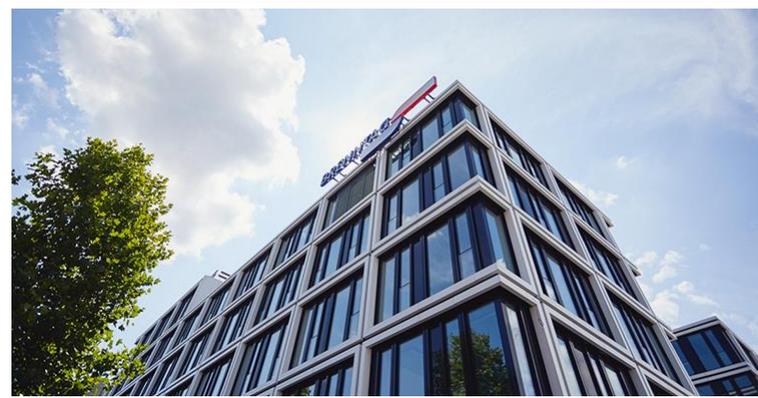


Connecting**Chemistry**



Q2 2019 Results



7 August 2019

Conference call on the Q2 2019 results
Corporate Finance & Investor Relations

AGENDA

Q2 2019 results presentation

- Review Q2 2019**
- Financials Q2 2019
- Outlook
- Appendix

REVIEW Q2 2019

Highlights Q2 2019

Operating Gross Profit

+4.1% (fx adj.)

EUR 722.9m

Operating EBITDA

+12.2% (fx adj.)
flattish on frozen GAAP

EUR 266.3m

Free Cash Flow

+21.1%

EUR 179.1m

Successful completion of acquisitions

Contribution from acquired businesses

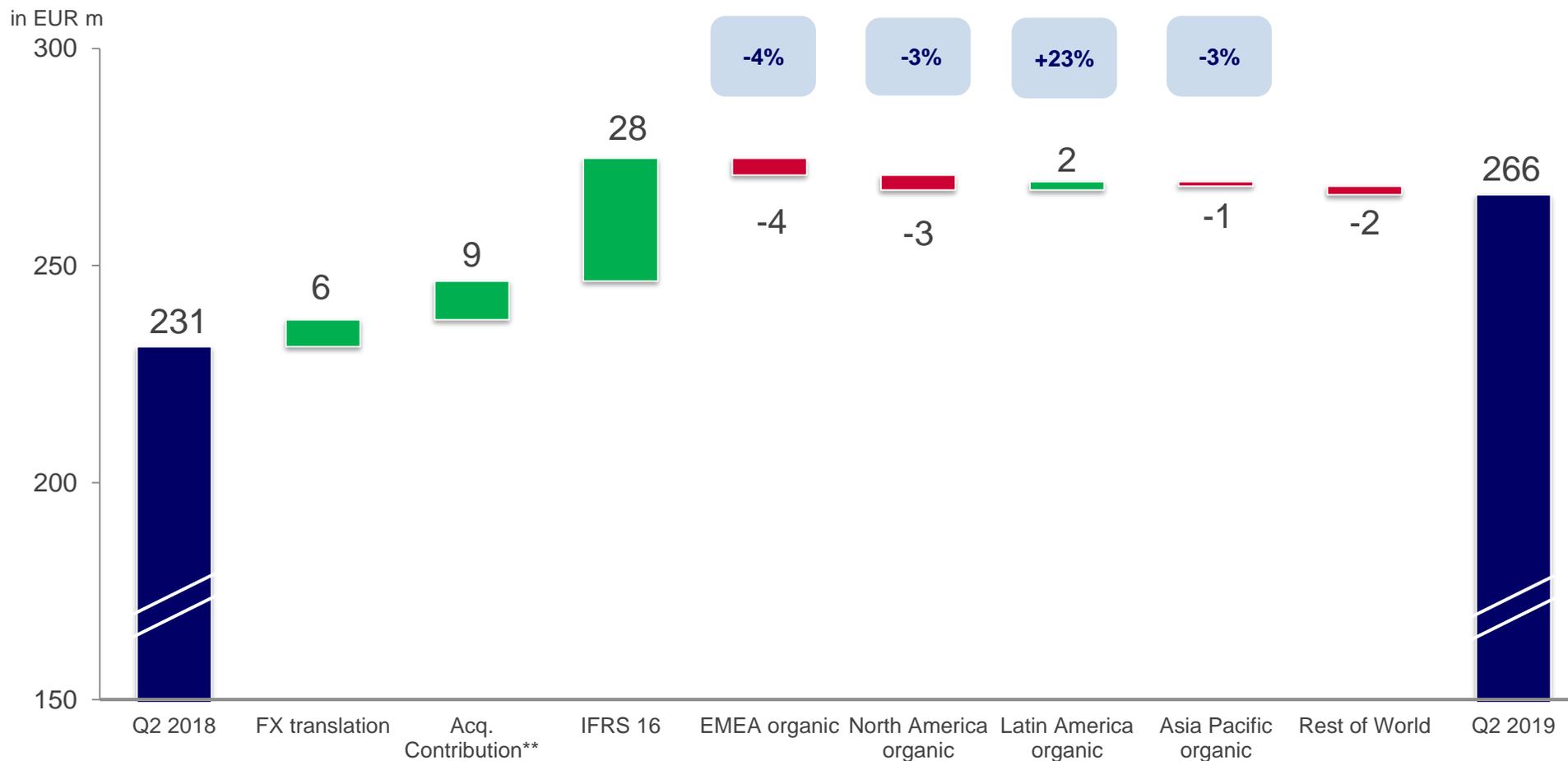
Noticeable softening of economic conditions

