011, investments in property, plant and equipment and intangible assets (excluding additions from company acquisitions) led to a total cash outflow of EUR 51.2 million (9M 2010: EUR 49.4 million).

We regularly invest in the maintenance, replacement and extension of the infrastructure necessary to perform our services. Such infrastructure is comprised of warehouses, offices, trucks and vehicles of our field service as well as IT hardware for various systems.

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

Major investment projects in the reporting period were:

- Bradford site, UK (EUR 0.4 million): The project has considerably increased the storage capacity at the site and will ensure that the latest environmental and safety standards continue to be met. Furthermore, the laboratory facilities were extended to support the food & beverages and pharmaceutical sectors.
- Dickinson site, North Dakota (EUR 0.2 million): The site supplies one of the fastest growing regions of the USA in the oil and gas sector. With this project, we are extending the storage capacity of the site to enable us to expand this business.
- Guarulhos site, Brazil (EUR 2.6 million): Business volumes have increased considerably at the site and it now needs additional storage capacity which meets the latest environmental and safety standards.
- Mosquera site, Colombia (EUR 1.3 million): In order to permit further growth, the site is being extended in compliance with the latest environmental and safety regulations. The project will continue in the next quarters.
- Warehouse in Shah Alam, Malaysia (EUR 0.3 million): Extension of a warehouse in the Kuala Lumpur metropolitan area. Work on the extension started at the beginning of 2011; the project was completed in less than two months. The extension was opened in April 2011.

FINANCIAL AND ASSETS POSITION

	Sep. 30, 2011		Dec. 31, 2010	
in EUR m	abs.	in %	abs.	in %
ASSETS				
Current assets	**2,536.5**	**47.3**	**2,142.0**	**43.1**
Cash and cash equivalents	481.6	9.0	362.9	7.3
Trade receivables	1,279.2	23.8	1,059.7	21.3
Other receivables and assets	122.3	2.3	113.3	2.3
Inventories	653.4	12.2	606.1	12.2
Non-current assets	**2,830.7**	**52.7**	**2,828.2**	**56.9**
Intangible assets[1)]	1,874.8	34.9	1,863.2	37.5
Other fixed assets	850.4	15.8	860.2	17.3
Receivables and other assets	105.5	2.0	104.8	2.1
Total assets	**5,367.2**	**100.0**	**4,970.2**	**100.0**
LIABILITIES AND EQUITY				
Current liabilities	**1,534.4**	**28.6**	**1,330.9**	**26.7**
Provisions	59.1	1.1	56.2	1.1
Trade payables	975.3	18.2	834.1	16.8
Financial liabilities	85.3	1.6	87.1	1.7
Miscellaneous liabilities	414.7	7.7	353.5	7.1
Equity and non-current liabilities	**3,832.8**	**71.4**	**3,639.3**	**73.3**
Equity	1,647.9	30.7	1,617.9	32.6
Non-current liabilities	2,184.9	40.7	2,021.4	40.7
Provisions	204.0	3.8	196.6	4.0
Financial liabilities	1,769.9	33.0	1.696.7	34.1
Miscellaneous liabilities	211.0	3.9	128.1	2.6
Total liabilities and equity	**5,367.2**	**100.0**	**4,970.2**	**100.0**

[1)] *Of the intangible assets as of September 30, 2011, some EUR 1,161.3 million relate to goodwill and trademarks that were capitalized as part of the purchase price allocation performed on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International at the end of the third quarter of 2006 in addition to the relevant intangible assets already existing in the previous Group structure.*

As of September 30, 2011, total assets had increased by 8.0% to EUR 5,367.2 million (December 31, 2010: EUR 4,970.2 million).

The rise in cash and cash equivalents by 32.7% to EUR 481.6 million (December 31, 2010: EUR 362.9 million) is mainly due to the fact that net income rose from EUR 84.2 million to EUR 201.2 million.

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 20.7% to EUR 1,279.2 million (December 31, 2010: EUR 1,059.7 million). This rise is mainly due to the acquisition of G.S. Robins and the Zhong Yung Group as well as higher sales.
- Inventories rose by 7.8% compared with the end of 2010 and amounted to EUR 653.4 million (December 31, 2010: EUR 606.1 million). This development is due to the acquisitions of G.S. Robins and the Zhong Yung Group.
- By contrast, trade payables increased by 16.9% to EUR 975.3 million (December 31, 2010: EUR 834.1 million) also as a result of the acquisitions of G.S. Robins and the Zhong Yung Group as well as the higher business volumes.

Although working capital – adjusted for exchange rate effects and acquisitions – was again reduced significantly compared with June 30, 2011, it has risen by a total of some EUR 105 million since December 31, 2010. The annualized working capital turnover rate[1)] fell from 10.4 in the first nine months of 2010 to 9.4 in the reporting period. One of the reasons for this is that the EAC Group's turnover rate is below the Group average due to the higher proportion of specialty chemicals in its business.

The intangible assets and other fixed assets of the Brenntag Group increased by 0.1 % or EUR 1.8 million to EUR 2,725.2 million (December 31, 2010: EUR 2,723.4 million). The change was mainly a result of investments in non-current assets (EUR 48.0 million), acquisitions (EUR 73.7 million), on the one hand, as well as scheduled depreciation and amortization (EUR –82.4 million) and negative exchange rate effects (EUR –33.2 million) on the other.

Current financial liabilities fell by EUR 1.8 million to a total of EUR 85.3 million (December 31, 2010: EUR 87.1 million). These liabilities are mainly credit facilities with local banks as well as accrued interest.

