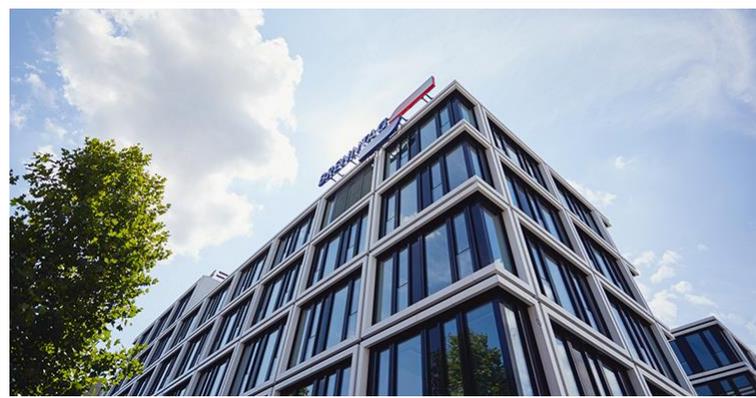


Connecting**Chemistry**



Full Year 2019 Results



4 March 2020

Conference call on FY 2019 results

Corporate Finance & Investor Relations

AGENDA

Full Year 2019 Results

- **Introduction – Christian Kohlpaintner, CEO**
- **Review & Financials 2019 – Georg Müller, CFO**
- **Outlook – Christian Kohlpaintner, CEO**
- **Appendix**

INTRODUCTION



Christian Kohlpaintner, CEO

- Chemist by education
- International career
- Career locations in Germany, North America, Switzerland and China
- More than 25 years of management expertise within broad range of functions
- Senior management positions at Hoechst, Celanese, Budenheim and Clariant

AGENDA

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REVIEW & FINANCIALS 2019

Highlights 2019

**Operating
Gross Profit**

+3.4% (fx adj.)

EUR 2,821.7m

**Operating
EBITDA**

+11.3% (fx adj.)

Supported by IFRS 16

EUR 1,001.5m

**Free cashflow
generation**

+59.4%

EUR 837.3m

EPS

EUR 3.02

Following EUR 2.98 on
year ago

**Resilient
business
model**

Strong cash flow
generation in difficult
market environment

**New approach
for Food &
Nutrition**

Business delivered above
average growth

**M&A strategy
executed**

EUR ~260m
(acquired EV in 2019)