Weaker outlook drove guidance adjustment:

Op. EBITDA growth: 0 - 4%

REVIEW Q2 2019

Operating EBITDA bridge*: Q2 2018 to Q2 2019



* Calculations are partly based on assumptions made by management; effects based on rounded figures

** 2018 adjusted for Biosector (sale 12/2018)

REVIEW Q2 2019

Segments – EMEA

in EUR m	Q2 2019	Q2 2018	Δ in %	in % (fx adj.)
Operating gross profit	292.8	293.5	-0.2	0.2
Operating EBITDA	108.7	103.0	5.5	6.5

Update

- Continuing softness in the macroeconomic environment
- Weakness particularly visible in countries with higher exposure to automotive industry
- Stable operating gross profit achieved against weak demand
- Cost increases lower than in Q1
- Organic EBITDA: -4%
- Effect on op. EBITDA of EUR 10m from application of new IFRS 16 standard

REVIEW Q2 2019

Segments – North America

in EUR m	Q2 2019	Q2 2018	Δ in %	in % (fx adj.)
Operating gross profit	313.0	281.4	11.2	5.1
Operating EBITDA	127.8	108.0	18.3	11.6

Update

- Softening of macroeconomic conditions
- Gross profit growth: combination of organic and acquisitive growth
- Weaker trends in organic business attributable to changing customer sentiment
- Operating EBITDA slightly down organically
- Effect on op. EBITDA of EUR 13m from application of new IFRS 16 standard

REVIEW Q2 2019

Segments – Latin America

in EUR m	Q2 2019	Q2 2018	Δ in %	in % (fx adj.)
Operating gross profit	44.8	40.7	10.1	7.9
Operating EBITDA	13.4	8.7	54.0	57.0

Update

- Economic conditions remain volatile with different challenges in the countries
- Another very positive quarter for the region
- Organic growth of both operating gross profit and operating EBITDA
- Effect on op. EBITDA of EUR 3m from application of new IFRS 16 standard

REVIEW Q2 2019

Segments – Asia Pacific

in EUR m	Q2 2019	Q2 2018	Δ in %	in % (fx adj.)
Operating gross profit	67.6	57.2	18.2	15.0
Operating EBITDA	25.5	19.8	28.8	25.1

Update

- Business conditions slowing down
- Some areas with weaker demand
- Organic gross profit growth and contribution from acquisitions
- Higher logistics costs in China remain a challenge
- Effect on op. EBITDA of EUR 2m from application of new IFRS 16 standard