Non-current financial liabilities increased in the reporting period by EUR 73.2 million to EUR 1,769.9 (December 31, 2010: EUR 1,696.7 million), which was mainly due to the increase in gross debt as part of the refinancing.

The non-current other liabilities rose in the reporting period by EUR 82.9 million to EUR 211.0 million (December 31, 2010: EUR 128.1 million), mainly as a result of a purchase price obligation of EUR 67.9 million for the acquisition of the remaining shares in the Zhong Yung Group.

Current and non-current provisions totalled EUR 263.1 million (December 31, 2010: EUR 252.8 million). This figure included pension provisions of EUR 62.9 million (December 31, 2010: EUR 60.7 million).

As of September 30, 2011, the equity of the Brenntag Group totalled EUR 1,647.9 million (December 31, 2010: EUR 1,617.9 million). The increase in equity is mainly due to the growth in profit after tax, which more than offset opposite effects, such as the dividend distributions.

EMPLOYEES

As of September 30, 2011, Brenntag had 12,607 employees worldwide. 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.

	Sep. 30, 2011		Dec. 31, 2010	
Full-time Equivalents (FTE)	**abs.**	**in %**	abs.	in %
Europe	6,215	49.3	6,147	50.6
North America	3,698	29.3	3,563	29.4
Latin America	1,267	10.1	1,257	10.4
Asia Pacific	1,292	10.2	1,029	8.5
All Other Segments	135	1.1	136	1.1
Brenntag Group	**12,607**	**100.0**	**12,132**	**100.0**

[1)] *Ratio of annual sales to average working capital; annual sales is defined as the sales for the first nine months projected onto the full year (sales for the first nine months divided by three and multiplied by four); average working capital is defined for the first nine months as the mean average of the values for working capital at the following four times: at the beginning of the year as well as at the end of the first, second and third quarters.*

RISK REPORT

Our business policy is geared to steadily improving the efficiency and underlying profitability of our Group. The companies of the Brenntag Group operating in the field of chemicals distribution and related areas are confronted with a significant number of risks which may arise from their business activities. At the same time, these business activities do not only lead to risks but also to many opportunities to safeguard and enhance the company's competitiveness.

We monitor the risks as part of our risk management. The risk management system of the Brenntag Group 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 first nine months of 2011, there were no significant changes in the opportunities and risks for the Brenntag Group described in detail in the 2010 Annual Report. Other risks which we are currently unaware of or which we now consider to be immaterial might also negatively impact our business operations. From today's point of view, there are no indications of any risks which may jeopardize the continued existence of the company.

FORECAST REPORT

The global economy continued to lose momentum at the beginning of the third quarter of 2011 compared with the first half of the year. Ongoing volatility on the financial markets had a negative impact as did rising energy and raw material prices. In view of the increasing uncertainty on the capital markets and among consumers, only slow growth of the economies is to be expected for the rest of the year. The regional differences in growth rates are, however, likely to persist; higher growth rates are again predicted for Asia and Latin America than for the economies in North America and Europe.

Given the development of results in the first nine months of 2011, we are expecting Group operating EBITDA, which does not include the cost of refinancing the syndicated loan, to range between EUR 650 million and EUR 670 million for 2011 for 2011. Here, it has been assumed that the overall economy will not slip into recession and that there will be no major change in the average US dollar exchange rate for the rest of this year.

We are expecting the following developments in local currencies, i.e. excluding exchange rate effects, for the individual segments for 2011 as a whole compared with the previous year:

In the Europe segment, we are forecasting an increase in operating EBITDA. The growth rates in this segment are expected to be below the Group average. We remain focused on the increasing overall adoption of best practice throughout Europe in terms of operating efficiency and operating EBITDA/gross profit ratio.

As far as North America is concerned, we believe that operating gross profit will grow and, with operating expenses only rising moderately, will result in higher operating EBITDA. We are also expecting continued positive contributions to the results from the G.S. Robins acquisition.

After the Latin America segment was affected in 2010 by the unfavourable political and economic developments in Venezuela, we now see a more stable economic environment. Therefore, the segment is expected to achieve an above-average improvement in operating gross profit and operating EBITDA compared with the Group as a whole.

The Asia Pacific segment has been influenced by the acquisition of the EAC Group in July 2010. In 2011, we are expecting a significant increase in operating gross profit and operating EBITDA, on the one hand, as a result of the EAC Group being fully consolidated for the entire year and continuing its very positive business development, and, on the other hand, thanks to the organic growth of the other Brenntag companies in this segment. In addition, we are expecting the acquisition of initially 51% of the shares in the Zhong Yung Group, which has been fully consolidated since September 2011, to also make a positive contribution to results.

Given the likely increase in business volume and higher prices, we are also anticipating a rise in working capital compared with the end of 2010. For the Group as a whole, we are assuming a slight fall in the turnover rate, among others as a result of the acquisition of the EAC Group, which, because of its business model with a high proportion of specialty chemicals, has a lower turnover rate than the rest of the Group. We are not expecting to use any further liquidity for the increase of working capital in the fourth quarter of the year.

Since we also have to make moderate adjustments to property, plant and equipment capacities as business volumes increase, we are planning investments in property, plant and equipment slightly above the level of depreciation. Nevertheless, we should not see any significant increase over the 2010 level.

The comprehensive refinancing and replacement of the previous syndicated loan by a new loan agreement with a syndicate of international banks at the start of the third quarter of 2011 have enabled us to substantially reduce interest margins. Consequently, we expect the financial result in the fourth quarter to improve compared with the first nine months of 2011.