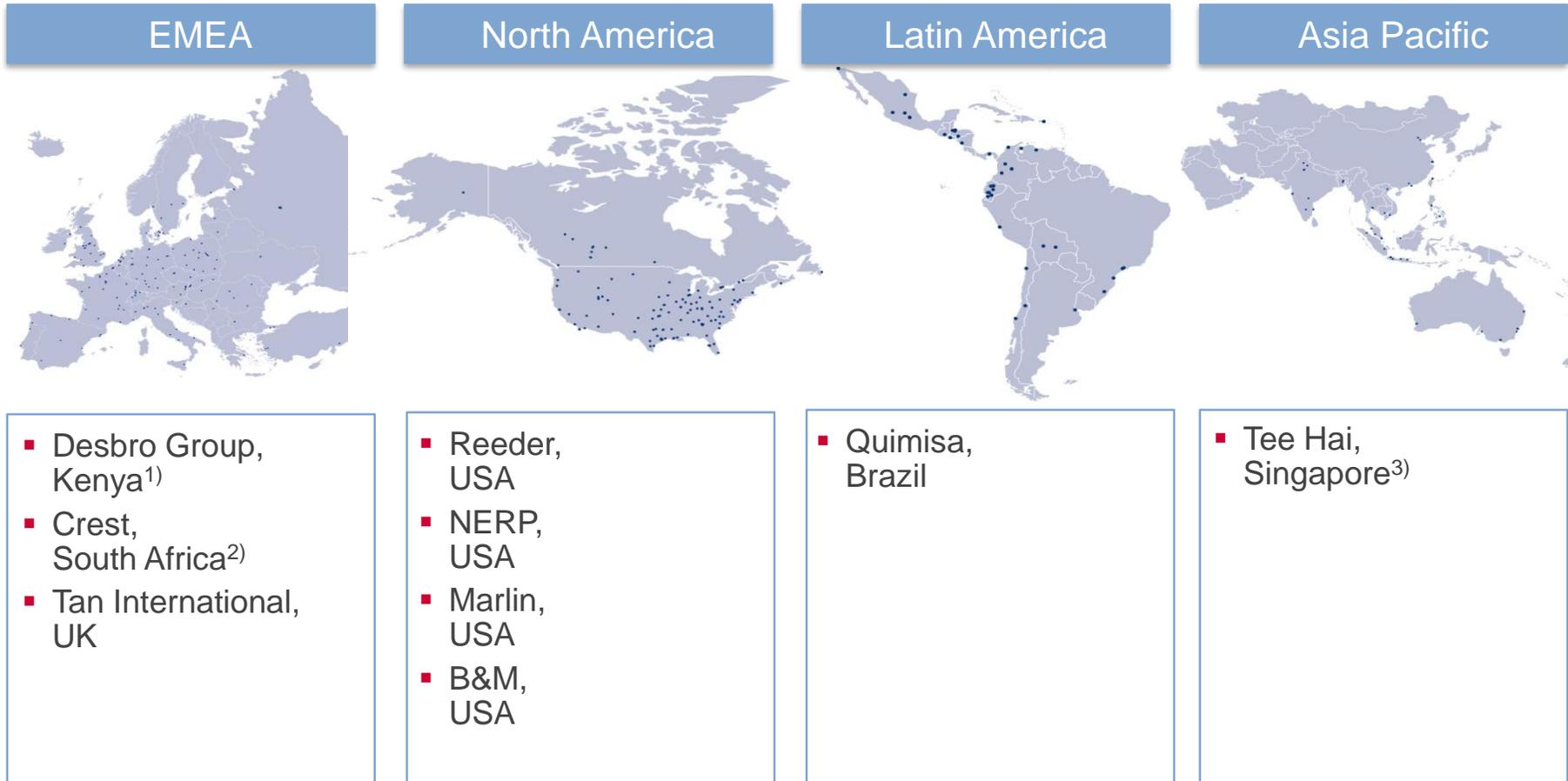
**Dividend
proposal**

EUR 1.25 DPS

9th consecutive increase

REVIEW & FINANCIALS 2019

Successful execution of acquisition strategy in all four regions



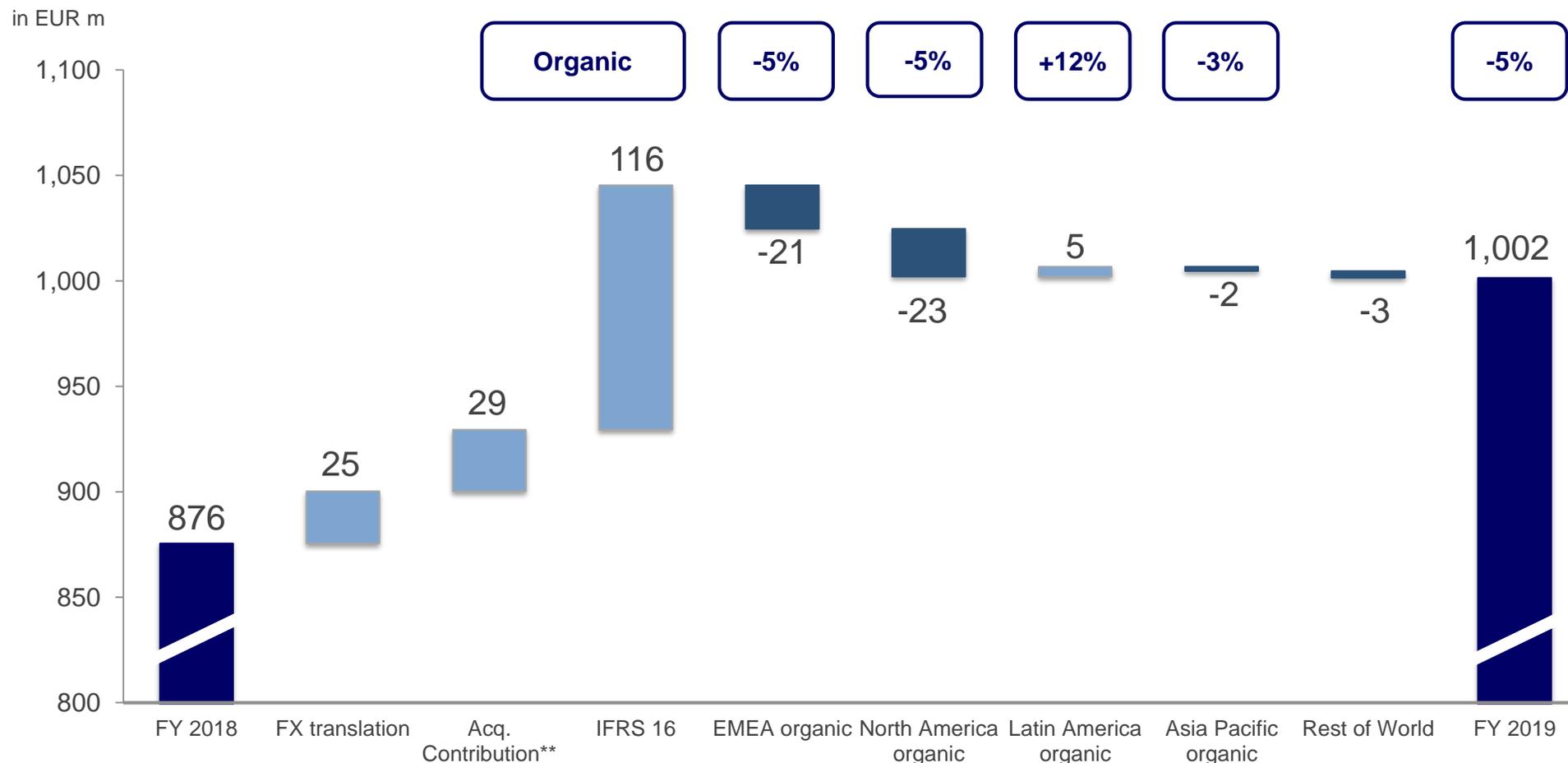
M&A 2019: Enterprise Value of ~EUR 260m closed⁴⁾