REVIEW Q2 2019

Recent acquisitions

Target	Rationale	Status
Tee Hai Chem Pte Ltd., Singapore (51% stake)	Provider of supply chain solutions for the Life Sciences, Electronics manufacturing and R&D sectors	Closed
Marlin Company, Inc., USA	Provider of custom chemical blending and packaging services	Closed
B&M Oil Company, USA	Sales, marketing and distribution of lubricants	Closed
Neuto Chemical Corp., Taiwan	Well-established distributor of specialty and industrial chemical products	Signed
Chemgrit Cosmetics (Pty) Ltd., South Africa	Specialty chemical distributor	Signed
Crest Chemicals Ltd., South Africa (Acquisition of remaining 50%)	Longstanding 50% Joint Venture of Brenntag / Crest is a chemical distributor to a broad range of industries	Signed

Total Enterprise Value of ~EUR 200m *) (for M&A in 2019 YTD)

*) Enterprise Value for Tee Hai and Crest included on a pro rata basis for the share acquired

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FINANCIALS Q2 2019

Income statement

in EUR m	Q2 2019	Q2 2018	Δ	Δ FX adjusted	2018
Sales	3,254.3	3,215.0	1.2%	-1.2%	12,550.0
Cost of sales	-2,531.4	-2,538.0	-0.3%		-9,889.1
Operating gross profit	722.9	677.0	6.8%	4.1%	2,660.9
Operating expenses	-456.6	-445.7	2.4%		-1,785.4
Operating EBITDA	266.3	231.3	15.1%	12.2%	875.5
Op. EBITDA / op. gross profit	36.8%	34.2%			32.9%

FINANCIALS Q2 2019

Income statement (continued)

in EUR m	Q2 2019	Q2 2018	Δ	2018
Operating EBITDA	266.3	231.3	15.1%	875.5
Net expenses from holding charges and special items	-0.2	-1.3		17.4
Depreciation	-59.8	-29.8	100.7%	-122.0
EBITA	206.3	200.2	3.0%	770.9
Amortization ¹⁾	-13.6	-12.1	12.4%	-49.9
EBIT	192.7	188.1	2.5%	721.0
Financial result	-24.4	-23.8	2.5%	-97.5
EBT	168.3	164.3	2.4%	623.5
Profit after tax	125.4	118.3	6.0%	462.3
EPS	0.81	0.76	6.6%	2.98

1) Includes scheduled amortization of customer relationships amounting to EUR 9.8m in Q2 2019 (EUR 9.9m in Q2 2018 and EUR 40.7 million in 2018).

FINANCIALS Q2 2019

Cash flow statement

in EUR m	Q2 2019	Q2 2018	2018
Profit after tax	125.4	118.3	462.3
Depreciation & amortization	73,4	41.9	171.9
Income taxes	42,9	46.0	161.2
Income tax payments	-60,6	-50.9	-150.6
Interest result	22,7	22.5	82.3
Interest payments (net)	-20,6	-13.3	-80.0
Changes in current assets and liabilities	-40.0	-86.6	-230.7
Changes in provisions	-1.8	3.2	-25.7
Other	3.2	-8.4	-15.4
Cash provided by operating activities	144.6	72.7	375.3

FINANCIALS Q2 2019

Cash flow statement (continued)

in EUR m	Q2 2019	Q2 2018	2018
Purchases of intangible assets and property, plant & equipment (PPE)	-39.7	-38.0	-178.4
Purchases of consolidated subsidiaries and other business units	-55.3	-69.0	-199.0
Sale of consolidated subsidiaries	0.0	0.0	68.2
Other	0.5	1.2	19.1
Cash used for investing activities	-94.5	-105.8	-290.1
Purchases of companies already consolidated	-	-	-
Profits distributed to non-controlling interests	-1.0	-1.0	-1.6
Dividends paid to Brenntag shareholders	-185.4	-170.0	-170.0
Repayment of (-)/proceeds from (+) borrowings (net)	51.0	44.4	-39.9
Cash used for / provided by financing activities	-135.4	-126.6	-211.5
Change in cash & cash equivalents	-85.3	-159.7	-126.3

FINANCIALS Q2 2019

Free cash flow

in EUR m	Q2 2019	Q2 2018	Δ	Δ	2018
Operating EBITDA	266.3	231.3	35.0	15.1%	875.5
Capex	-39.6	-38.0	-1.6	4.2%	-172.2
Δ Working capital	-18.3	-45.4	27.1	-59.7%	-178.1
Principal and interest payments on lease liabilities ¹⁾	-29.3	-	-	-	-
Free cash flow	179.1	147.9	31.2	21.1%	525.2

1) On initial application of IFRS 16 at January 1, 2019, cash outflows for principal payments on lease liabilities and interest payments incurred in this context are deducted. In the prior-year figures, lease payments were still included in operating EBITDA through rental and lease expenses.