Overall, we are optimistic that we can further increase free cash flow and continually further improve the Group's liquidity position.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH IFRS

(International Financial Reporting Standards)
at September 30, 2011

CONTENTS

CONSOLIDATED INCOME STATEMENT

in EUR m	Note	**Jan. 1– Sep. 30, 2011**	Jan. 1– Sep. 30, 2010	**Jul. 1– Sep. 30, 2011**	Jul. 1– Sep. 30, 2010
Sales		6,518.5	5,710.2	2,218.0	2,022.6
Cost of goods sold		−5,194.8	−4,484.3	−1,772.5	−1,592.9
Gross profit		**1,323.7**	**1,225.9**	**445.5**	**429.7**
Selling expenses		−832.5	−860.5	−282.7	−294.8
Administrative expenses		−100.4	−98.4	−30.9	−36.4
Other operating income		29.5	40.4	9.4	14.6
Other operating expenses		−14.0	−26.2	−5.8	−8.3
Operating profit		**406.3**	**281.2**	**135.5**	**104.8**
Result of investments accounted for at equity		3.5	3.4	1.5	1.0
Finance income	1	8.4	8.0	2.7	2.3
Finance costs	2	−93.1	−147.5	−25.1	−33.0
Changes in purchase price obligations and liabilities under IAS 32 to minorities	7	−6.2	−1.0	−5.7	−0.4
Other financial result		−6.3	−4.3	−2.0	−2.6
Financial result		**−93.7**	**−141.4**	**−28.6**	**−32.7**
Profit before tax		**312.6**	**139.8**	**106.9**	**72.1**
Income taxes	3	−111.4	−55.6	−40.2	−28.8
Profit after tax		**201.2**	**84.2**	**66.7**	**43.3**
Attributable to:					
Shareholders of Brenntag AG		*199.3*	*80.6*	*66.8*	*40.8*
Minority shareholders		*1.9*	*3.6*	*−0.1*	*2.5*
Undiluted earnings per share in Euro	4	**3.87**	**1.67**	**1.30**	**0.79**
Diluted earnings per share in Euro	4	**3.87**	**1.67**	**1.30**	**0.79**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in EUR m	**Jan. 1– Sep. 30, 2011**	Jan. 1– Sep. 30, 2010	**Jul. 1– Sep. 30, 2011**	Jul. 1– Sep. 30, 2010
Profit after tax	**201.2**	**84.2**	**66.7**	**43.3**
Change in exchange rate differences	−33.8	48.4	18.5	−53.8
Change in cash flow hedge reserve	9.7	11.6	–	2.5
Deferred tax on components of other comprehensive income	−3.2	−3.7	–	−0.7
Other comprehensive income	**−27.3**	**56.3**	**18.5**	**−52.0**
Total comprehensive income	**173.9**	**140.5**	**85.2**	**−8.7**
Attributable to:				
Shareholders of Brenntag AG	*171.0*	*136.5*	*84.1*	*−11.7*
Minority shareholders	*2.9*	*4.0*	*1.1*	*3.0*

CONSOLIDATED BALANCE SHEET

ASSETS

in EUR m	Note	Sep. 30, 2011	Dec. 31, 2010
Current Assets			
Cash and cash equivalents		481.6	362.9
Trade receivables		1,279.2	1,059.7
Other receivables		93.9	86.6
Other financial assets		8.3	7.6
Current tax assets		17.9	18.7
Inventories		653.4	606.1
Non-current assets held for sale		2.2	0.4
		2,536.5	**2,142.0**
Non-current Assets			
Property, plant and equipment		823.8	829.6
Investment property		0.2	2.0
Intangible assets		1,874.8	1,863.2
Investments accounted for at equity		26.4	28.6
Other receivables		17.7	17.5
Other financial assets		10.5	6.4
Deferred tax assets		77.3	80.9
		2,830.7	**2,828.2**
Total assets		**5,367.2**	**4,970.2**

LIABILITIES AND EQUITY

in EUR m	Note	Sep. 30, 2011	Dec. 31, 2010
Current Liabilities			
Trade payables		975.3	834.1
Financial liabilities	5	85.3	87.1
Other liabilities		370.1	328.9
Other provisions	6	59.1	56.2
Purchase price obligations and liabilities under IAS 32 to minorities	7	10.8	–
Current tax liabilities		33.8	24.6
		1,534.4	**1,330.9**
Non-Current Liabilities			
Financial liabilities	5	1,769.9	1,696.7
Other liabilities		2.1	2.0
Other provisions	6	141.1	135.9
Provisions for pensions and similar obligations		62.9	60.7
Purchase price obligations and liabilities under IAS 32 to minorities	7	69.4	2.0
Deferred tax liabilities		139.5	124.1
		2,184.9	**2,021.4**
Equity	8		
Subscribed capital		51.5	51.5
Additional paid-in capital		1,560.1	1,560.1
Retained earnings		40.9	−3.3
Other comprehensive income		−27.9	1.2
Shares of shareholders of Brenntag AG		**1,624.6**	**1,609.5**
Equity attributable to minority interests		23.3	8.4
		1,647.9	**1,617.9**
Total liabilities and equity		**5,367.2**	**4,970.2**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in EUR m	Subscribed capital[1]	Additional paid-in capital	Retained earnings
Dec. 31, 2009	**–**	**381.6**	**−143.5**
Capital increase from company funds	41.0	−41.0	–
Capital increase through issuance of new shares	10.5	501.9	–
Contribution of shareholder loan	–	714.9	–
Business combinations	–	–	–
Dividends	–	–	–
Profit after tax	–	–	80.6
Other comprehensive income	–	–	–
Total income and expense for the period	**–**	**–**	**80.6**
Sep. 30, 2010	**51.5**	**1,557.4**	**−62.9**
Dec. 31, 2010	**51.5**	**1,560.1**	**−3.3**
Dividends	–	–	−72.1
Share increases	–	–	−19.8
Business combinations	–	–	−63.2
Profit after tax	–	–	199.3
Other comprehensive income	–	–	–
Total income and expense for the period	**–**	**–**	**199.3**
Sep. 30, 2011	**51.5**	**1,560.1**	**40.9**