1) Acquisition was signed in 2018
 2) Acquisition of remaining 50% share

3) Acquisition of 51%
 4) Enterprise value for Tee Hai and Crest included on a pro rata basis for the shares acquired

REVIEW & FINANCIALS 2019

Operating EBITDA bridge*: FY 2018 to FY 2019



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

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

REVIEW & FINANCIALS 2019

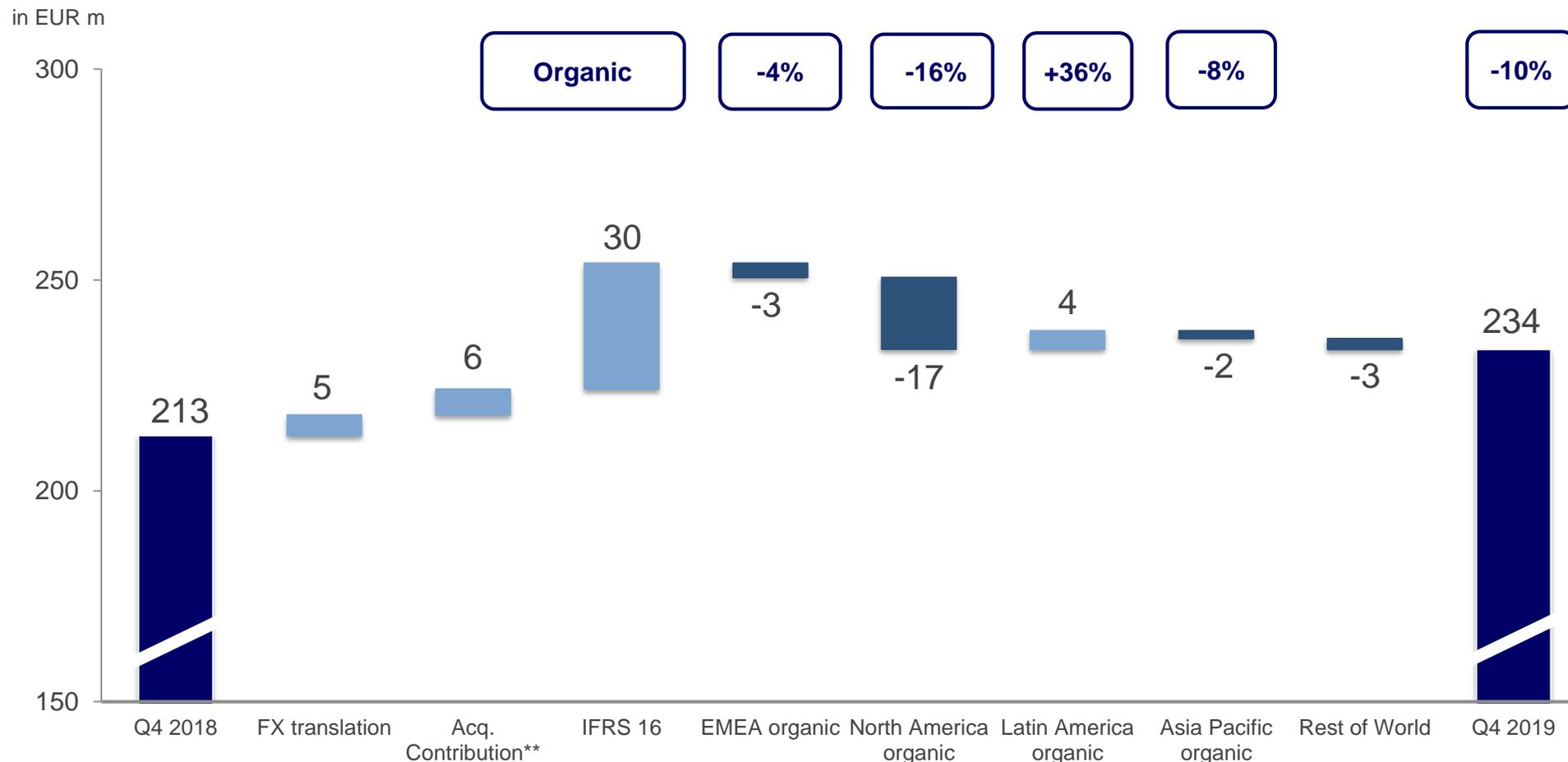
Segments FY 2019

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	FY 2019	1,141.6	1,216.8	177.0	266.8	19.5	2,821.7
	FY 2018	1,141.2	1,118.3	163.1	224.2	14.1	2,660.9
	Δ	0.0%	8.8%	8.5%	19.0%	38.3%	6.0%
	Δ FX adjusted	0.1%	3.4%	6.5%	14.7%	38.3%	3.4%
Operating EBITDA	FY 2019	406.3	474.8	55.9	101.1	-36.6	1,001.5
	FY 2018	385.5	409.6	39.9	77.9	-37.4	875.5
	Δ	5.4%	15.9%	40.1%	29.8%	-2.1%	14.4%
	Δ FX adjusted	5.6%	10.1%	38.0%	24.7%	-2.1%	11.3%
	IFRS 16 effect	41.6	53.0	8.8	8.7	3.9	116.0
	Δ ex. IFRS 16*	-5.2%	-2.2%	16.3%	13.9%	8.3%	-1.6%

* Growth rates are unaudited

REVIEW & FINANCIALS 2019

Operating EBITDA bridge*: Q4 2018 to Q4 2019



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

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

REVIEW & FINANCIALS 2019

Income statement below operating EBITDA

in EUR m	FY 2019	FY 2018	Δ
Operating EBITDA	1,001.5	875.5	14.4%
Special items	8.6	17.4	
Depreciation	-243.6	-122.0	99.7%
EBITA	766.5	770.9	-0.6%
Amortization ¹⁾	-49.6	-49.9	-0.6%
EBIT	716.9	721.0	-0.6%
Financial result	-83.5	-97.5	-14.4%
EBT	633.4	623.5	1.6%
Profit after tax	469.2	462.3	1.5%
EPS	3.02	2.98	1.3%

1) Includes scheduled amortization of customer relationships amounting to EUR 34.9 in 2019 (EUR 40.7m in 2018).