FINANCIALS Q2 2019

Balance Sheet and leverage

in EUR m	30 June 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 June 2018
Financial liabilities	2,268.7	2,165.0	2,155.7	2,283.7	2,249.3
./. Cash and cash equivalents	352.2	441.6	393.8	347.1	332.8
Net Debt	1,916.5	1,723.4	1,761.9	1,936.6	1,916.5
Net Debt/Operating EBITDA ¹⁾	2.2x	2.0x	2.0x	2.3x	2.3x
Equity	3,313.1	3,435.1	3,301.2	3,164.9	3,047.8

1) Operating EBITDA for the quarters on LTM basis; op. EBITDA, financial liabilities and net debt without application of IFRS 16

FINANCIALS Q2 2019

Working capital

in EUR m	30 June 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 June 2018
Inventories	1,250.5	1,214.3	1,195.8	1,224.7	1,183.3
+ Trade receivables	1,975.0	2,003.9	1,843.0	1,958.5	1,989.7
./. Trade payables	1,328.2	1,360.0	1,231.8	1,336.7	1,382.3
Working capital (end of period)	1,897.3	1,858.2	1,807.0	1,846.5	1,790.7
Working capital turnover (year-to-date) ¹⁾	6.9x	6.9x	7.3x	7.4x	7.5x
Working capital turnover (last twelve months) ²⁾	6.9x	7.1x	7.3x	7.4x	7.5x

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

2) Using sales on LTM basis and average LTM working capital.

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Outlook

2019

Macro environment

- Macro economic slowdown in all regions in H1
- Macro indicators suggest weak H2
- EMEA remains on very soft levels
- North America still growing but on lower levels than before
- Asia Pacific shows a mixed picture
- Latin America remains in contraction with high volatility