[1] Dec. 31, 2009: EUR 25,000.
[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**
–	–	–	–	–	–
–	–	–	512.4	–	512.4
–	–	–	714.9	–	714.9
–	–	–	–	−0.8	−0.8
–	–	–	–	−3.7	−3.7
–	–	–	80.6	3.6	84.2
48.0	11.6	−3.7	55.9	0.4[2)]	56.3
48.0	**11.6**	**−3.7**	**136.5**	**4.0**	**140.5**
−8.5	**−15.1**	**5.5**	**1,527.9**	**7.7**	**1,535.6**
7.7	**−9.7**	**3.2**	**1,609.5**	**8.4**	**1,617.9**
–	–	–	−72.1	−4.1	−76.2
−0.8	–	–	−20.6	−4.5	−25.1
–	–	–	−63.2	20.6	−42.6
–	–	–	199.3	1.9	201.2
−34.8	9.7	−3.2	−28.3	1.0[2)]	−27.3
−34.8	**9.7**	**−3.2**	**171.0**	**2.9**	**173.9**
−27.9	**–**	**–**	**1,624.6**	**23.3**	**1,647.9**

CONSOLIDATED CASH FLOW STATEMENT

in EUR m	Note	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010	Jul. 1– Sep. 30, 2011	Jul. 1– Sep. 30, 2010
	9				
Profit after tax		**201.2**	**84.2**	**66.7**	**43.3**
Depreciation and amortization		83.3	160.0	29.1	55.1
Income taxes		111.4	55.6	40.2	28.8
Income tax payments		−89.0	−55.7	−31.0	−30.5
Interest result		84.7	139.5	22.4	30.7
Interest payments (netted against interest received)		−103.6	−168.7	−46.7	−34.2
Dividends received		1.2	0.4	0.6	0.4
Changes in provisions		2.4	−2.2	−0.9	0.6
Changes in current assets and liabilities					
Inventories		−37.4	−85.7	23.0	−21.1
Receivables		−183.7	−230.0	58.6	4.9
Liabilities		141.6	169.4	16.1	−20.3
Non-cash changes in purchase price obligations and liabilities under IAS 32 to minorities		6.2	1.0	5.7	0.4
Other non-cash items		−3.3	−17.3	−8.1	7.5
Cash provided by operating activities		**215.0**	**50.5**	**175.7**	**65.6**
Proceeds from disposals of investments accounted for at equity		0.4	–	0.4	–
Proceeds from disposals of other financial assets		4.0	0.8	0.8	0.1
Proceeds from disposals of intangible assets as well as property, plant and equipment		2.9	3.8	0.7	1.2
Purchases of consolidated subsidiaries and other business units		−25.2	−137.6	3.6	−134.7
Purchases of other financial assets		−0.1	−1.4	–	−0.1
Purchases of intangible assets as well as property, plant and equipment		−51.2	−49.4	−18.9	−19.1
Cash used for investing activities		**−69.2**	**−183.8**	**−13.4**	**−152.6**
Capital increase		–	525.0	–	–
Payments in connection with the capital increase		–	−13.5	–	−0.6
Purchases of shares in companies already consolidated		−25.1	–	−25.1	–
Profits distributed to Brenntag shareholders		−72.1	–	–	–
Profits distributed to minority shareholders		−5.3	−1.6	−4.2	−0.2
Proceeds from borrowings		1,545.6	3.9	1,531.5	−3.2
Repayments of borrowings		−1,459.7	−692.8	−1,448.3	−6.7
Cash used for/provided by financing activities		**−16.6**	**−179.0**	**53.9**	**−10.7**
Change in cash and cash equivalents		**129.2**	**−312.3**	**216.2**	**−97.7**
Change in cash and cash equivalents due to currency gains/losses		−10.5	10.3	6.2	−13.0
Cash and cash equivalents at beginning of year/quarter		362.9	602.6	259.2	411.3
Cash and cash equivalents at end of quarter		**481.6**	**300.6**	**481.6**	**300.6**