REVIEW & FINANCIALS 2019

Cash flow items

in EUR m	2019	2018	Δ	Δ
Operating EBITDA	1,001.5	875.5	126.0	14.4%
CAPEX	-205.2	-172.2	-33.0	19.2%
Δ Working capital	161.7	-178.1	339.8	-190.8%
Principal and interest payments on lease liabilities ¹⁾	-120.7			
Free cash flow	837.3	525.2	312.1	59.4%

Free Cash Flow**EUR 837m****Interest and tax payments****EUR -251m****Cash out for M&A****EUR -195m****Dividend paid****EUR -185m**

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.

REVIEW & FINANCIALS 2019

Balance Sheet and leverage

in EUR m	31 Dec 2019	30 Sep 2019	30 June 2019	31 Mar 2019	31 Dec 2018
Financial liabilities	2,160.6	2,223.2	2,268.6	2,165.0	2,155.7
./. Cash and cash equivalents	520.3	446.1	352.2	441.6	393.8
Net Debt	1,640.3	1,777.1	1,916.4	1,723.4	1,761.9
Net Debt/Operating EBITDA ¹⁾	1.9x	2.0x	2.2x	2.0x	2.0x
Equity	3,579.0	3,507.9	3,313.1	3,435.1	3,301.2



- Constant leverage levels over period with M&A activity
- Investment-grade ratings from Standard & Poor's ("BBB") and Moody's ("Baa3")
- Long term balanced maturity profile

1) Operating EBITDA for the quarters on LTM basis calculated without IFRS 16 effect.

REVIEW & FINANCIALS 2019

Working capital

in EUR m	31 Dec 2019	30 Sep 2019	30 June 2019	31 Mar 2019	31 Dec 2018
Inventories	1,176.5	1,280.6	1,250.5	1,214.3	1,195.8
+ Trade receivables	1,820.3	1,935.9	1,975.0	2,003.9	1,843.0
./. Trade payables	1,229.1	1,334.9	1,328.2	1,360.0	1,231.8
Working capital (end of period)	1,767.7	1,881.6	1,897.3	1,858.2	1,807.0
Working capital turnover (year-to-date) ¹⁾	7.0x	6.9x	6.9x	6.9x	7.3x
Working capital turnover (last twelve months) ²⁾	7.0x	6.9x	6.9x	7.1x	7.3x