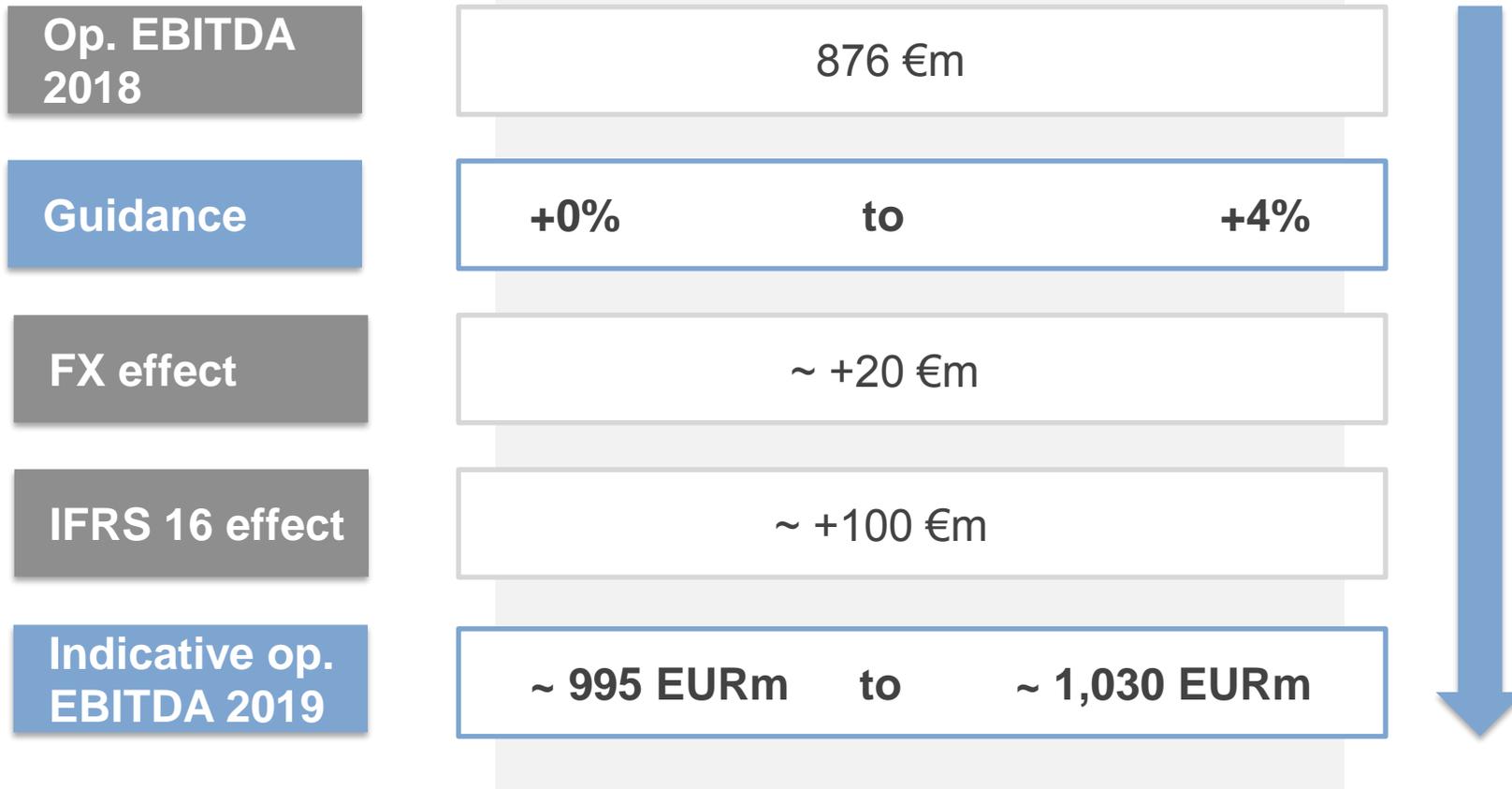
Operating EBITDA Guidance

**New guidance since July 16, 2019:
0-4% growth of operating EBITDA in FY 2019
(fx adj., incl. M&A and frozen GAAP)**

Comments

- Outlook reflects weakening trends in Q2 in our business and softer macro outlook for H2
- New guidance assumes positive growth for Brenntag in H2

Outlook



THANK YOU FOR YOUR ATTENTION



Steven Holland
CEO

- With Brenntag since 2006
- +30 years of dedicated experience
- Region Latin America, Corp. Communications, Development, HR, HSE, Internal Audit + Compliance, M&A, Sustainability



Georg Müller
CFO

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

We are ready to answer your questions!

AGENDA

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FINANCIALS Q2 2019

Segments

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	Q2 2019	292.8	313.0	44.8	67.6	4.7	722.9
	Q2 2018	293.5	281.4	40.7	57.2	4.2	677.0
	Δ	-0.2%	11.2%	10.1%	18.2%	11.9%	6.8%
	Δ FX adjusted	0.2%	5.1%	7.9%	15.0%	11.9%	4.1%
Operating EBITDA	Q2 2019	108.7	127.8	13.4	25.5	-9.1	266.3
	Q2 2018	103.0	108.0	8.7	19.8	-8.2	231.3
	Δ	5.5%	18.3%	54.0%	28.8%	11.0%	15.1%
	Δ FX adjusted	6.5%	11.6%	57.0%	25.1%	12.4%	12.2%

FINANCIALS H1 2019

Segments

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	H1 2019	580.5	605.8	87.4	128.0	9.4	1,411.0
	H1 2018	583.0	539.0	78.6	106.1	7.9	1,314.6
	Δ	-0.4%	12.4%	11.2%	20.6%	19.0%	7.3%
	Δ FX adjusted	0.1%	5.3%	8.3%	16.5%	19.0%	4.2%
Operating EBITDA	H1 2019	210.5	239.8	24.9	47.0	-17.1	505.1
	H1 2018	204.4	196.1	16.8	37.2	-16.6	437.9
	Δ	3.0%	22.3%	48.2%	26.3%	3.0%	15.3%
	Δ FX adjusted	4.0%	14.4%	48.9%	21.7%	3.6%	12.0%