CONDENSED NOTES

KEY FINANCIAL FIGURES BY SEGMENT

for the period from January 1 to September 30

Segment reporting in accordance with IFRS 8 in EUR m		Europe	North America	Latin America	Asia Pacific	All Other Segments	Consoli-dation	**Group**
External sales	2011	3,287.5	2,033.0	597.5	273.3	327.2	–	6,518.5
	2010	2,948.2	1,843.8	543.0	121.9	253.3	–	5,710.2
	Change in %	11.5	10.3	10.0	124.2	29.2	–	14.2
	fx adjusted change in %	11.0	17.1	14.5	126.6	29.2	–	16.5
Inter-segment sales	2011	4.8	3.4	2.2	–	1.9	−12.3	–
	2010	3.3	3.0	9.8	–	2.0	−18.1	–
Operating gross profit [1]	2011	681.4	487.1	111.2	59.0	13.0	–	1,351.7
	2010	649.7	462.5	103.7	26.7	10.7	–	1,253.3
	Change in %	4.9	5.3	7.2	121.0	21.5	–	7.9
	fx adjusted change in %	4.3	11.8	11.8	122.6	21.5	–	10.3
Gross profit	2011	–	–	–	–	–	–	1,323.7
	2010	–	–	–	–	–	–	1,225.9
	Change in %	–	–	–	–	–	–	8.0
	fx adjusted change in %	–	–	–	–	–	–	10.5
Operating EBITDA (segment result)	2011	235.8	207.6	36.9	27.1	−15.0	–	492.4
	2010	220.1	198.3	33.6	10.2	−14.6	–	447.6
	Change in %	7.1	4.7	9.8	165.7	2.7	–	10.0
	fx adjusted change in %	6.7	11.3	15.3	165.7	2.7	–	13.2
EBITDA	2011	–	–	–	–	–	–	489.6
	2010	–	–	–	–	–	–	441.2
	Change in %	–	–	–	–	–	–	11.0
	fx adjusted change in %	–	–	–	–	–	–	14.2
Investments in non-current assets (Capex) [2]	2011	28.5	11.3	5.8	2.2	0.2	–	48.0
	2010	29.9	12.1	4.0	1.0	0.2	–	47.2

[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

for the period from July 1 to September 30

Segment reporting in accordance with IFRS 8 in EUR m		Europe	North America	Latin America	Asia Pacific	All Other Segments	Consoli-dation	**Group**
External sales	2011	1,066.5	715.9	210.2	104.3	121.1	–	2,218.0
	2010	1,011.3	653.1	190.6	83.3	84.3	–	2,022.6
	Change in %	5.5	9.6	10.3	25.2	43.7	–	9.7
	fx adjusted change in %	5.8	19.0	17.8	29.8	43.7	–	13.6
Inter-segment sales	2011	1.9	1.3	0.3	–	0.7	−4.2	–
	2010	1.0	1.1	1.7	–	1.1	−4.9	–
Operating gross profit [1]	2011	221.5	170.8	37.4	20.4	4.5	–	454.6
	2010	218.2	165.6	34.7	16.2	4.0	–	438.7
	Change in %	1.5	3.1	7.8	25.9	12.5	–	3.6
	fx adjusted change in %	1.7	11.8	15.7	29.9	12.5	–	7.6
Gross profit	2011	–	–	–	–	–	–	445.5
	2010	–	–	–	–	–	–	429.7
	Change in %	–	–	–	–	–	–	3.7
	fx adjusted change in %	–	–	–	–	–	–	7.7
Operating EBITDA (segment result)	2011	75.1	74.8	12.1	8.9	−4.3	–	166.6
	2010	75.7	72.2	11.0	6.0	−4.6	–	160.3
	Change in %	−0.8	3.6	10.0	48.3	−6.5	–	3.9
	fx adjusted change in %	−0.3	12.3	18.6	50.8	−6.5	–	8.6
EBITDA	2011	–	–	–	–	–	–	164.6
	2010	–	–	–	–	–	–	159.9
	Change in %	–	–	–	–	–	–	2.9
	fx adjusted change in %	–	–	–	–	–	–	7.6
Investments in non-current assets (Capex) [2]	2011	11.0	4.7	2.6	0.7	–	–	19.0
	2010	12.9	5.6	1.9	0.9	0.1	–	21.4

[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– Sep. 30, 2011	Jan. 1– Sep. 30, 2010	Jul. 1– Sep. 30, 2011	Jul. 1– Sep. 30, 2010
EBITDA	**489.6**	**441.2**	**164.6**	**159.9**
Investments in non-current assets (Capex) [1]	–48.0	–47.2	–19.0	–21.4
Change in working capital [2] [3]	–104.8	–170.9	76.0	–47.7
Free cash flow	**336.8**	**223.1**	**221.6**	**90.8**

[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.
[3] Adjusted for exchange rate differences and first-time consolidations.

in EUR m	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010	Jul. 1– Sep. 30, 2011	Jul. 1– Sep. 30, 2010
Operating EBITDA (segment result)	**492.4**	**447.6**	**166.6**	**160.3**
Transaction costs/holding charges [1]	–2.8	–6.4	–2.0	–0.4
EBITDA	**489.6**	**441.2**	**164.6**	**159.9**
Scheduled depreciation of property, plant and equipment	–65.0	–62.3	–22.4	–21.2
Impairment of property, plant and equipment	–0.9	–	–0.7	–
EBITA	**423.7**	**378.9**	**141.5**	**138.7**
Scheduled amortization of intangible assets [2]	–17.4	–97.7	–6.0	–33.9
Impairment of intangible assets	–	–	–	–
EBIT	**406.3**	**281.2**	**135.5**	**104.8**
Financial result	–93.7	–141.4	–28.6	–32.7
Profit before tax	**312.6**	**139.8**	**106.9**	**72.1**

[1] Transaction costs: Costs connected with restructuring and refinancing under company law, particularly the IPO in 2010 and the refinancing in 2011. They are eliminated for purposes of management reporting to permit proper presentation of the operating performance and comparability on segment level.
Holding charges: Certain costs charged between holding companies and operating companies. On Group level they net to zero.
[2] This figure includes scheduled amortization of customer relationships totalling EUR 11.4 million in the first nine months of 2011 (9M 2010: EUR 91.7 million). Of the amortization of customer relationships, in the prior period EUR 79.6 million resulted from the amortization of customer relationships which were capitalized on the acquisition of the Brenntag Group by funds advised by BC Partners Limited, Bain Capital, Ltd. and subsidiaries of Goldman Sachs International at the end of the third quarter of 2006. These customer relationships were fully amortized over four years until September 30, 2010.

in EUR m	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010	Jul. 1– Sep. 30, 2011	Jul. 1– Sep. 30, 2010
Operating gross profit	**1,351.7**	**1,253.3**	**454.6**	**438.7**
Operating costs [1]	28.0	27.4	9.1	9.0
Gross profit	**1,323.7**	**1,225.9**	**445.5**	**429.7**

[1] Production/mixing & blending costs.