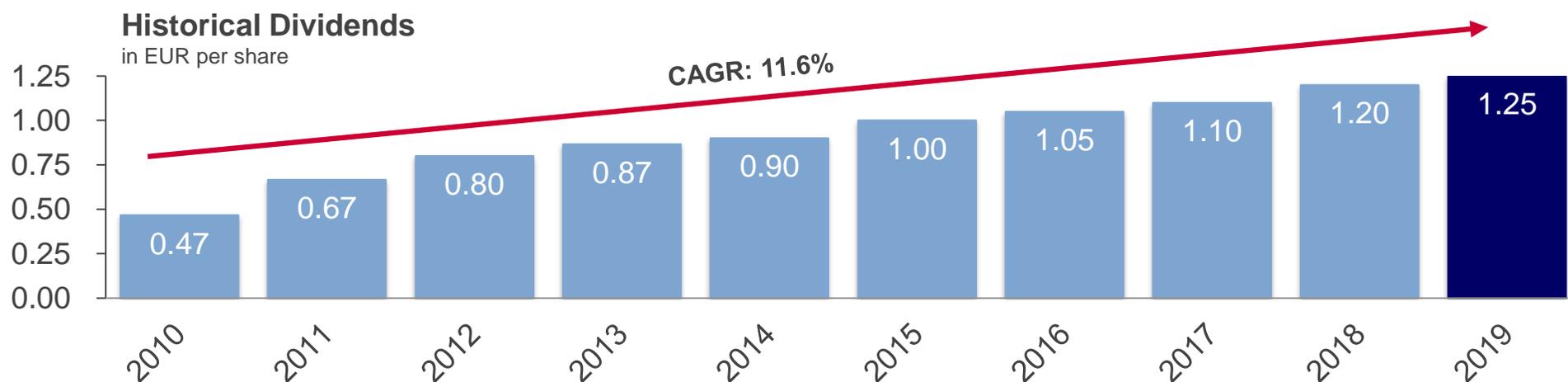
1) Using sales on year-to-date basis and average working capital year-to-date.

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

REVIEW & FINANCIALS 2019

Further dividend increase proposed

in EUR m	2019	2018	Δ
Profit after tax	469.2	462.3	1.5%
Less minority interest	2.5	1.4	
Profit after tax (consolidated) attributable to shareholders of Brenntag AG	466.7	460.9	1.3%
Proposed dividend payment	193.1	185.4	
Proposed dividend per share in EUR	1.25	1.20	4.2%
Payout ratio	41.4%	40.2%	



AGENDA

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INTRODUCTION AS NEW CEO

Active engagement with key stakeholders in first weeks as new CEO



9 Countries on
3 Continents visited



17 Townhall
Meetings held



Various Customer
and
Supplier Meetings



Video for Employees
across the Globe



Commitment to ongoing
Engagement with
Capital Market Participants

EVALUATION OF CURRENT SITUATION

**Brenntag is a healthy and well positioned company ...
but organic growth was subdued**

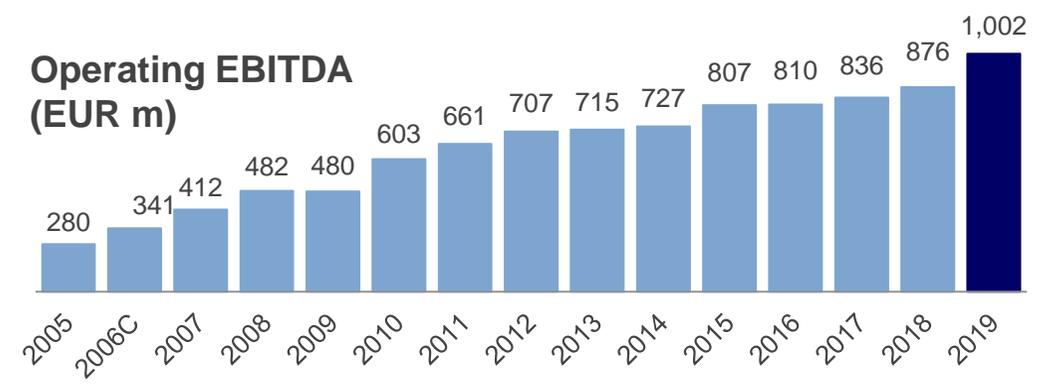


- Market leading position (globally and locally) ✓
- Strong relationship with partners ✓
- High diversification / Resilience ✓
- Strong cash conversion ✓
- M&A track record supported growth ✓
- Sound financial profile ✓