IFRS 16

Implementation of IFRS 16: implications on P&L and balance sheet

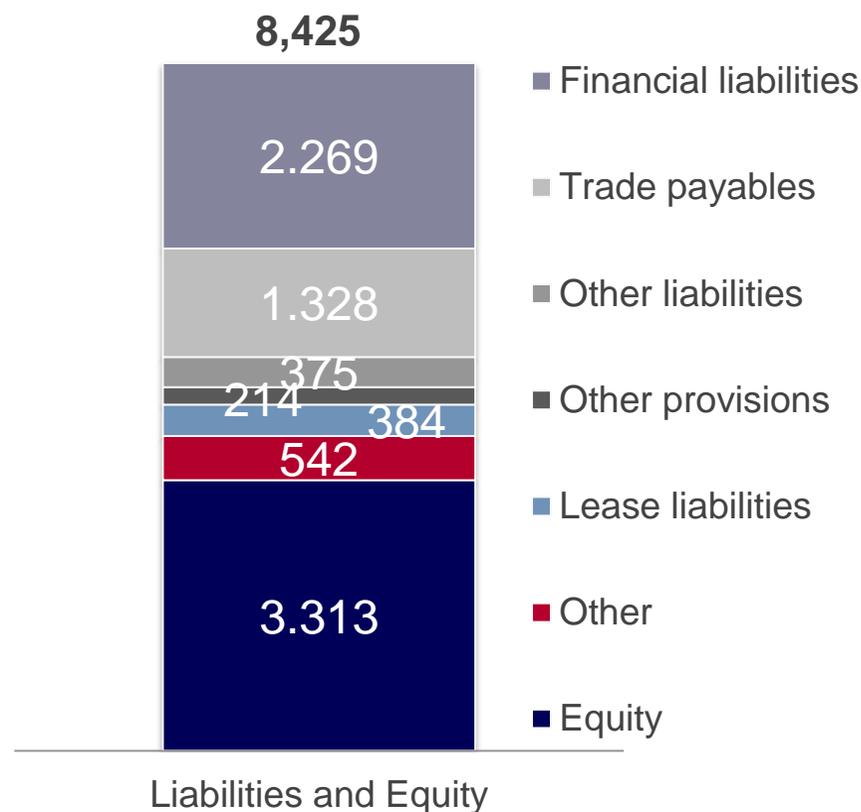
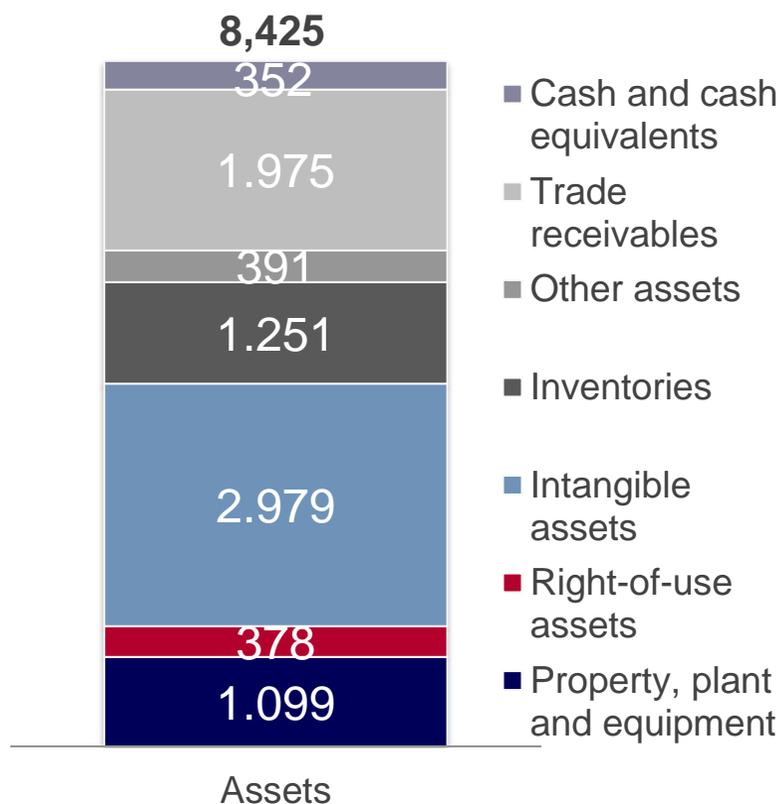
P&L				Balance Sheet			
in EUR m	IFRS 16 impact on Q2 2019			in EUR m	IFRS 16 impact on Q2 2019		
Sales		Unchanged		Lease liabilities		+384 ¹⁾	Increase
Op. Gross Profit		Unchanged		Right-of-use assets		+378 ¹⁾	Increase
Opex (Rent & Leases)		-28.3	Decrease				
Op. EBITDA		+28.3	Increase				
Depreciation		+26.4	Increase				
Interest		+3.0	Increase				
EPS		Remain about stable					