CONSOLIDATION POLICIES AND METHODS

Standards applied

These interim consolidated financial statements for the period from January 1 to September 30, 2011 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, 2010.

With the exception of the Standards and Interpretations to be applied for the first time in the financial year starting January 1, 2011, the same consolidation policies and methods have been applied as for the consolidated financial statements at December 31, 2010.

The following (in some cases revised) Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) were applied by the Brenntag Group for the first time:

- Revised IAS 24 (Related Party Disclosures)
- Amendments to IAS 32 (Financial Instruments: Presentation) regarding the classification of rights issues
- IFRIC 19 (Extinguishing Financial Liabilities with Equity Instruments)
- Amendments to IFRIC 14 (IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction) regarding prepayments of a minimum funding requirement
- Improvements to IFRSs (2010)
- Amendments to IFRS 1 (First-time Adoption of International Financial Reporting Standards) regarding the limited exemption of first-time adopters from presenting comparative information in accordance with IFRS 7

The 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.

Income taxes are recorded on the basis of the latest estimate of the corporate income tax rate expected for the 2011 financial year.

Scope of consolidation

The table below shows the changes in the number of fully consolidated companies and special purpose entities since January 1, 2011:

	Jan. 1, 2011	Additions	Disposals	Sep. 30, 2011
Domestic consolidated companies	25	2	–	27
Foreign consolidated companies	169	9	6	172
Total consolidated companies	**194**	**11**	**6**	**199**

The additions are the result of acquisitions of subsidiaries and the establishment of new companies. The disposals are the result of a merger and the liquidation of companies which were no longer operational.

Six associates (prior period: eight) are accounted for at equity.

Business combinations in accordance with IFRS 3

At the end of May 2011, Brenntag acquired 100 % of the shares in G.S. Robins & Company, a leading regional distributor of industrial chemicals headquartered in St. Louis, USA. The provisional acquisition costs for the net assets acquired amount to EUR 31.8 million.

The net assets acquired break down as follows:

in EUR m	Fair Value according to IFRS
ASSETS	
Cash and cash equivalents	2.0
Trade receivables	6.8
Other receivables	0.7
Inventories	4.7
Property, plant and equipment	3.9
Customer relationships and similar rights	6.7
Deferred tax assets	1.4
LIABILITIES	
Trade payables	5.1
Other provisions	3.1
Other liabilities	0.9
Net assets	**17.1**

Measurement of the assets and liabilities of G.S. Robins & Company taken over has not yet been completed. There are no material differences between the gross amount and the carrying amount of the receivables. Additional intangible assets (customer relationships and similar rights) which were not recognized in the balance sheet of the company acquired have been accounted for at provisional figures, taking tax effects into consideration. The multi-period excess earnings method was used to measure customer relationships. On the basis of the fair value of the net assets acquired, the provisional goodwill which can be amortized for tax purposes amounts to EUR 14.7 million. In accordance with IFRS 3, this goodwill is not amortized. The goodwill includes an employee base of EUR 0.5 million, which was determined on a cost basis. The remaining goodwill is determined by the growth opportunities arising from the takeover. For example, the takeover has enabled Brenntag to improve its market position in many of its key industries such as food & beverages and water treatment.

Since its acquisition by Brenntag, G.S. Robins & Company has generated sales of EUR 23.3 million in 2011 and a profit after tax of EUR 0.3 million.

At the end of August, Brenntag closed the acquisition of the first tranche (51 %) of Zhong Yung (International) Chemical Ltd., Hong Kong. Zhong Yung is focused on the distribution of solvents with an infrastructure in the key economic regions in China. The provisional acquisition costs for the net assets of the group acquired amount to EUR 36.3 million.

The net assets acquired break down as follows:

in EUR m	Fair Value according to IFRS
ASSETS	
Cash and cash equivalents	10.5
Trade receivables	38.7
Other receivables	10.7
Inventories	13.7
Property, plant and equipment	18.9
Customer relationships and similar rights	13.4
Other intangible assets	0.4
LIABILITIES	
Trade payables	25.4
Other provisions	0.3
Liabilities to banks	23.8
Other liabilities	11.4
Deferred tax liabilities	3.3
Net assets	**42.1**[1)]

[1)] Of which EUR 20.6 million are attributable to minorities.

Measurement of the assets and liabilities of the Zhong Yung Group taken over has not yet been completed. There are no material differences between the gross amount and the carrying amount of the receivables. Additional intangible assets (customer relationships and similar rights) which were not recognized in the balance sheet of the company acquired have been accounted for at provisional figures, taking tax effects into consideration. The multi-period excess earnings method was used to measure customer relationships. On the basis of the fair value of the net assets acquired, the provisional goodwill which cannot be amortized for tax purposes amounts to EUR 14.8 million. In accordance with IFRS 3, this goodwill is not amortized. The goodwill includes an employee base of EUR 0.5 million, which was determined on a cost basis. The remaining goodwill is determined by the growth opportunities arising from the takeover. Through this acquisition, Brenntag has gained access to the world's fastest-growing chemical market and can strengthen its growth strategy in the Asia Pacific region.