Organic growth has been lagging expectation for some years more recently

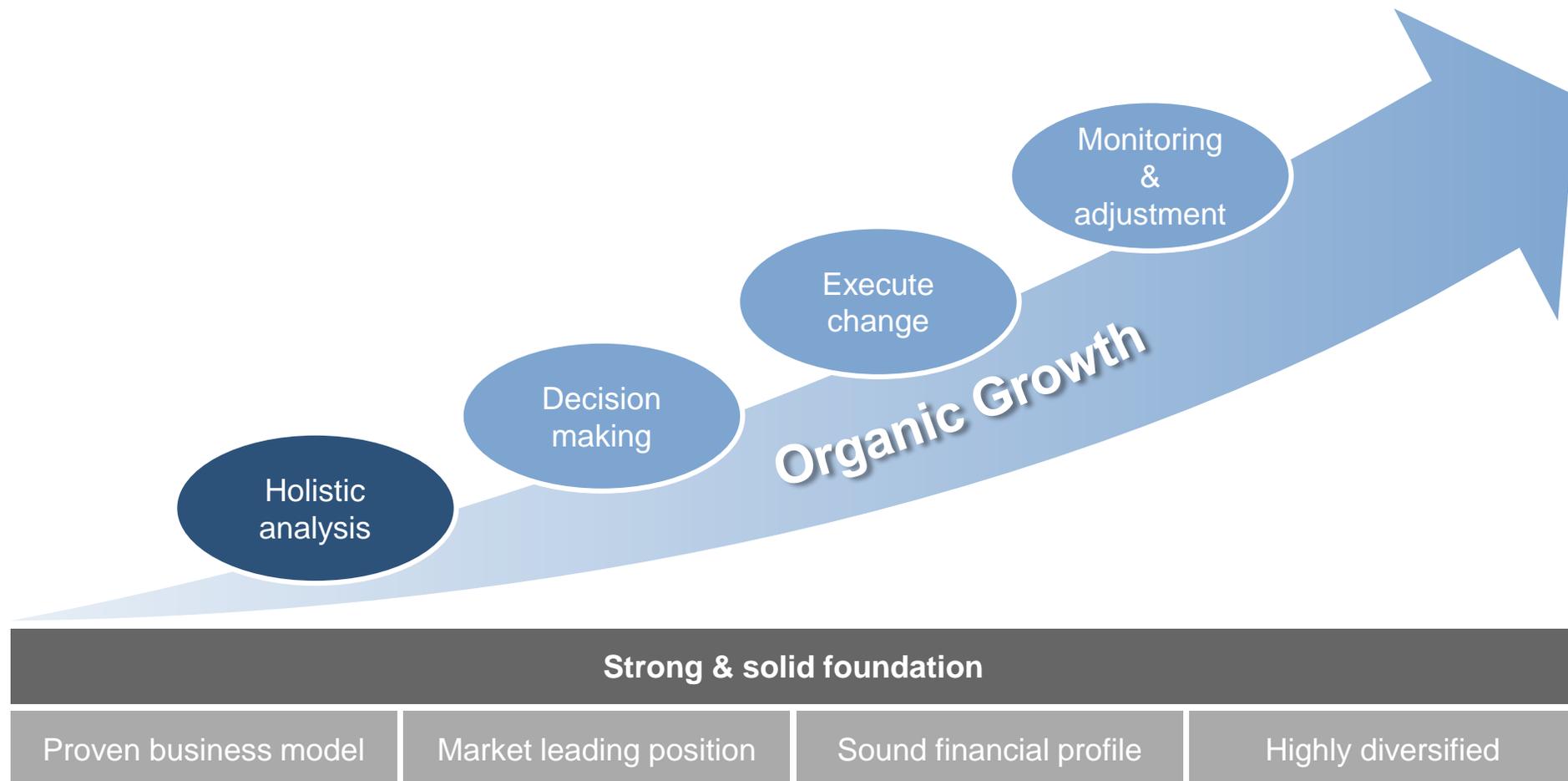
Indicative operating EBITDA (EUR m)

Expectation (indicative)