1) Includes finance leases unrelated to the application of IFRS 16: lease liabilities: EUR 7m; right-of-use-assets: EUR 8m

FINANCIALS Q2 2019

Balance Sheet as of June 30, 2019

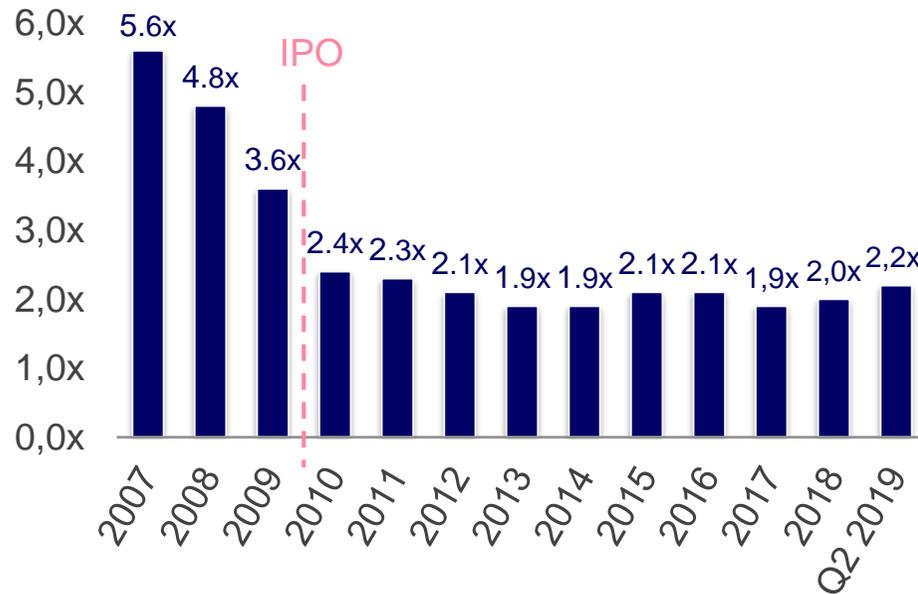
in EUR m



FINANCIALS Q2 2019

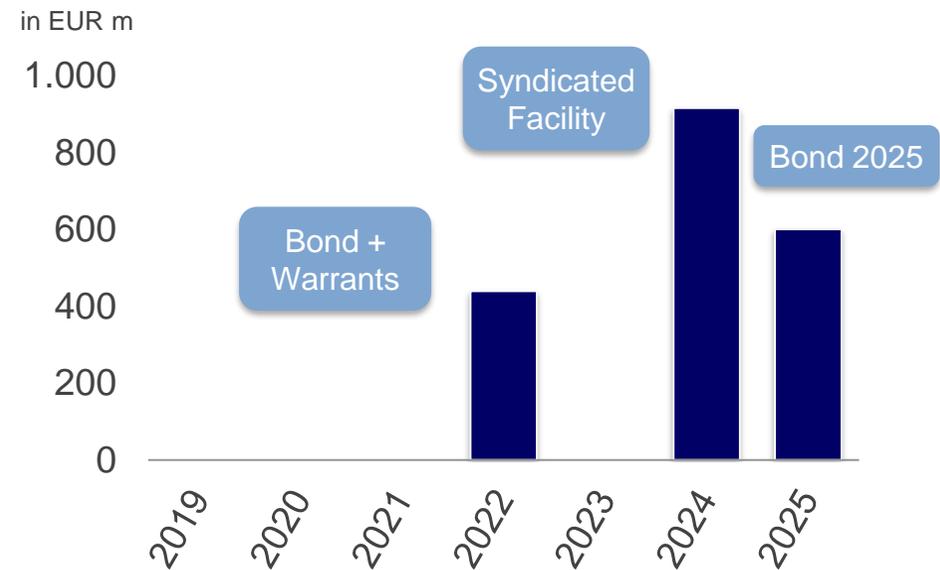
Financial stability of Brenntag Group

Leverage: Net debt/Operating EBITDA ¹⁾



- Constant leverage levels over period with M&A activity
- Investment-grade ratings from Standard & Poor’s (“BBB”) and Moody’s (“Baa3”)