Since its acquisition by Brenntag, the Zhong Yung Group has generated sales of EUR 19.4 million in 2011 and a profit after tax of EUR 0.5 million.

The goodwill acquired has developed as follows since the acquisitions:

in EUR m	G.S. Robins & Company	Zhong Yung (International) Chemical Ltd.
COST OF ACQUISITION		
December 31, 2010	–	–
Additions from business combinations	14.7	14.8
Exchange rate differences	−0.3	0.7
Sep. 30, 2011	**14.4**	**15.5**

If the business combinations had taken place with effect from January 1, 2011, sales of EUR 6,717.5 million would have been shown for the Brenntag Group in the first nine months of 2011. The profit after tax for the Brenntag Group would have been EUR 205.4 million.

The net cash outflow as a result of the business combinations has been determined as follows:

in EUR m	
COST OF ACQUISITION	**68.1**
less cash and cash equivalents acquired	12.5
less non-cash purchase price components	28.7
less purchase price refunds from business combinations in prior years	1.7
Purchases of consolidated subsidiaries and other business units	**25.2**

Currency translation

The euro exchange rates for major currencies developed as follows:

	Closing rate		Average rate	
1 EUR = currencies	**Sep. 30, 2011**	Dec. 31, 2010	**Jan. 1– Sep. 30, 2011**	Jan. 1– Sep. 30, 2010
Canadian dollar (CAD)	1.4105	1.3322	1.3752	1.3615
Swiss franc (CHF)	1.2170	1.2504	1.2337	1.4002
Chinese Yuan Renminbi (CNY)	8.6207	8.8220	9.1378	8.9474
Danish crown (DKK)	7.4417	7.4535	7.4542	7.4448
Pound sterling (GBP)	0.8667	0.8608	0.8714	0.8573
Polish zloty (PLN)	4.4050	3.9750	4.0211	4.0043
Swedish crown (SEK)	9.2580	8.9655	9.0096	9.6484
US dollar (USD)	1.3503	1.3362	1.4065	1.3145

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

1. Finance income

in EUR m	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010
Interest income from third parties	3.4	3.7
Expected income from plan assets	5.0	4.3
Total	**8.4**	**8.0**

2. Finance costs

in EUR m	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010
Interest expense on liabilities to third parties	−71.1	−93.9
Interest expense on liabilities to related parties	–	−17.0
Expense from the measurement of interest rate swaps and interest caps at fair value	−12.4	−26.4
Interest cost on the unwinding of discounting for provisions for pensions and similar obligations	−6.9	−6.5
Interest cost on other provisions	−1.5	−2.3
Interest expense on finance leases	−1.2	−1.4
Total	**−93.1**	**−147.5**

3. Income taxes

Income taxes include current tax expenses of EUR 98.6 million (9M 2010: current tax expenses of EUR 67.0 million) as well as deferred tax expenses of EUR 12.8 million (9M 2010: deferred tax income of EUR 11.4 million).

The effects of changes in the purchase price obligations and liabilities under IAS 32 to minorities which cannot be planned with sufficient accuracy have not been taken into consideration when determining the expected corporate income tax rate and calculating the income taxes for the reporting period as there will be no tax effects therefrom. In the first nine months of 2011, the above effects reduced the profit before tax by EUR 6.2 million with no corresponding reduction in taxes.

4. Earnings per share

The earnings per share of EUR 3.87 (9M 2010: EUR 1.67) are determined by dividing the share in income after tax of EUR 199.3 million (9M 2010: EUR 80.6 million) due to the shareholders of Brenntag AG by the average weighted number of shares in circulation. In the prior period, the 41 million shares resulting from the conversion of the company into a stock corporation on March 11, 2010 were already included from January 1, 2010 in the calculation of the earnings per share. The 10.5 million shares issued as part of the capital increase on March 29, 2010 were taken into consideration on a pro-rata basis in the prior period.

Thus the number of shares in circulation developed as follows:

	Date	No. of shares (unweighted)	Weighting in days	No. of shares (weighted)
	Jan. 1, 2010	**41,000,000**	**273**	**41,000,000**
Capital increase through the issuance of new shares	Mar. 29, 2010	10,500,000	186	7,153,846
	Sep. 30, 2010	**51,500,000**		**48,153,846**
	Sep. 30, 2011	**51,500,000**	**273**	**51,500,000**

5. Financial liabilities

in EUR m	Sep. 30, 2011	Dec. 31, 2010
Liabilities under syndicated loan	1,152.6	1,482.0
Bond	396.4	–
Other liabilities to banks	256.4	235.7
Liabilities under finance leases	18.8	19.8
Derivative financial instruments	8.7	28.5
Other financial liabilities	22.3	17.8
Financial liabilities as per balance sheet	**1,855.2**	**1,783.8**
Cash and cash equivalents	481.6	362.9
Net financial liabilities	**1,373.6**	**1,420.9**

On June 27, 2011, Brenntag signed a new loan agreement with a syndicate of international banks which completely replaced the existing syndicated loan. It was paid out on July 19, 2011. The syndicated bullet loan matures in July 2016 and is divided into different tranches with different currencies. While some of our subsidiaries are direct borrowers under the loan, others obtain their financing from intra-Group loans. Major Group companies are liable for the debt under the syndicated loan.

Parallel to the payout of the syndicated loan, in July 2011 we also successfully placed a bond with a volume of EUR 400 million, maturing in mid-2018 with institutional investors. At an issue price of 99.321 %, the bond bears a coupon of 5.50 % with interest paid annually. The bond was issued by our Group company, Brenntag Finance B.V., Amsterdam, Netherlands, and is guaranteed by Brenntag AG and other Brenntag companies. In view of the identical network of guarantors, the bond has the same ranking as the syndicated loan.