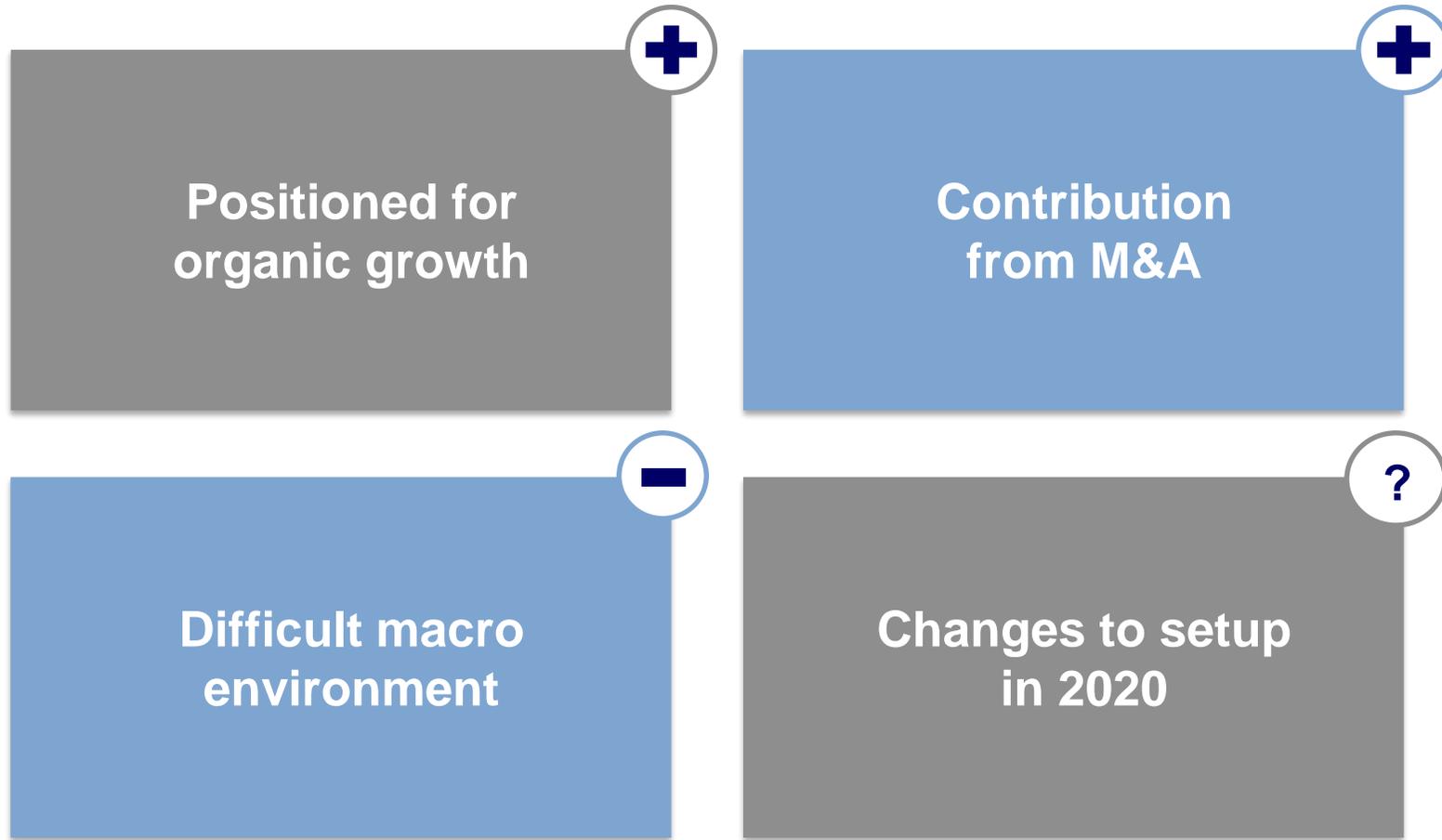
OUTLOOK

Our ambition is to bring Brenntag back to organic growth by building on our strong foundation



OUTLOOK

Outlook for 2020



OUTLOOK Roadmap 2020



THANK YOU FOR YOUR ATTENTION



Christian Kohlpaintner, CEO



Georg Müller, CFO

We are ready to answer your questions!

AGENDA

Full Year 2019 Results

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FINANCIALS 2019

Income statement

in EUR m	FY 2019	FY 2018	Δ	Δ FX adjusted
Sales	12,821.8	12,550.0	2.2%	-0.3%
Cost of materials	-10,000.1	-9,889.1	1.1%	
Operating gross profit	2,821.7	2,660.9	6.0%	3.4%
Operating expenses	-1,820.2	-1,785.4	1.9%	
Operating EBITDA	1,001.5	875.5	14.4%	11.3%
Op. EBITDA/Op. gross profit	35.5%	32.9%		

FINANCIALS 2019

Cash flow statement

in EUR m	FY 2019	FY 2018
Profit after tax	469.2	462.3
Depreciation & amortization	293.2	171.9
Income taxes	164.2	161.2
Income tax payments	-175.3	-150.6
Interest result	90.0	82.3
Interest payments (net)	-75.7	-80.0
Changes in current assets and liabilities	136.5	-230.7
Changes in provisions	0.9	-25.7
Other	-23.7	-15.4
Cash provided by operating activities	879.3	375.3

FINANCIALS 2019

Cash flow statement (continued)

in EUR m	FY 2019	FY 2018
Purchases of intangible assets and property, plant & equipment (PPE)	-204.0	-178.4
Purchases of consolidated subsidiaries and other business units	-194.9	-199.0
Proceeds from the disposal of consolidated subsidiaries and business units	14.7	68.2
Other	12.0	19.1
Cash used for investing activities	-372.2	-290.1
Purchases of companies already consolidated	-	-
Profits distributed to non-controlling interests	-1.5	-1.6
Dividends paid to Brenntag shareholders	-185.4	-170.0
Repayment of (-)/proceeds from (+) borrowings (net)	-196.5	-39.9
Cash used for financing activities	-383.4	-211.5
Change in cash & cash equivalents	123.7	-126.3