Maturity profile as of June 30, 2019



- Long term balanced maturity profile

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

IFRS 16

Implementation of IFRS 16: Indicative implications on P&L and balance sheet

P&L

in EUR m	Indicative IFRS 16 impact on FY 2019	
Sales		Unchanged
Op. Gross Profit		Unchanged
Opex (Rent & Leases)	 ~ -100	Decrease
Op. EBITDA	 ~ +100	Increase
EPS	 ~ +/-0	Remain about stable

Balance Sheet

in EUR m	Indicative IFRS 16 impact on FY 2019	
Lease liabilities	 ~ +350	Increase
Right-of-use assets	 ~ +350	Increase

- In 2018: EUR 144m expenses for operating leases included in EBITDA
- IFRS 16: (most) rent & lease expenses will be re-classified to depreciation and interest expenses
- Positive impact on EBITDA
- Limited effect on EPS

- Leases have to be recognized as a right-of-use asset
- A corresponding liability will be recorded

FINANCIALS H1 2019

Income statement

in EUR m	H1 2019	H1 2018	Δ	Δ FX adjusted
Sales	6.436,6	6.190,2	4.0%	1.2%
Cost of materials	-5,025.5	-4,875.6	3.1%	
Operating gross profit	1,411.1	1,314.6	7.3%	4.2%
Operating expenses	-906.0	-876.7	3.3%	
Operating EBITDA	505.1	437.9	15.3%	12.0%
Operating EBITDA/Operating gross profit	35.8%	33.3%		
Net expenses from holding charges and special items	-0.6	-1.5		
Depreciation	-117.5	-58.0	102.6%	96.8%
EBITA	387.0	378.4	2.3%	-0.3%
Amortization ¹⁾	-25.5	-24.3	4.9%	2.0%
EBIT	361.5	354.1	2.1%	
Financial result	-49.8	-42.8	16.4%	
EBT	311.7	311.3	0.1%	
Profit after tax	230.6	224.3	2.8%	

1) Includes scheduled amortization of customer relationships amounting to EUR 19.1m in H1 2019 (EUR 19.7m in H1 2018 and EUR 40.7 million in 2018).

FINANCIALS H1 2019

Cash flow statement

in EUR m	H1 2019	H1 2018
Profit after tax	230.6	224.3
Depreciation & amortization	143.0	82.3
Income taxes	81.1	87.0
Income tax payments	-90.1	-83.8
Interest result	45.4	43.0
Interest payments (net)	-33.4	-21.6
Changes in current assets and liabilities	-63.0	-235.8
Changes in provisions	-3.1	-27.9
Other	-4.7	-7.0
Cash provided by operating activities	305.8	60.5

FINANCIALS H1 2019

Cash flow statement (continued)

in EUR m	H1 2019	H1 2018
Purchases of intangible assets and property, plant & equipment	-74.2	-72.5
Purchases of consolidated subsidiaries and other business units	-93.2	-69.2
Other	5.9	5.1
Cash used for investing activities	-161.5	-136.6
Profits distributed to non-controlling interests	-1.0	-1.0
Dividends paid to Brenntag shareholders	-185.4	-170.0
Repayment of (-)/proceeds from (+) borrowings (net)	-1.3	62.0
Cash used for financing activities	-187.7	-109.0
Change in cash & cash equivalents	-43.4	-185.1

FINANCIALS H1 2019

Free cash flow

in EUR m	H1 2019	H1 2018	Δ	Δ in %	2018
Operating EBITDA	505.1	437.9	67.2	15.3	875.5
Capex	-70.6	-65.1	-5.5	8.4	-172.2
Δ Working capital	-31.7	-197.2	165.5	-83.9	-178.1
Principal and interest payments on lease liabilities ¹⁾	-57.4	-	-	-	-
Free cash flow	345.4	175.6	169.8	96.7	525.2

1) On initial application of IFRS 16 at January 1, 2019, cash outflows for principal payments on lease liabilities and interest payments incurred in this context are deducted. In the prior-year figures, lease payments were still included in operating EBITDA through rental and lease expenses.