Of the other liabilities to banks, EUR 175.4 million (December 31, 2010: EUR 176.7 million) is owed to banks by the consolidated Irish special purpose entity, Brenntag Funding Ltd., Dublin.

6. Other provisions

Other provisions break down as follows:

in EUR m	Sep. 30, 2011	Dec. 31, 2010
Environmental provisions	124.3	124.0
Provisions for personnel expenses	18.7	17.7
Miscellaneous provisions	57.2	50.4
Total	**200.2**	**192.1**

7. Purchase price obligations and liabilities under IAS 32 to minorities

The purchase price obligations and liabilities under IAS 32 to minorities break down as follows:

in EUR m	Sep. 30, 2011	Dec. 31, 2010
Purchase price obligation for final purchase price payment of first tranche of Zhong Yung (51 %)	10.8	–
Purchase price obligation for second tranche of Zhong Yung (49 %)	67.9	–
Liabilities under IAS 32 to minorities	1.5	2.0
Total	**80.2**	**2.0**

The purchase price obligation for the second tranche of Zhong Yung (49 %) is a liability arising from the obligation to purchase the remaining shares in Zhong Yung (International) Chemical Ltd. in 2016.

In accordance with IAS 32, on initial recognition at the end of August the purchase price expected to be paid for the remaining shares in 2016 was to be recognized as a liability in equity at its present value. On subsequent measurement, any difference resulting from unwinding of discounting, changes in the estimate of the future purchase price and changes in the Euro/Renminbi exchange rate on the reporting date is recognized in profit or loss.

The expenses arising from the changes in the purchase price obligations and liabilities under IAS 32 to minorities break down as follows:

in EUR m	**Jan. 1– Sep. 30, 2011**	Jan. 1– Sep. 30, 2010
Effect of unwinding of discounting	−0.4	–
Result from measurement of the purchase price obligations at the exchange rate on the reporting date	−5.0	–
Change in liabilities under IAS 32 to minorities	−0.8	−1.0
Total	**−6.2**	**−1.0**

8. Equity

As proposed by the Board of Management and Supervisory Board, on June 22, 2011 the ordinary general shareholders' meeting of Brenntag AG approved the distribution of a dividend of EUR 72,100,000.00. That is a dividend of EUR 1.40 per no-par-value share entitled to dividend.

The initial recognition of the obligation to purchase the remaining shares in Zhong Yung (International) Chemical Ltd. in the amount of EUR 63.2 million has correspondingly reduced the equity of the Group.

At the end of July 2011, Brenntag acquired the remaining shares in Brenntag Polska Sp. z o.o., Poland, and European Polymers and Chemical Distribution BVBA, Belgium. The purchase price payment to the previous minority shareholders of EUR 25.1 million has correspondingly reduced the equity of the Group.

9. Information on the cash flow statement

The net cash inflow from operating activities amounting to EUR 215.0 million was influenced by cash outflows in connection with the increase in working capital of EUR 104.8 million.

The rise in working capital is made up of changes in inventories, gross receivables and trade payables as well as write-downs on trade receivables and inventories as follows:

in EUR m	Jan. 1– Sep. 30, 2011	Jan. 1– Sep. 30, 2010
Increase in inventories	−37.4	−85.7
Increase in gross trade receivables	−188.0	−223.3
Increase in trade payables	120.0	136.2
Write-downs on gross trade receivables and on inventories [1]	0.6	1.9
Change in working capital [2]	**−104.8**	**−170.9**

[1] Shown within other non-cash items.
[2] Adjusted for exchange rate differences and first-time consolidations.

The annualized working capital turnover rate[1] fell from 10.4 in the first nine months of 2010 to 9.4 in the reporting period. One of the reasons for this is that the acquired EAC Group's turnover rate is below the Group average due to the higher proportion of specialty chemicals in its business.

The repayments of borrowings include the repayment of the old syndicated loan amounting to EUR 1,437.3 million; the proceeds from borrowings include the inflow of funds amounting to EUR 1,532.0 million under the new syndicated loan and the bond issued on July 19, 2011.

Mülheim an der Ruhr, November 8, 2011

Brenntag AG
THE BOARD OF MANAGEMENT

Steven Holland   Jürgen Buchsteiner   William Fidler

[1] Ratio of annual sales to average working capital; annual sales is defined as the sales for the first nine months projected onto the full year (sales for the first nine months divided by three and multiplied by four); average working capital is defined for the first nine months as the mean average of the values for working capital at the following four times: at the beginning of the year as well as at the end of the first, second and third quarters.

REVIEW REPORT

TO BRENNTAG AG, MÜLHEIM AN DER RUHR

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, Mülheim an der Ruhr, for the period from January 1, 2011 to September 30, 2011 which are part of the quarterly financial report pursuant to § (Article) 37x Abs. (paragraph) 3 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, November 8, 2011

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Wirtschaftsprüfungsgesellschaft

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

FINANCIAL CALENDAR

November 10, 2011	Interim Report Q3 2011
November 21, 2011	Bank of America Business Services Conference, London
November 29 – 30, 2011	Berenberg Conference, London
December 6 – 7, 2011	Credit Suisse Business Services West Coast Conference, San Francisco
March 21, 2012	Release of 2011 Annual Report
May 9, 2012	Interim Report Q1 2012
June 20, 2012	Annual General Meeting, Düsseldorf
August 8, 2012	Interim Report Q2 2012
November 7, 2012	Interim Report Q3 2012

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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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