FINANCIALS Q4 2019

Income statement

in EUR m	Q4 2019	Q4 2018	Δ	Δ FX adjusted	2019
Sales	3,130.9	3,138.0	-0.2%	-1.4%	12,821.8
Cost of materials	-2,442.5	-2,469.7	-1.1%		-10,000.1
Operating Gross profit	688.4	668.3	3.0%	1.7%	2,821.7
Operating expenses	-454.8	-455.2	-0.1%		-1,820.2
Operating EBITDA	233.6	213.1	9.6%	7.9%	1,001.5
Op. EBITDA / op. gross profit	33.9%	31.9%			35.5%
Net expenses from holding charges and special items	0.0	19.1			8.6
Depreciation	-63.8	-33.8	88.8%		-243.6
EBITA	169.8	198.4	-14.4%		766.5
Amortization ¹⁾	-11.6	-12.6	-7.9%		-49.6
EBIT	158.2	185.8	-14.9%		716.9
Financial result	-10.5	-26.9	61.0%		-83.5
EBT	147.7	158.9	-7.0%		633.4
Profit after tax	110.2	127.5	-13.6%		469.2
EPS	0.71	0.82	-13.4%		3.02

1) Includes scheduled amortization of customer relationships amounting to EUR 6.8m in Q4 2019 (EUR 10.3m in Q4 2018 and EUR 34.9 million in 2019).

FINANCIALS Q4 2019

Cash flow statement

in EUR m	Q4 2019	Q4 2018	2019
Profit after tax	110.2	127.5	469.2
Depreciation & amortization	75.4	46.4	293.2
Income taxes	37.5	31.4	164.2
Income tax payments	-48.1	-28.3	-175.3
Interest result	22.7	19.3	90.0
Interest payments (net)	-20.4	-15.7	-75.7
Changes in current assets and liabilities	125.7	39.7	136.5
Changes in provisions	2.7	-1.6	0.9
Other	-21.7	-27.4	-23.7
Cash provided by operating activities	284.0	191.3	879.3

FINANCIALS Q4 2019

Cash flow statement (continued)

in EUR m	Q4 2019	Q4 2018	2019
Purchases of intangible assets and property, plant & equipment (PPE)	-77.9	-64.7	-204.0
Purchases of consolidated subsidiaries and other business units	-77.5	-20.9	-194.9
Proceeds from the disposal of consolidated subsidiaries and business units	14.7	68.2	14.7
Other	3.6	13.0	12.0
Cash used for investing activities	-137.1	-4.4	-372.2
Purchases of companies already consolidated	-	-	-
Profits distributed to non-controlling interests	-0.5	-0.6	-1.5
Dividends paid to Brenntag shareholders	-	-	-185.4
Repayment of (-)/proceeds from (+) borrowings (net)	-67.3	-146.2	-196.5
Cash used for financing activities	-67.8	-146.8	-383.4
Change in cash & cash equivalents	79.1	40.1	123.7

FINANCIALS Q4 2019

Free cash flow

in EUR m	Q4 2019	Q4 2018	Δ	Δ	2019
Operating EBITDA	233.6	213.1	20.5	9.6%	1,001.5
CAPEX	-84.2	-67.5	-16.7	24.7%	-205.2
Δ Working capital	128.5	53.6	74.9	139.7%	161.7
Principal and interest payments on lease liabilities ¹⁾	-31.9				-120.7
Free cash flow	246.0	199.2	46.8	23.5%	837.3

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 Q4 2019

Segments Q4

in EUR m		EMEA	North America	Latin America	Asia Pacific	All other segments	Group
Operating gross profit	Q4 2019	275.6	292.3	45.1	70.7	4.7	688.4
	Q4 2018	273.2	289.1	42.4	60.6	3.0	668.3
	Δ	0.9%	1.1%	6.4%	16.7%	56.7%	3.0%
	Δ FX adjusted	0.6%	-0.9%	5.9%	13.5%	56.7%	1.7%
Operating EBITDA	Q4 2019	92.6	103.9	18.4	28.8	-10.1	233.6
	Q4 2018	85.2	101.6	11.9	22.9	-8.5	213.1
	Δ	8.7%	2.3%	54.8%	25.8%	18.8%	9.6%
	Δ FX adjusted	7.7%	0.5%	51.0%	22.1%	17.4%	7.9%
	IFRS 16 effect	11.4	13.5	1.5	2.4	1.1	29.9
	Δ ex. IFRS 16*	-5.7%	-13.9%	40.2%	11.5%	30.2%	-6.6%

IFRS 16

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

P&L			Balance Sheet		
in EUR m	IFRS 16 impact on FY 2019		in EUR m	IFRS 16 impact on FY 2019	
Sales	→	Unchanged	Lease liabilities	↑ +420 ¹⁾	Increase
Op. Gross Profit	→	Unchanged	Right-of-use assets	↑ +412 ¹⁾	Increase
Opex (Rent & Leases)	↓	~ -116 Decrease			
Op. EBITDA	↑	~ +116 Increase			
EPS	→	~ +/-0 Remain about stable			

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